



Press Release

Indiabulls Infraestate Limited (IIL)

November 15, 2021

Update on change in CE rating

Ratings

Sl. No.	Instrument/Facility	Amount (INR Crore)	Current Rating	Previous Rating	Rating Action
1.	Long Term Facility – NCBs/NCDs*	300.00^ (present outstanding INR174.00)	IVR AA-(CE);CWDI [IVR Double A Minus (Credit Enhancement) under CWDI]**	IVR AA-(CE)/Stable; [IVR Double A Minus (Credit Enhancement) with Stable Outlook]**	Placed on CWDI
2.	Proposed Long Term Facility – NCBs/NCDs	350.00@ (Reduced from INR 650.00 crore)	IVR AA-(CE);CWDI; [IVR Double A Minus (Credit Enhancement) under CWDI]***	IVR AA-(CE)/Stable; [IVR Double A Minus (Credit Enhancement) with Stable Outlook]***	Placed on CWDI
Total		650.00			

CWDI: Credit watch with developing implications

Unsupported Rating: IVR A-; Credit watch with developing implications) (IVR Single A Minus; Credit watch with developing implications)

*NCBs/NCDs: Non-Convertible Bonds/ Non-Convertible Debentures.

**CE Rating based on unconditional & irrevocable Corporate Guarantee extended by Indiabulls Real Estate Ltd.

*** CE Rating based on unconditional & irrevocable Corporate Guarantee proposed to be extended by Indiabulls Real Estate Ltd.

^The company has raised INR 300.00 Crores of Senior, Secured, Non-Cumulative, Redeemable, Taxable, Rated Non-Convertible Debentures and the current principal outstanding for the said NCBs/NCDs is INR 174.00 crores. (ISIN: INE741X07036)

@ Out of the proposed NCBs/NCDs of INR 350.00 crores the company is planning to raise INR 100.00 crores via issue of Senior, Secured, Non-Cumulative, Redeemable, Taxable, Rated, Listed Securities in the form of Non-Convertible Debentures.



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Detailed Rationale

Infomerics in its PR dated: 12th November 2021 has affirmed the rating of unconditional & irrevocable Corporate Guarantor Indiabulls Real Estate Limited at IVR AA- and placed under Credit watch with developing implications [IVR Double A Minus with Credit watch with developing implications Outlook] and short term rating of IVR A1+ with Credit watch with developing implications [IVR A1 Plus with Credit watch with developing implications]. As IIL rating is based on explicit credit enhancement in the form of Corporate Guarantee/proposed Corporate Guarantee provided by IBRL, the rating of IIL is revised to IVR AA-(CE) under Credit watch with developing implications [IVR Double A Minus (Credit Enhancement) under Credit watch with developing implications] and continue with unsupported rating of IIL with IVR A- (Credit watch with developing implications) [IVR Single A Minus (Credit watch with developing implications)].

For immediately preceding Press Release published on Infomerics website: click the link below

[Indiabulls Infraestate Limited \(IIL\) PR dated October 01, 2021](#)

Analytical Approach:

Unsupported Rating: Standalone

Credit Enhancement (CE) rating: Assessment of the credit profile of Indiabulls Real Estate Limited, proposed provider/provider of unconditional and irrevocable corporate guarantee corporate guarantee to the bank facilities of IIL.

Applicable Criteria:

Rating Methodology for Real Estate entities

Financial Ratios & Interpretation (Non-Financial Sector)

About the Company

Incorporated in January 2007, Indiabulls Infraestate Limited (IIL) is a wholly owned subsidiary of Indiabulls Real Estate Limited (IREL). Presently, it is engaged into developing a residential township project named as 'Indiabulls BLU Estate & Club' which is spread over 10.00 acres of area in the Southern part of Mumbai. The total saleable area of the launched project is



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~21.02 lakh sq. feet. It consists of 5 towers, of which 4 have received its OC, while the 5th (Tower E) is in the early stages of construction and is expected to be completed by December 2024.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None Rating History for last three years:

Sl. No.	Name of Instrument/ Facilities	Current Rating (Year 2021-20)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21 (December 30 th , 2020)	Date(s) & Rating(s) assigned in 2020-21 (October 08 th , 2020)	Date(s) & Rating(s) assigned in 2019-20 (December 25 th , 2019)
1.	Long Term Facility – NCD/NCB	Long Term	300.00 (present outstanding INR174.00)	IVR AA-(CE)/Stable; [IVR Double A Minus (Credit Enhancement) with Credit Watch with Developing Implications]**	IVR AA-(CE)/Stable; [IVR Double A Minus (Credit Enhancement) with Stable Outlook]	--	--



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2.	Proposed Long Term Facility – Proposed NCD/NCB	Long Term	350.00 (Reduced from INR 650.00 crore)	IVR AA-(CE)/Stable; [IVR Double A Minus (Credit Enhancement) with Credit Watch with Developing Implications]***	IVR AA-(CE)/Stable; [IVR Double A Minus (Credit Enhancement) with Stable Outlook]	--	--
3.	Long Term Facility – NCB/NCB	Long Term	300.00	--	Withdrawn	IVR AA-(CE)/Stable (Credit Enhancement)	IVR AA-(CE)/Stable (Credit Enhancement)

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

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Annexure 1: Details of Facilities: Not Applicable

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details (Hyperlink to be added)

Annexure 4: Detailed explanation of covenants of the rated instruments:

Synopsis of the Term Sheet - Amount: INR 300.00 crores

Security Description	Senior, Secured, Non-Cumulative, Redeemable, Taxable, Rated, Listed Securities in the form of Non-Convertible Debentures (the "Debentures" or "NCDs") issued on private placement
Quantity	3000
Face Value/Paid Up Value	Rs. 10,00,000/-
Rate of Interest	11.50% PA payable per month
Date(s) of Payment of Interest	Monthly starting from June 30, 2021 and at the end of the tenor along with the Final redemption.
Date of Allotment	11 th June 2021
Date of Redemption	Tenor upto 25 months from the date of allotment
ISIN Number	INE741X07036



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Synopsis of the Indicative Term Sheet - Amount: INR 350.00 crores

Borrower/Issuer	Indiabulls Infraestate Ltd ('Company')
Promoter/Sponsor	Indiabulls Real Estate Limited
Facility Size	Up to INR 350.00 Crore; in multiple tranches or series
Objects of the Issue	Proceeds will be used for project expenses & general corporate purposes of the Borrower/ Sponsor group other than as barred under extant regulations.
Tenure	Maximum up to 30 months from the First Date of Disbursement ('FDD'). There may be multiple series with differing / staggered maturity profiles within the overall proposed Facility; door to door tenor not exceeding 36M
Indicative Pricing	16% PAPM.
Coupon Payment Frequency	Monthly
Repayment	Principal moratorium of 18 Months & 80% of all cash flows arising out of Secured Asset/s shall be adjusted towards repayment of outstanding principal liabilities.

Annexure 5: Complexity level of the rated Instruments/Facilities

Sr No.	Instrument	Complexity Indicator
1.	NCBs/NCDs	Simple

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.