



Press Release

India Home Loan Limited

May 12, 2025

This is to reference to the press release dated February 07,2025. The revised press release stands as below: The revised press release consists of additional details as mentioned below as per regulatory guidelines.

- The revised press release stands corrected with respect to CRAR for FY24 which was incorrectly mentioned as 55.55% instead of 70.87%.
- The revised press release stands corrected with respect to change in rating action which was incorrectly mentioned as "Rating removed from Issuer Not Cooperating category" instead of " Rating reaffirmed and removed from Issuer Not Cooperating category".

Link to press release dated February 07,2025, published on Infomerics' website:

<https://www.infomerics.com/admin/uploads/pr-india-homeloan-7feb25.pdf>

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Facilities-Term Loan	34.29	IVR D	IVR D; ISSUER NOT COOPERATING	Rating Reaffirmed and removed from 'Issuer Not Cooperating category'	Simple
Non-Convertible Debenture	19.93	IVR D	IVR D; ISSUER NOT COOPERATING	Rating Reaffirmed and removed from 'Issuer Not	Simple



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				Cooperating category'	
Long Term Bank Facilities- Dropline OD	0.00*	--	IVR D; ISSUER NOT COOPERATING	Rating Withdrawn*	Simple
Total	54.22 (Rs. Fifty-Four Crore and Twenty-Two lakhs Only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

**Bank facilities that was rated in last rating exercise has been fully repaid and NDC (No dues certificate) has been provided by the IHLL. Withdrawal is at the request of the company and is in line with Infomerics policy of withdrawal.*

Detailed Rationale

Infomerics Ratings has reaffirmed its rating to the bank facilities and debt instruments of India Home Loan Limited (IHLL). The ratings have also been removed from Issuer Not Cooperating category.

The reaffirmation of ratings takes into account the ongoing delays in servicing the debt obligation as confirmed by the banker and debenture trustee. The banker has also confirmed that the account has been classified as NPA account.

The withdrawal for the rating of Long-Term Bank Facilities- Dropline OD facilities has been taken at the request of IHLL and 'No Due Certificate' received from the lender that have extended the facilities rated by Infomerics. The ratings are withdrawn in accordance with Infomerics' policy on withdrawal.

Key Rating Sensitivities:

Upward Factors

- Timely servicing of debt obligations for minimum of 90 days



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List of Key Rating Drivers with Detailed Description

A. Key Rating Weaknesses

- **Delays in Debt Servicing**

There are various instances of irregularities in the account and the same has been classified in NPA category as confirmed by the lenders.

- **Sustained decline in AUM coupled with poor earning profile**

Significant decline in IHLL's Assets Under Management (AUM), which decreased by ~43% year-on-year, standing at Rs. 55.76 crore as of FY24 (compared to Rs. 97.57 crore in FY23). This decline reflects challenges in fund availability and a weak liquidity position. Additionally, IHLL's earnings profile remained subdued, with net interest income dropping by around 80% to Rs. 2.03 crore in FY24 (down from Rs. 10.28 crore in FY23), leading to a decline in net interest margin to 2.65% in FY24, compared to 8.14% in FY23.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Financial Institutions/NBFCs](#)

[Criteria for assigning Rating outlook.](#)

[Complexity Level of Rated Instrument/Facilities](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Financial Ratios & Interpretation \(Financial Sector\)](#)

[Policy of Withdrawal of Rating](#)



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Liquidity – Poor

The liquidity position of IHLL is poor as they unable to repay its debts on timely basis. IHLL has defaulted in debt servicing on various occasions in last 12 months and the account has been classified in NPA category as confirmed by the lenders.

About the Company

The company was initially incorporated as ‘Manoj Housing Finance Co. Ltd.’ in 1990, which was later acquired in 2008 by Mr. Mahesh Pujara and his associates, where the name was subsequently changed to India Home Loan Limited (IHLL). IHLL is registered as a non-deposit taking Housing Finance Company with the National Housing Bank (NHB) and qualifies for Priority Sector Lending as per RBI guidelines and is listed on the Bombay Stock Exchange since 1995. IHLL operates through its head office in Mumbai with the central branch in Ahmedabad and overall has 13 branches spread across districts of Maharashtra, Gujarat, and Rajasthan.

Financials (Standalone):

For the year ended* / As on	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	23.19	12.11
PAT	0.61	(3.44)
Tangible Net worth	44.43	41.11
Total loan Assets/AUM	97.57	55.76
<u>Ratios</u>		
NIM (%)	8.14	2.65
ROTA (%)	0.39	(2.90)
Interest Coverage (times)	1.08	0.65
Total CRAR (%)	53.63%	70.87%
Gross NPA [Stage III] (%)	4.60%	3.63%
Net NPA [Stage III] (%)	3.93%	2.61%

** Classification as per Infomerics' standards*



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Status of non-cooperation with previous CRA:

CARE ratings have continued to classify the company under ISSUER NOT CO-OPERATING category vide PR dated July 10, 2024, on account of lack of adequate information.

Any other information:

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					-	-	-
1.	Fund based Facilities – Term Loan	Long Term	34.29	IVR D (February 07,2025) IVR D; Issuer Not Cooperating (October 15,2024)	IVR D (October 25,2023) IVR D; Issuer Not Cooperating (June 28,2023)	IVR D (July 14,2022)	IVR D (July 15, 2021) IVR BBB-/ Credit watch with developing Implications (June 30,2021) IVR BBB-/ Credit watch with developing Implications (June 25,2021)
2.	Non-Convertible Debentures	Long Term	19.93	IVR D (February 07,2025) IVR D; Issuer Not Cooperating (October 15,2024)	IVR D (October 25,2023) IVR D; Issuer Not Cooperating (June 28,2023)	IVR C (July 14,2022)	IVR C (July 15,2021) IVR BBB-/ Credit watch with developing Implications (June 30,2021)



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					-	-	-
3.	Fund based Facilities- Dropline OD	Long Term	0.00	Withdrawn* (February 07,2025) IVR D; Issuer Not Cooperating (October 15,2024)	IVR D (October 25,2023) IVR D; Issuer Not Cooperating (June 28,2023)	IVR D (July 14,2022)	-

**Bank facilities that was rated in last rating exercise has been fully repaid and NDC (No dues certificate) has been provided by the IHLL.*

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



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Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Instrument/Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Listing Status	Rating Assigned/ Outlook
Long Term Bank Facilities- Term Loan	-	-	-	May 2028	34.29	-	IVR D
Non-Convertible Debenture	INE274E07012	June 30, 2020	11.00%	Up to June 2023	19.93	listed	IVR D

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-india-homeloan-feb25.pdf>



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Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

Nature of the Instrument Non-Convertible Debenture	Detailed Explanation
ISIN Number	INE274E07012
Date of Issuance	30-Jun-20
Coupon Rate	11% P.A.
Maturity Date	30-Jun-23
Face Value	The Debentures are being offered at face value of INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture.
Mode of Payment	Credit through RTGS system, wherein the subscription amounts on the Debentures should be paid into the account set out in the Application Form
Mode of Repayment	Electronic mode of transfer like RTGS/INEFT/direct credit.
Business Day Convention	<p>a) If any due date on which any interest or additional interest is payable falls on a day which is not a business day, the payment to be made on such due date shall be made on the succeeding business day</p> <p>b) If any due date on which any Outstanding Principal Amounts are payable falls on a day which is not a business day, the payment to be made on such due date shall be made on the preceding business day</p> <p>c) If the Final Redemption Date falls on a day which is not a business day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding business day.</p>
Purpose and objects of the Issue/Offer	To raise debt to the extent of up to Rs. 20,00,00,000/- (Rupees Twenty Crores only).



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	<p>a) The funds raised by the Issue shall be utilized by the Company solely for general corporate purposes of the Company and in the ordinary course of business of the company (including repayment of any existing Financial Indebtedness).</p> <p>b) The Company shall not use the proceeds of the Issue towards:</p> <ul style="list-style-type: none">i. any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities.ii. any speculative purposes.iii. any activity specified by the investors.iv. any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DBR.BP.BC.No.5/21.04.172/2015-16 dated July 1, 2015 on "Bank Finance to Non-Banking Financial Companies (NBFCs)"; and/or <p>in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the Supervisory Authorities).</p>
Principal terms of assets charged as (a) security, if applicable	<p>a) The Debentures shall be collateralized on or prior to the 90 (ninety) calendar days from Deemed Date of Allotment ("Initial Security Creation Date") by way of (A) a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Deemed Date of</p>



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	<p>Allotment, executed or to be executed and delivered by the Company in a form acceptable to the Debenture Trustee ("Deed of Hypothecation") over the book debts/loan receivables of the Company as described therein (the "Charged Receivables"), and (B) such other security interest as may be agreed between the Company and the Debenture Holders «A) and (B) above are collectively referred to as the "Transaction Security").</p> <p>b) Commencing from the Initial Security Creation Date, the charge over the Charged Receivables shall at all times be (A) at least 1.05 (one decimal zero five) times the value of the principal amounts outstanding under the Debentures together with any accrued Interest, additional interests, costs, fees, charges, and other amounts payable by the Company in respect of the Debentures ("Outstanding Amounts"), and (B) the value of the principal receivables of the book debts/loan receivables comprising the Charged Receivables shall be at least 1.05 (one decimal zero five) times the value of the Outstanding Amounts (collectively, the "Security Cover"). The Security Cover shall be maintained at all times commencing from the Initial Security Creation Date until the date on which all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever obligations of the Company to the Debenture Holders and the Debenture Trustee ("Secured Obligations") have been irrevocably and unconditionally paid and discharged in</p>
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	<p>full to the satisfaction of the Debenture Trustee and Debenture Holders. The value of the Charged Receivables for this purpose shall be the amount reflected in the value thereof in the books of accounts of the Company.</p> <p>c) The Debenture Trustee may invoke our claim under any of the personal guarantees provided by the Personal Guarantors, without being obligated or having to take recourse to the other Personal Guarantor.</p> <p>d) It is hereby clarified that each of the Personal Guarantors are jointly and severally liable in respect of the obligations of the Company under the DTD, and any action or proceedings initiated by the Debenture Trustee against anyone of the Personal Guarantor will not in any way impact, diminish, discharge or waive off the liabilities of the other Personal Guarantor.</p> <p>e) The Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:</p> <ol style="list-style-type: none">All the Charged Receivables that will be charged to the Debenture Trustee shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to the security in respect of the Debentures and be dealt with only under the directions of the Debenture Trustee.
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	<p>ii. The Company shall not create any charge, lien or other encumbrance upon or over the Charged Receivables or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the security in respect of the Debentures.</p> <p>iii. The Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the security in respect of the Debentures and to maintain the same undiminished and claim reimbursement thereof.</p> <p>iv. To create the security over the Charged Receivables as contemplated in the DID on or prior to the Initial Security Creation Date by executing the required duly stamped documents/instruments and to register and perfect the security interest created thereunder by filing Form CHG-9 with the ROC and by ensuring and procuring that the Debenture Trustee files Form I with Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) in relation thereto as soon as practicable and no later than 30 (thirty) calendar days from the date of creation of security pursuant to the Deed of Hypothecation;</p>
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	<p>v. Commencing from the Initial Security Creation Date until the Secured Obligations are irrevocable and unconditionally discharged, the Company shall, within 10 (ten) calendar days of the end of each month, provide a list of specific loan receivables/identified book debts over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover to the Debenture Holders and the Debenture Trustee;</p> <p>vi. The Company shall, within the timelines prescribed in the Deed of Hypothecation, add fresh receivables to the Charged Receivables so as to ensure that the Security Cover is maintained or to' replace such Charged Receivables that do not satisfy the eligibility criteria prescribed in the Deed of Hypothecation. Without prejudice to the foregoing, the Company will replace all book debts/loan receivables comprising the Charged Receivables that are overdue by 90 (ninety) days or more with fresh book debts/loan receivables that fulfil the eligibility criteria prescribed in the Deed of Hypothecation promptly and in no case later than 15 (fifteen) business days of any book debts/loan receivables becoming overdue by 90 (ninety) days or more;</p>
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	<p>vii. The Company shall, on a half yearly basis, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Charged Receivables from time to time and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Charged Receivables.</p> <p>viii. Commencing from the Initial Security Creation Date, the security interest created on the Charged Receivables shall be a continuing security</p> <p>ix. Commencing from the Initial Security Creation Date, the Charged Receivables shall satisfy the eligibility criteria set out in the Deed of Hypothecation</p>
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Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

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.