



CONFIDENTIAL

Ref No : 2009-10/729/300

August 24, 2009

Mr. Asit Jivani
Chief Financial Officer
IDBI Homefinance Limited
1204/2 Gopika Niketan,
Ghole Road, Shivaji Nagar
Pune-411 004

Dear Sir,

Re : Surveillance of ICRA Credit Rating for the Subordinated Debt programme of Rs.130 crore

As you would be aware that in terms of the mandate letter received from the clients, ICRA is required to review all its ratings, on an annual basis, or as and when circumstances so warrant. The Rating Committee of ICRA, after due consideration, has reaffirmed the "LAA" (pronounced L double A) Rating to the Sub Ordinate Debt Programme of Rs.130 crore. This is the high-credit-quality rating assigned by ICRA. The rated instrument carries low credit risk.

You are required to forthwith inform us about any default or delay in repayment of interest and/or principal amount of the instrument rated, as above, or any other debt instruments / borrowings. You are also required to keep us forthwith informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/debts of the company with any lender (s) / investor (s).

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the said instrument by you.

You are required to us inform immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

ICRA reserves the right to suspend, withdraw or revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

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Regd. Office : Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110 001



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We thank you for your kind co-operation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours faithfully,
For ICRA Limited

A handwritten signature in black ink, appearing to read 'L. Shivakumar', is written over the typed name.

L.SHIVAKUMAR
Senior Group Vice President and
Head-Western Region

A handwritten signature in black ink, appearing to read 'Karthik Srinivasan', is written over the typed name.

KARTHİK SRINIVASAN
Vice President and
Co-Head Financial Sector Ratings