

Long-run and Short-run Probability of Default (PD) Benchmarks for Long-term Ratings

Rating Category	Long-run Benchmarks		
	1-year	2-year	3-year
AAA	0%	0%	0% (1%)
AA	0%	0% (2%)	2.0%
A	0% (3%)	3.5%	5.4%
BBB	3.3%	6.0%	10.5%
BB	8.7%	14.4%	19.6%
B	17.2%	33.1%	45.3%
C	100.0%	100.0%	100.0%

Rating Category	Short-run Benchmarks		
	1-year	2-year	3-year
AAA	0%	0%	0% (1%)
AA	0%	0% (2%)	2.4%
A	0% (3%)	4.3%	6.5%
BBB	3.9%	7.1%	12.1%
BB	10.5%	17.1%	23.2%
B	19.6%	35.3%	48.2%
C	100.0%	100.0%	100.0%

PD Benchmarks in brackets for certain categories reflect permitted tolerance levels in line with the SEBI Circular No. SEBI/ HO/ MIRSD/ DOS3/ CIR/ P/ 2019/ 70 dated June 13, 2019