

HDIL NCD rating upgraded to CARE A+ [Single A plus]

Mumbai 15, December 2009: Housing Development & Infrastructure Limited (HDIL) a leading real estate & infrastructure company receives “CARE A+” (Single A plus) from Credit Analysis & Research Ltd (CARE) upgrading it from ‘CARE A’ for its NCD (non convertible debenture) issue aggregating to Rs 1150 crores for a tenure of 5 years.

The objective of the NCD issuance is to convert short term debt maturity to the long term duration of 5 years. With the issuance HDIL has no major debt repayment obligations for the next 3 years.

The NCD issuance will also reduce the present cost of borrowings by 100 to 150 Bps and convert debt on floating rates to fixed tenure rates between 11% - 12 % per annum for a period of 5 years.

The NCD issuance will be closed in two tranches within the next 10 to 15 days.

HDIL has successfully launched 3.5 million sq feet of residential development reviving the Mumbai real estate market from its recent slump. The company plans on launching another 2 to 3 million sq feet targeting the middle income & higher middle income segment in the next 6 months. Further on HDIL is focused to create 3 to 4 million sq feet of residential developments every year for the next 3 years.

3.5 million sq feet of commercial office & retail space has been launched. Major anchors have been short listed and HDIL is in the advanced stage of pre-leasing.

Phase 1 of Mumbai International Airport Slum Rehabilitation project, a major infrastructure development project, is on schedule & is expected to be completed in 6 months.

HDIL is a major player in the TDR market & has seen a strong growth. The current trading price for TDR is Rs 2,500 per sq feet.