

Summary Term Sheet

Security Name	6.88 % NHIB Taxable Bonds JAN 2025
Issuer	National Housing Bank ("NHB"/ the "Issuer"/the "Bank")
Type of Instrument	NHB Unsecured, Redeemable, Non-Convertible, Listed Taxable Bonds in the nature of Debentures 2025
Nature of Instrument	Unsecured
Mode of Issue	Private Placement
Eligible Investors	Individuals/ HUF/ Banks/Mutual Funds/ Societies/Trusts/ Insurance Companies/ Corporates etc. as permitted by law
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	Proposed to be listed at BSE. The Issue will be applied for listing on the Wholesale Debt Market Segment of the Bombay Stock Exchange within 15 days from the deemed date of Allotment.
Delay in Listing	In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Issuer will pay penal interest at the minimum rate prescribed by SEBI (currently @1% as per SEBI Circular SEBI/HO/MIRSD/DOS3/CIR/P/2019/68 dated May 27, 2019) over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.
Rating of the Instrument	CRISIL Ratings has assigned a rating of "CRISIL AAA/Stable" (pronounced "CRISIL Triple A") INDIA Ratings & Research has assigned a rating of " IND AAA/Stable" (pronounced " IND Triple A")
Issue Size	Unsecured Redeemable Non-Convertible Bonds of the face value of ₹ 10 lakh each for cash, aggregating to ₹500 crore ("the Issue")
Option to retain oversubscription (Amount)	Unsecured Redeemable Non-Convertible Bonds of the face value of ₹ 10 lakh each for cash, ₹1500 crore (Allotted 1450 crores) ("Green shoe option")
Objects of the Issue	To mobilize long term resources for providing financial assistance for housing or for any other purpose as laid down in NHB Act, 1987
Details of the utilization of the Proceeds	The proceeds will be utilized for normal business activities of NHB and for such other purposes as may be decided by NHB's Board and as permissible under the NHIB Act, 1987
Coupon Rate	6.88 %
Step Up/Step Down Coupon Rate	NA
Coupon payment frequency	Coupon payment annually from the deemed date of allotment
Coupon payment dates	First Interest payment date: 21-01-2021 Subsequent Interest payment dates: 21-01-2022, 21-01-2023, 21-01-2024 and final on 21-01-2025
Coupon Type	Fixed
Coupon Reset Process (including rates, spread,	NA



effective date, interest rate cap and floor etc)	
Day Count Basis	Actual/Actual
Interest on Application Money*	The interest cheque / DD/RTGS/NEFT/ECS for interest on application money (along with Refund orders, in case of refund of application money, if any) shall be dispatched by NHB within 15 days from the Deemed date of allotment.
Default interest rate	In case of default in payment of Interest and/or principal redemption on the due dates, additional interest at the minimum rate prescribed by SEBI (currently @2% as per SEBI Circular SEBI/HO/MIRSD/DOS3/CIR/P/2019/68 dated May 27, 2019) over the coupon rate will be payable by the Issuer for the defaulting period.
Tenor	5 years from deemed date of allotment
Date of Redemption	21.01.2025
Redemption amount	At par
Redemption Premium/Discount	At par
Issue Price	₹10,00,000/-
Discount at which security is issued & the effective yield as a result of such discount	NA
Put & Call Option Date	NA
Put & Call Option Price	NA
Put & Call Notification Time	NA
Face Value	₹ 10,00,000 (Rupees Ten lakh only) per bond
Minimum Application Size	1 bonds and then in multiple of 1 bond
Issue Opening & Closing date	17.01.2020
Pay-in-date	21.01.2020
Deemed Date of allotment**	21.01.2020
Issuance & trading mode of instrument	In Demat Only
Settlement mode of the instrument	The bonds held in the dematerialized form shall be taken as discharged on payment of the redemption amount by NHB on maturity to the registered bondholders whose name appear in the register of bondholders on the record date Such payment will be a legal discharge of the liability of the bond towards the bondholders
Depository	NSDL
Business Day Convention	Unless specified otherwise, should any of the dates defined above or elsewhere in the Offer Document, excepting the Deemed Date of Allotment, fall on a Saturday, Sunday or a Public Holiday, the next working day shall be considered as the effective date (Public Holiday being a day on which commercial banks are closed for business in the city of Mumbai)



Record Date	15 calendar days prior to each coupon payment date. If the record date falls on a holiday, the immediate preceding working day is considered.
Security	The Bonds issued under this Disclosure document are Unsecured, Redeemable Non-Convertible Bonds in the nature of Debentures and it will constitute direct obligation of NHB and rank pari passu inter se
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the issue: <ul style="list-style-type: none"> • Consent from the Trustees to the Bond-holders and Registrars to the Issue to act in their respective capacities; • Tripartite Agreement between the issuer; Registrar and NSDL for issue of Bonds in dematerialized form; • Rating Letters from CRISIL Ratings and INDIA Ratings & Research; • Debenture Trusteeship Agreement; • Trust Deed
Conditions precedent to subscription of Bond	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: <ul style="list-style-type: none"> • Rating letter(s) from the aforesaid rating agency(ies) not being more than one month old from the issue opening date; • Letter from the trustee conveying their consent to act as Trustee for the Bondholder(s)
Conditions subsequent to subscription of Bond	The Issuer shall ensure that the following document are executed/ activities are completed as per time frame mentioned elsewhere in this Disclosure Document: <ul style="list-style-type: none"> • Credit of demat accounts(s) of the allottee(s) by number of Bonds allotted within 2 working days from the Deemed Date of Allotment; The initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Bonds allotted The Bonds shall be allotted in dematerialized form only. • The Bonds under this Issue will be listed on the Wholesale Debt Market Segment of the Bombay Stock Exchange within 15 days from the deemed date of Allotment, failing which the issuer will buy-back the Bonds <p>Beside the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Disclosure document.</p>
Events of Default	Default in payment of principal sums of the bonds/Default in payment of interest/Default in performance of covenants and conditions/Supply of misleading information/Inability to pay debts/Proceedings against the Bank/Inability to pay debts on maturity/Liquidation or dissolution of the Bank/Extra-ordinary circumstances



Provision related to cross default clause	NA (Not Applicable)
Registrar & Transfer Agent	M/s Beetal Financial & Computer Services (P) Ltd
Collection Banker	Through BSE 's Clearing Corporation i.e ICCL designated account
RTGS details	All the successful bidders should ensure that the pay-in of funds happen through their bank account registered with BSE BOND EBP platform. Bidders have to ensure that the pay in should happen within the stipulated time to the BSE Clearing Corporation i.e ICCL designated account as appearing in the BSE BOND EBP platform at the time of bidding.
Role and Responsibilities of Debenture Trustees	The trustees shall protect the interest of the bondholders in the event of default by NHB in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of NHB The Trustees shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Debt Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, the Deed of Hypothecation, Disclosure Document and all other related transaction documents
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing Indian laws as applicable in the city of Delhi Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals in the city of Delhi
*subject to deduction of tax at source as applicable **NHB reserves its sole & absolute right to modify (pre-pone/post pone) the issue opening /closing/pay-in-date(s) without giving any reasons or prior notice In such case, Investors/Arrangers shall be intimated about the revised time schedule by NHB	

Cash Flow Illustration:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as per SEBI Circular, dated November 11, 2016 is as under:

Effect of holidays on payments

If any Coupon/Interest Payment Date falls on a day that is not a Working Day, the payment shall be made on the immediately succeeding Working Day. Interest will not be paid upto the date of payment so extended. If the Redemption Date/Maturity Date (also being the last Coupon/Interest Payment Date) of the Bonds falls on a day that is not a Working Day, the redemption proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.



INVESTORS SHOULD NOTE THAT THIS EXAMPLE IS SOLELY FOR ILLUSTRATIVE PURPOSES AND IS NOT SPECIFIC TO THIS ISSUE

Face value per Bond (In Rs)	10,00,000
Deemed Date of Allotment (Assumed)	21.01.2020
Frequency of Interest payment	Annual
Interest payment date	First Interest payment date: 21-01-2021 Subsequent Interest payment dates: 21-01-2022, 21-01-2023, 21-01-2024 and final on 21-01-2025
Day count convention	Actual / Actual

Coupon Rate	6.88 %
Tenor (no of years)	5 years
Aggregate Investment (Rs)	10,00,000
Redemption Date/Maturity Date	21.01.2025

Cash Flows	Payout Dates	No of days in Coupon Period	Amount (in Rs)
1st Coupon/Interest Payment Date	21.01.2021	366	68,800
2nd Coupon/Interest Payment Date	21.01.2022	365	68,800
3rd Coupon/Interest Payment Date	21.01.2023*	365	68,800
4th Coupon/Interest Payment Date	21.01.2024*	365	68,800
5th Coupon/Interest Payment Date	21.01.2025	366	68,800
Redemption of Principal	21.01.2025		10,00,000
Total Cash Flows			13,44,000

**If any Coupon/Interest Payment Date falls on a day that is not a Working Day, the payment shall be made on the immediately succeeding Working Day. Interest will not be paid upto the date of payment so extended.*



ARRANGERS TO THE ISSUE



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Annexure A

A Balance Sheet	(Rs in crore)	(Rs in crore)	(Rs in crore)
Liabilities	30-06-2019	30-06-2018	30-06-2017
Capital	1450	1450	1450
Reserves	7481	6744	5,990
Bonds and Debentures	10841	7859	6,710
Deposits	40592	36190	36,008
Borrowings	12056	8637	5,716
Deferred Tax Liability (net)	429	341	273
Current Liabilities and Provisions	2714	2015	2,070
Other Liabilities	35	37	37
TOTAL(approx)	75,598	63,273	58,254
Assets	30-06-2019	30-06-2018	30-06-2017
Cash and Bank Balances	1695	1,208	1,704
Investments	3501	3,645	1,528
Loans and Advances	69,805	57,684	54,385
Fixed Assets	33	37	30
Other Assets	563	699	607
TOTAL	75,598	63,273	58,254
B Statement of Profit and Loss			
Income	30-06-2019	30-06-2018	30-06-2017
1 Interest Income	4994	4366	4,317
2 Non-interest Income	281	64	207
3 Total Income (1 + 2)	5275	4430	4524
Expenses			
4 Interest Expense	3,323	3,076	2,922
5 Staff Salaries, Allowances etc and Benefits	21	20	21
6 Depreciation/Amortisation on Investment	6	7	6
7 Loss/(Gain) on Revaluation of Foreign Deposits and Borrowings	14	21	7
8 Other Expenses	115	49	38
9 Operating Expenses (4 + 5+ 6+ 7+8)	3479	3174	2994
10 Net Interest Income (1 - 4)	1594	1290	1395
11 Operating Profit (3 - 9)	1796	1257	1530
12 Prov & Contingencies	482	89	94
13 Profit Before Tax (11 - 12)	1314	1168	1436
14 Provision for Tax/Deferred Tax	581	417	588
15 Profit After Tax (13 - 14)	733	751	848

amount less than 50 lakh



Annexure -B

Financial Results for the Year ended 30th June, 2019

Particulars	Year (Jul-Jun)		
	2018-19	2017-18	2016-17
1. Total Income (2+3)	5275.55	4430.11	4524.27
2. Interest Income (a+b+c)	4994.07	4366.12	4317.25
a. Interest on Loans & Advances	4740.51	4131.75	3969.07
b. Interest on Deposits with Banks	47.42	11.30	126.57
c. Income from Investments	206.13	223.07	221.61
3. Other Operating Income	281.48	63.99	207.02
4. Total Operating Expenditure (a+b+c+d)	3479.17	3152.54	2987.36
a. Interest Expenditure	3399.61	3076.26	2922.14
b. Staff Expenses	21.11	19.69	20.50
c. Borrowing Cost	9.06	10.32	8.42
d. Other Overheads	35.73	46.27	36.30
5. (Gain)/ Loss on account of foreign exchange fluctuations	13.66	21.19	7.37
6. Operating Profit (1 - (4+5))	1796.38	1256.38	1529.54
7. Provisions and Contingencies	481.99	88.70	94.49
8. Profit before Tax	1314.47	1167.68	1435.05
9. Provision for Tax/Deferred Tax	581.50	416.57	587.52
10. Profit After Tax	732.97	751.11	847.53
11. Net Interest Income (2-4a)	1594.45	1289.86	1395.11
12. Net Non Interest Income(3-4b-4c-4d-5)	201.92	(33.48)	134.43
13. Gross Non-Performing Assets	4.18	4.61	33.90
14. Net Non-performing Assets	0.00	0.00	0.00
15. Paid up Capital	1450.00	1450.00	1450.00
16. Reserves & Surplus	7480.93	6743.84	5989.71
17. Net Owned Fund (NOF)	8403.91	7680.33	6978.79
18. Net Interest Margin	2.26%	2.09%	2.40%
19. Interest Coverage Ratio (times)	1.39	1.38	1.49
20. Return on Average Assets	1.04%	1.22%	1.46%



21. Cost to Income (Efficiency) Ratio	3.04%	4.91%	3.56%
21. Return on Net Worth	9.10%	10.25%	12.85%
22. CRAR	16.01%	18.64%	17.16%
23. Net Profit per employee	6.72	6.26	7.24

variation is more than 100%

C Cash Flow Statement

(Rs in crore)

A) CASH FLOW FROM OPERATING ACTIVITIES	30-06-19	30-06-18	30-06-17
Net Profit as per Profit & Loss Account	732.97	751.11	847.53
Adjustments for:			
Provision for Tax	493.5	349.31	458.27
Provision for Deferred Tax	88	67.26	129.25
Depreciation on fixed assets	5.65	7.06	6.68
Depreciation Reversal on Premises	0.00	(6.84)	0.00
Loss on Sale of Investments	0.00	4.39	0.00
Depreciation on investments & amortisation expense	(0.08)	7.32	6.34
Provision for Standards Assets	404.40	26.94	29.84
Provision for Non-Performing Assets/Restructured Account	(0.42)	0.00	0.02
Loss(Gain) on revaluation of Forward Exchange Contracts	6.50	(5.79)	12.61
Provision for Bad Debts u/s 36(1)(vii)(c) of Income Tax Act, 1961	78.01	54.44	58.28
(Profit)/Loss on sale of Fixed Assets	(0.01)	0.07	0.06
Gain on revaluation of Foreign Deposits & Borrowings	6.92	30.75	5.05
Provisions no longer required written back	(0.14)	(46.46)	(189.83)
Discount on Forward Exchange Contract	(14.45)	(4.66)	(4.01)
Income from Investments	(192.03)	(195.87)	(194.86)
Profit on purchase and sale of Mutual Funds	(11.28)	(25.22)	(23.37)
Profit on Sale of Investments	(256.07)	(0.00)	(1.45)
Dividend on Equity of Housing Finance Companies	(2.82)	(1.98)	(1.93)
Operating Profit before working capital changes	1,338.65	1,011.83	1,136.28
Adjustments for Working Capital			
(Increase)/Decrease in Deposits with Banks	(556.03)	290.18	794.33
(Increase)/Decrease in Loans & Advances	(12121.17)	(3298.73)	(812.27)
(Increase)/Decrease in Other Assets	589.60	277.80	383.55
Increase/(Decrease) in Current Liabilities	(264.54)	(433.68)	(72.29)
Net cash from operating activities before taxes paid	11013.49	(2152.60)	1,429.60
Less : Income Taxes Paid	(454.00)	(370.00)	(401.00)
NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE EXTRAORDINARY ITEMS	11467.49	(2522.60)	1,028.60



Extraordinary Items	0.00	0.00	0.00
NET CASH FLOW FROM OPERATING ACTIVITES AFTER EXTRAORDINARY ITEMS (A)	(11467.49)	(2522.60)	(7,974.96)
B) CASH FLOW FROM INVESTING ACTIVITIES BEFORE EXTRAORDINARY ITEMS	30-06-19	30-06-18	30-06-16
(Increase) / Decrease in Fixed Assets	(1.33)	(7.41)	(7.50)
(Increase)/Decrease in Investments	143.81	(2123.82)	41.76
Income from Investments	192.03	195.87	205.07
Loss on Sale of Investments	0.00	(4.39)	0.00
	(6.50)	5.79	0.00
(Loss)/Gain on revaluation of Forward Exchange Contractsfit on purchase and sale of Mutual Funds	11.82	25.22	44.12
Profit on Sale of Investments	256.07	0.00	0.36
Dividend on Equity of Housing Finance Companies	2.82	1.98	1.67
NET CASH GENERATED FROM INVESTING ACTIVITES BEFORE EXTRAORDINARY ITEMS	598.18	(1906.76)	285.48
Receipts from sale of equity of HFCs	0.00	0.00	0.00
NET CASH GENERATED FROM INVESTING ACTIVITES AFTER EXTRAORDINARY ITEMS (B)	598.18	(1906.76)	285.48
C) CASH FLOW FROM FINANCING ACTIVITIES			
Increase in Share Capital	0.00	0.00	1000.00
Net income under Staff Benevolent Fund	4.12	3.02	2.13
Increase / (Decrease) in Bonds & Debentures	2982.02	1148.58	1703.76
Increase / (Decrease) in Deposits	4401.79	181.12	2243.57
Increase/(Decrease) in Borrowings	3419.36	2921.49	2862.37
NET CASH GENERATED FROM FINANCING ACTIVITES (C)	10807.28	4254.21	7811.83
Net increase in cash and cash equivalents (A+B+C)	(62.02)	(175.15)	122.36
Cash and cash equivalents at the beginning of the year	460.40	635.55	130.76
Cash and cash equivalents at the end of the year	398.38	460.40	253.12



Limited Review of Financial Results for the quarter ended 30th September, 2019

(₹ in lakhs)

Particulars	3 months ended	Corresponding 3 months	Previous accounting
	30/09/2019	ended 30/09/2018	year ended 30/06/2019
	Unaudited	Unaudited	Audited
1. Interest Earned (a)-(b)-(c)-(d)	1,38,217.15	1,11,753.60	4,99,407.01
(a) Interest on advances	1,30,730.19	1,04,187.33	4,74,051.02
(b) Income on investments	5,357.55	6,374.72	20,613.45
(c) Interest on bank deposits	2,149.41	991.55	4,742.59
(d) Others	-	-	-
2. Other Income	1,455.79	60.83	28,147.89
3. Total Income (1+2)	1,39,672.94	1,11,814.43	5,27,554.90
4. Interest Expended	89,223.51	76,899.89	3,39,961.40
5. Operating Expense (i)+(ii)	1,540.43	1,419.25	6,589.07
(i) Payments to and provisions for employees	445.88	404.19	2,111.89
(ii) Other operating Expense (a)+(b)-(c)	1,094.55	1,015.07	4,477.18
(a) Brokerage, Guarantee Fee and Other Finance Charges	92.75	128.78	496.53
(b) Stamp duty on borrowings	78.00	45.00	410.00
(c) Other expenditures	923.80	841.29	3,570.61
6. (Gain)/ Loss on account of exchange fluctuations including premium on forward exchange contract	(772.05)	(719.11)	1,366.42
7. Total Expenditure excluding Provisions and Contingencies (4-5+6)	89,991.89	77,600.03	3,47,916.98
8. Operating Profit before Provisions and Contingencies (3-7)	49,681.05	34,214.40	1,79,637.88
9. Provisions other than Tax and Contingencies	7,159.57	1,465.74	48,190.76
10. Exceptional Items	-	-	-
11. Profit (+) / Loss (-) from Ordinary Activities before Tax (8-9-10)	42,521.48	32,748.66	1,31,447.10
12. Tax Expense	800.00	12,350.00	58,150.00
13. Net Profit (+)/Loss (-) from Ordinary Activities after Tax (11-12)	41,721.48	20,398.66	73,297.10
14. Extraordinary items (net of tax expense)	-	-	-
15. Net Profit (+)/Loss (-) for the period (13-14)	41,721.48	20,398.66	73,297.10
16. Paid-up capital (wholly owned by Government of India)	1,45,000.00	1,45,000.00	1,45,000.00
17. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	7,48,092.97	6,74,393.91	7,48,092.97
18. Analytical Ratios:			
(a) Capital Adequacy Ratio	17.09%	19.25%	16.01%
(b) Earning Per Share (EPS)	NA	NA	NA
19. NPA Ratios:			
(a) Amount of Gross NPA	418.64	431.64	418.64
(b) Amount of Net NPA	-	-	-
(c) % of Gross NPA	0.01%	0.01%	0.01%
(d) % of Net NPA	-	-	-
(e) Return on Assets (Annualized)	2.20%	1.39%	1.04%

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on October 23, 2019 at New Delhi.
- Pursuant to the judgement of the Hon'ble Supreme Court setting aside the decree passed by the Hon'ble Special Court in Suit No. 2 of 1995 and the directions given by Department of Financial Services (DFS), Government of India, NHB had paid an amount of Rs.236.78 crores to SBI. In July, 2016, SBI has filed an application before the Hon'ble Special Court claiming interest @19% on Rs.236.78 crores. NHB has denied the above claim of SBI and prayed for dismissal of the application. Further, as per the directions of DFS, NHB has to receive an amount of Rs.353.76 crore from SBI for which NHB has filed a counter-claim.
- The limited review results for the Quarter ended September 30, 2019 have been arrived at, after considering provisions for Non-Performing Assets and Standard Assets on the basis of prudential norms issued by RBI. Further necessary provisions as required by Income Tax, Deferred Tax have been provided.
- In terms of the Reserve Bank of India's circular dated August 06, 2016, bank is continuously preparing proforma Ind AS statements and is submitting to the regulator regularly. The Reserve Bank of India vide its letter dated May 15, 2019, has advised that implementation of Indian Accounting Standards by All India Financial Institutions (AIFIs) has been deferred until further notice.
- Bank has an exposure to PMC Bank of ₹ 151.25 crore and the instalment was due on October 1, 2019. As on Sep 30, 2019, there is no overdue in the account of PMC Bank. It is therefore not necessary to make provision in the PMC bank account as per RBI Prudential norms and as per Bank's policy.
- The Bank has an exposure of ₹ 2,399.13 cr to DHPF as on September 30, 2019. The bank has made a provision of ₹ 49.60 cr to nullify the income recognized on DHPF account as it has turned NPA on 18-10-2019 due to non payment of advance balance of ₹ 169.17 cr. Bank has already made a provision of ₹ 365 cr against DHPF account.
- Previous period figures have been regrouped / rearranged wherever necessary.

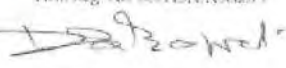
Place: New Delhi
Date: October 25, 2019


S.K. Jha
Managing Director

As per our review report of even date



For Bansal & Co. LLP
Chartered Accountants
Firm Reg. No. 001113N/950079


(Dr. D. S. Rawat)
Partner
Membership No. 680310

CONFIDENTIAL

NHOBANK/231040/NCD/101945136/2
January 13, 2020

Mr. R S Garg
Executive Director
National Housing Bank
Core, 5-A, 3rd Floor
India Habitat Centre Lodhi Road
New Delhi - 110 003

Dear Mr. R S Garg,

Re: CRISIL Rating on the Rs.4000 Crore Non-Convertible Debentures of National Housing Bank

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please refer to our rating letters dated December 05, 2019 bearing Ref. no: NHOBANK/231040/NCD/101945136/1

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	4000	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

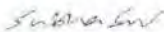
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Subha Sri Narayanan
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument. It does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL, or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company, please contact Customer Service Helpdesk at 1800-267-1301.
Corporate Identity Number: L67120MH1987PLC042363



Mr. S. K. Hota
Managing Director
National Housing Bank (NHB)
Core 5-A, India Habitat Centre,
Lodhi Road, New Delhi – 110003

January 14, 2020

Kind Attn: Mr. S. K. Hota, Managing Director

Dear Sir,

Re: NHB's Bond Rating

India Ratings and Research (Ind-Ra) is pleased to communicate the following ratings:-

Instrument Type	Size of Issue (billion)	Rating/Outlook
Bonds	INR22.8 (part of INR40 billion Bonds)	IND AAA/Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Alkant



India Ratings & Research Private Limited A Fitch Group Company

601-9, Prakashdeep Building, 7 Toistoy Marg, New Delhi 110001

Tel: +91 11 4356 7230 | Fax: +91 11 4356 7231 | CIN/LLPIN: U67100MH1995FTC140049 | www.indiaratings.co.in

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

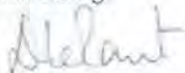
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In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,

India Ratings



Devendra Kumar Pant
Senior Director



Sunil Kumar Sinha
Director

