

Aadhar Housing Finance Limited NCD Issue to open on September 14, 2018 with Attractive interest rate of up to 9.75% per annum *

By Sachin Murdeshwar

Mumbai: Aadhar Housing Finance Limited (the "Company"), a deposit taking housing finance company registered with the NHB and focused on providing affordable housing financing products for the EWS and LIG segment in India, in tier 2 to tier 4 cities and towns, proposes to open public issue of Secured Redeemable Non-Convertible Debentures ("NCDs") of face value of Rs. 1,000 on September 14, 2018, 1,40,00,000 for an amount of Rs. 50,000 lakhs ("Base Issue Size") with an option to retain oversubscription up to Rs. 90,000 lakhs aggregating up to Rs. 1,40,000 lakhs ("Tranche 1 Issue Limit") ("Tranche 1 Issue").

The Issue is scheduled to close on September 28, 2018 with an option of early closure or extension as decided by the Board of Directors of the Company ("Board") or the Working Committee.

Ratings by CARE Ratings & Brickwork Ratings India: Outlook: Stable



The NCDs proposed to be issued under this Issue have been rated 'CARE AA+ (SO) ((Pronounced as CARE Double A Plus Structured Obligation); Outlook: Stable)' for an amount of `3,00,000 lakhs, by CARE Ratings Limited ("CARE") and 'BWR AA+ (SO) (Pronounced as BWR Double A Plus (Structured Obligation)), Outlook: Stable (for an amount of `3,00,000 lakhs, by Brickwork Ratings India Private Limited ("Brickwork") The rating of CARE AA+ (SO); Outlook: Stable by CARE and BWR AA+ (SO), Outlook: Stable by Brickwork indicate that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Allotment is on a first-come-first-serve basis.

Issue Structure:

Tenure 3 years (Category I, II, III and IV)

Series I: Frequency of Interest Payment "NA". Coupon Rate: "NA". Effective Yield: 9.60%.

Series II: Frequency of Interest Payment Annual. Coupon Rate: 9.60%. Effective Yield: 9.59%.

Tenure 5 years (Category I, II, III and IV)

Series III: Frequency of Interest Payment Monthly. Coupon Rate: 9.25%. Effective Yield: 9.65%.

Series IV: Frequency of Interest Payment Annual. Coupon Rate: 9.65%. Effective Yield: 9.64%.

Tenure 10 years (Category I, II, III and IV)

Series V: Frequency of Interest Payment Monthly. Coupon Rate: 9.35%. Effective Yield: 9.75%.

Series VI: Frequency of Interest Payment Annual. Coupon Rate: 9.75%. Effective Yield: 9.74%.

[Category IV] Investors (Retail Individual Investors) are defined as Resident Indian Individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 10,00,000 across all options of NCDs in the Tranche I Issue.

At least 75% of the net proceeds of the Public Issue of NCDs will be used for the For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company. A maximum of up to 25% will be used for general corporate purposes.

The NCDs offered through the Shelf Prospectus and the Tranche I Prospectus are proposed to be listed on BSE Limited ("BSE"). BSE Is the Designated Stock Exchange.

The Lead Managers to the Issue are YES Securities (India) Limited, Edelweiss Financial Services Limited, YES Bank Limited, Axis Bank Limited, A. K. Capital Services Limited, Green Bridge Capital Advisory Private Limited and Trust Investment Advisors Private Limited.