



Infomerics Valuation And Rating Pvt. Ltd.

Press Release

Indiabulls Liquid Fund

September 14, 2017

Rating

Instrument / Facility	Rating	Rating Action
Indiabulls Liquid Fund	IVR AAAMfs (IVR Triple A mfs)	Assigned

Details of Instrument / Facility are in Annexure 1

Infomerics has assigned the credit quality rating of 'IVR AAAMfs' (pronounced IVR Triple A mfs) to Indiabulls Liquid Fund. The schemes with this rating are considered to have the highest degree of safety regarding timely receipt of payments from the investments that they have made.

The rating indicates INFOMERICS' opinion on the credit quality of the underlying portfolio of debt securities that are held by the fund. The rating pertains to the specific Debt Mutual Fund scheme. The rating does not indicate the AMC's willingness, or ability, to make timely payments to the fund's investors. The rating is also not an opinion on the fund's prospective performance, net asset value (NAV) or yield of the fund. The NAV may vary with developments in the market.

Rating Rationale

The rating derives comfort from the credit worthiness of the underlying portfolio. The credit scores are assigned to the individual securities as per the credit worthiness of the security. The credit scores are then multiplied by the proportion of the security in the scheme to arrive at the weighted average credit score. The rating of the fund is primarily driven by the weighted average credit score. Apart from this, the assigned rating also takes in to account the quality of investment manager (AMC) and strength of the sponsor.

List of Key Rating Drivers

- Credit worthiness of the underlying portfolio
- Quality of the AMC



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➤ **Strength of the sponsor**

Analytical Approach and Applicable Criteria: Credit Quality Rating Methodology for Mutual Funds

About the Fund

Indiabulls Liquid Fund (IBLF) is a short-term open ended fund which was launched in October 2011. The investment objective of the fund is to generate returns commensurate with low risk, the scheme would predominantly invest in money market instruments. The fund intends to provide a high level of liquidity with returns commensurate with low risk through a portfolio of money market and debt securities with maturity of up to 91 days. The fund's assets under management (AUM) stood at Rs.6882 crore as on August 31, 2017.

About the AMC

Indiabulls AMC is the Investment Manager of IBLF. It manages 10 mutual fund schemes with an AUM of Rs.10,820 crore as on March 31, 2017. The risk management policy of the AMC lays down the methodology for the identification, measurement, monitoring and management of risks. The risk management policy is put into action through various oversight bodies such as Risk Management Committee, Investment Management Committee and Valuation Committee.

About the sponsor

The sponsor is Indiabulls Housing Finance Ltd. IBHFL is registered with National Housing Bank (NHB) and is engaged in the business of mortgage finance (home loans & loan against property) and corporate loans (mainly to real estate developers). IBHFL is one of the leading housing finance companies in India. IBHFL has presence in mortgage loans (housing loans and LAP), corporate loans (mainly in the nature of short-term secured bridge loans, project finance and lease rent discounting) and commercial vehicle financing. IBHFL is present across 220 locations spreading across 20 States and /or Union Territories of India. IBHFL reported a total revenue of Rs.11,702 crore and PAT of Rs.2,906 crore for FY2017. As on



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March 31, 2017, its networth stood at Rs.12,122 crore and it had a total AUM of Rs.91,301 crore.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Nil

Rating History for last three years: 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.

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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.

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, suspend 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.



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Annexure 1: Details of Instrument / Facility

Name of Instrument / Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crores)	Rating Assigned/ Outlook
Indiabulls Liquid Fund	-	-	-	-	IVR AAAmfs