

May 04, 2023

## IndoStar Home Finance Private Limited: Rating withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial paper programme	200	-	[ICRA]A1+ Rating watch with negative implications; Withdrawn
<b>Total</b>	<b>200</b>	<b>-</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has withdrawn the rating assigned to the commercial paper programme of IndoStar Home Finance Private Limited (IHFPL) at the company's request as no amount is outstanding against the instrument. This is in accordance with ICRA's policy on the withdrawal of credit ratings. The key rating drivers and their description, liquidity position, rating sensitivities, and key financial indicators have not been captured as the related instrument has been withdrawn. The previous detailed rating rationale is available at the following link: [Click Here](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Rating Methodology for Non-banking Finance Companies</a> <a href="#">Rating Approach – Consolidation</a> <a href="#">Policy on Withdrawal of Credit Ratings</a>
Parent/Group support	-
Consolidation/Standalone	Consolidation; to arrive at the rating, ICRA has taken a consolidated view of the credit profiles of IndoStar Capital Finance Limited (IndoStar) and its subsidiary – IndoStar Home Finance Private Limited (IHFPL), referred to as the Group or IndoStar, owing to the common management, shared infrastructure, as well as the strategic importance of IHFPL to the Group.

### About the company

Incorporated in January 2016, IndoStar Home Finance Private Limited (IHFPL) is a housing finance company (HFC). It is a wholly-owned subsidiary of IndoStar Capital Finance Limited (IndoStar). IHFPL offers housing loans with a focus on the affordable housing segment, with ticket sizes ranging from Rs. 3 lakh to Rs. 30 lakh. As of March 31, 2022, its on-book loan portfolio stood at Rs. 1,223 crore compared to Rs. 846 crore in March 2021 and Rs. 748 crore in March 2020. The loan book is currently split equally between the salaried and self-employed segments while 84% is concentrated in four states, i.e. Tamil Nadu, Maharashtra, Andhra Pradesh and Telangana.

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

	Instrument			Current Rating (FY2024)	Chronology of Rating History for the Past 3 Years							
					Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)*	May 04, 2023	Date & Rating in FY2023		Date & Rating in FY2022	Date & Rating in FY2021
									May 17, 2022 Aug 23, 2022	Apr 20, 2022	Apr 16, 2021	-
1	Commercial paper programme	Short term	200	-	[ICRA]A1+@; withdrawn	[ICRA]A1+@	[ICRA]A1+	[ICRA]A1+	-			

Source: ICRA Research; \*As of April 28, 2023; @: Rating Watch with Negative Implications

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Commercial paper programme	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details as on March 03, 2023**

ISIN	Instrument Name	Date of Issuance/ Sanction	Coupon Rate/ Yield	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA*	Commercial paper programme	NA	NA	7-365 days	200	[ICRA]A1+ Rating watch with negative implications; withdrawn

Source: ICRA Research; \*Not placed

**Annexure II: List of entities considered for consolidated analysis**

Company Name	Ownership	Consolidation Approach
IndoStar Capital Finance Limited	Parent Entity	Full Consolidation
IndoStar Home Finance Private Limited	Subsidiary	Full Consolidation
IndoStar Asset Advisory Private Limited	Subsidiary	Full Consolidation

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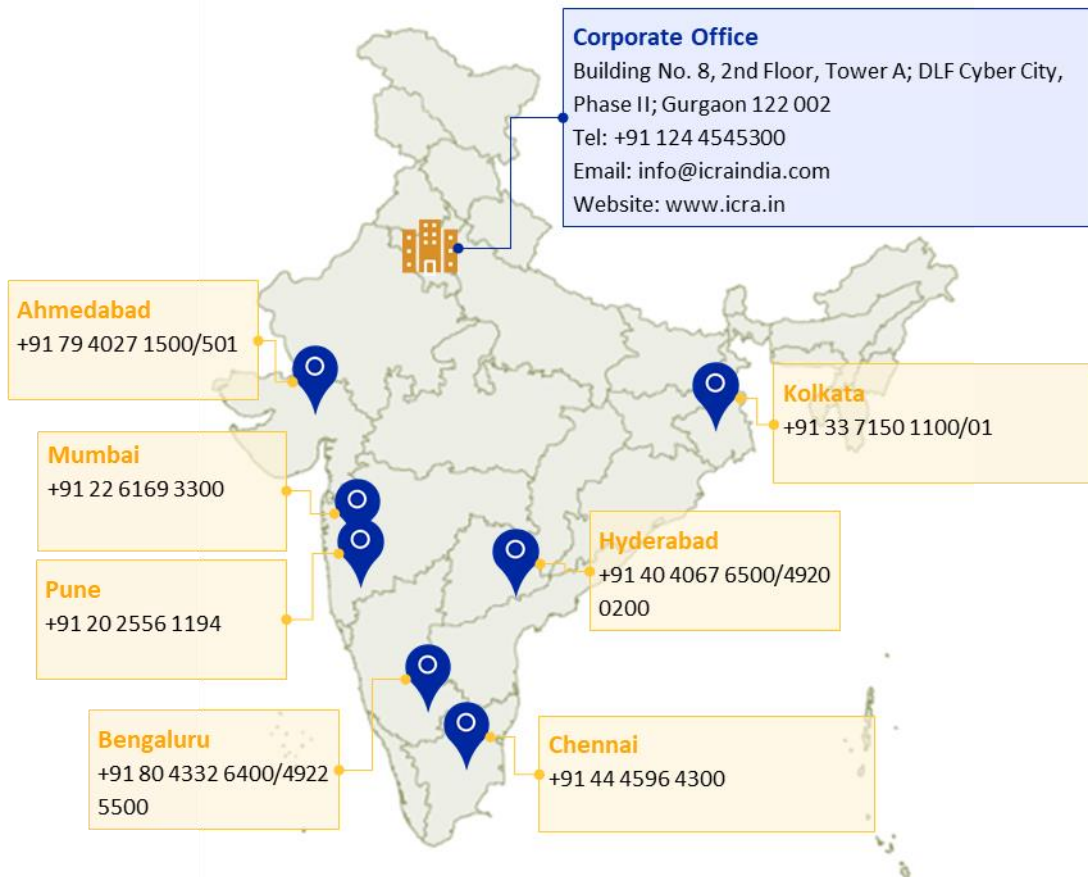
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