

Satin Creditcare Network Limited

August 03, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	3,000.00 (Enhanced from 2,800.00)	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Total Bank Facilities	3,000.00 (₹ Three Thousand Crore Only)		
Long Term Long Term Instruments	30.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	50.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	26.28	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	68.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	65.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	60.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	334.20	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	38.70	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	120.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	50.05	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	200.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	300.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	217.62 (Reduced from 700.00)	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Non Convertible Debentures	300.00	CARE A-; Negative (Single A Minus; Outlook: Negative)	Reaffirmed
Total Long Term Instruments	1,859.85 (₹ One Thousand Eight Hundred Fifty-Nine Crore and Eighty-Five Lakhs Only)		
Commercial Paper	150.00	CARE A1 (A One)	Reaffirmed
Total Short Term Instruments	150.00 (₹ One Hundred Fifty Crore Only)		

Details of instrument/facilities in Annexure-1.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Detailed rationale and key rating drivers

The ratings of Satin Creditcare Network Limited (SCNL) reflect the extensive experience of the promoters, the track record of maintaining adequate capitalisation well above the regulatory requirements through regular equity infusions from promoters and other investors, the diversified resource profile, and the comfortable liquidity. The ratings also reflect the established track record of operations, as SCNL has been a lender under the joint liability group (JLG) model since 2008 and is one of the largest microfinance lenders in India.

The ratings, however, are constrained by the weak asset quality and moderate profitability indicators. The gross non-performing asset (GNPA) ratio remained high, though slightly improved, to 8.0% of the on-book gross loans as on March 31, 2022. The restructured assets also remained sizeable, at 17.6% of the on-book gross loans, with some of it being under moratorium till March 31, 2022. CARE Ratings Limited (CARE Ratings) notes that the company has increased its provisioning against GNPA assets, with the provision coverage improving to 70.3% as on March 31, 2022 (vs. 43.7% as on March 31, 2021). The high credit costs impacted the profitability profile, with the company reporting a return on average total managed assets (ROTA) of 0.4% in FY22.

The ratings of SCNL also continue to account for the inherent risk involved in the microfinance industry, including unsecured lending, cash-based operations, and socio-political intervention risk. The ability of the company to improve its asset quality and limit the credit losses while maintaining a comfortable capital structure and gearing levels and to grow its portfolio and maintain consistent profitability are the key rating sensitivities.

Rating sensitivities

Positive factors – Factors that could individually or collectively lead to positive rating action/upgrade:

- Growth in the loan book
- Improvement in the profitability indicators, with adjusted ROTA being 2.5% on a sustained basis.
- Maintain adequate capitalisation levels well above the regulatory requirement of 15% while maintaining net adjusted gearing at less than 4x on a sustained basis.

Negative factors – Factors that could individually or collectively lead to negative rating action/downgrade:

- Further deterioration in asset quality from the current level.
- Increase in adjusted net gearing levels beyond 5x on a sustained basis.
- Decline in cash surplus and liquidity buffers beyond a threshold, which can impact the risk absorption ability.

Outlook: Negative

The continuation of the 'Negative' outlook reflects the deterioration in asset quality caused by the COVID-19-induced economic stress along with the uncertainty over the performance of the restructured book. The outlook may be revised to 'Stable' with lowering of non-performing assets (NPA) on a sustained basis and consequent improvement in the profitability.

Detailed description of the key rating drivers

Key rating strengths

Established track record, with experienced promoter and management: Based out of Gurugram, SCNL is one of the leading non-banking financial company-microfinance institution (NBFC-MFI) that has been carrying out individual lending activities since 1990 until 2008. The company forayed into JLG (joint-liability-group) lending in 2008 and has gained reasonable experience in the group lending business, emerging as one of the largest NBFC-MFIs in the country in terms of assets under management (AUM). SCNL's standalone AUM stood at ₹6,409 crore (of which around 94% is from the microfinance lending segment and the rest is from the micro, small and medium enterprises (MSME) lending segment) and consolidated AUM at ₹7,617 crore as on March 31, 2022, which de-grew from ₹7,275 crore and ₹8,379 crore, respectively, as on March 31, 2021, respectively, due to the low disbursement in Q1FY22 caused by the impact of the second COVID-19 wave. However, the disbursements steadily picked up by the end of FY2022 and healthy growth is expected in FY2023.

SCNL has eight directors on its board, comprising one promoter director, five independent directors, and two non-independent directors. The operations of the company are headed by the promoter and Chairman & Managing Director, HP Singh, who is supported by a management team having rich experience in the financial services and microfinance sectors. As on March 31, 2022, the promoter shareholding stood at 36.69%. Additionally, SCNL has a diversified investor base consisting of banks, mutual funds, and foreign portfolio investors and financial institutions including Asian Development Bank (2.06%), NMI Fund (6.22%), SBI FMO Emerging Asia Financial Sector Fund Pte Ltd (2.52%), and IndusInd Bank (2.91%).

Demonstrated ability to raise equity capital and comfortable regulatory capital levels: The capital structure of SCNL remains comfortable, owing to regular equity infusions from the promoters and other investors. The company raised ₹250 crore in October 2016 and ₹150 crore in October 2017 from Qualified Institutional Placement (QIP). On August 12, 2020, SCNL launched its maiden rights issue of ₹120 crore, which was fully paid up by September 2021. Currently, SCNL is in the process of raising ₹225 crore through preferential issue, of which ₹75 crore was raised in Q4FY22, and balance is expected to be raised by August 2023. This regular equity-raising along with internal accruals led to SCNL's reported net worth base increasing by 15.8% y-o-y, from ₹892 crore as on March 31, 2018, to ₹1,606 crore as on March 31, 2022.

Owing to the equity infusions and lower debt caused by the portfolio degrowth in FY22, the adjusted overall gearing (i.e., ratio of debt including securitised portfolio and credit enhancement (CE) for its subsidiaries to net worth reduced by deferred tax assets

, intangible assets, investments in subsidiaries, and First loss default guarantee on the business correspondence portfolio) had reduced from 5.5x as on March 31, 2021, to 4.4x as on March 31, 2022. The capitalisation profile of SCNL is comfortable, with a capital adequacy ratio (CAR) and Tier-I CAR of 27.8% and 23.3%, respectively, as on March 31, 2022, well above the minimum regulatory capital requirement of 15%.

Going forward, CARE Ratings expects SCNL to maintain healthy capital adequacy and gearing levels.

Diversified resource base supporting liquidity: SCNL has a diversified resource base, with associations with over 56 lenders as on March 31, 2022. The company has demonstrated its ability to raise funds from diverse sources, viz, banks, domestic financial institutions, NBFCs, overseas and domestic funds, etc. As on March 31, 2022, the outstanding borrowing comprised term loans (47%), non-convertible debentures (NCDs; 21%), external commercial borrowings (5%), Buyout (27%) and commercial papers (0.4%) from private sector banks (31%), foreign institutional investors (21%), public sector banks (33%) and other financial institutions (15%).

Adequate management information and IT systems for current scale of operations: SCNL has established an efficient monitoring structure for overseeing its operations at various levels, including area level, regional level, and state level. It has put in place risk management systems, viz, defined credit appraisal, collection, and monitoring systems including the profiles of clients and outer limits of loan sizes. Specialised software and user-level restrictions are in place to ensure speedy access to information but with data security. The company has also implemented systems, wherein, the field staff operate through tabs connected to the Internet. SCNL has put in place systems for real-time monitoring of on-field data such as collections, meeting details, geotagging of field agents, etc, thereby allowing the monitoring of operations by the management across various levels of hierarchy on a real-time basis. It has also resulted in a reduction in operational expenses by bringing down the disbursement turnaround time. SCNL has already moved to cashless disbursements, with 100% branches being cashless-enabled as on March 31, 2021. During COVID times, the company also launched a customer service application to connect with their clients and allow them to pay through digital platforms. In June 2021, the company partnered with HSBC India for seamless loan EMI payments for its customers by introducing UPI 2.0 (AutoPay). The Company's Information Security Management Systems (ISMS) is ISO 27001:2013 certified i.e., it is committed to continually upgrading the established administration frameworks.

SCNL, in FY19, had shifted to the Centralised Shared Services (CSS) (loan application, KYC and bank account verification, and loan sanctions), thus putting in an additional level of independent check as against a branch or field-driven system earlier. It has also implemented a credit scoring model for individual borrowers and groups with the help of a credit bureau.

Geographically diversified operations: SCNL has spread its operations and grown its portfolio in new states and currently has a presence in 23 states and UTs and 374 districts across the country, with a borrower base of around 25.4 lakh active borrowers (JLG & MSME) and a standalone AUM of ₹6,409 crore as on March 31, 2022. The company has been traditionally a north-Indian player, with presence mostly in the Hindi speaking states, where it has a long-standing operating experience. However, post demonetisation, ie, during FY18 and FY19, the company expanded its footprint and has grown in the Eastern, North-Eastern and Southern states, viz, Assam, Odisha, West Bengal, Meghalaya, Tripura, Tamil Nadu, Pondicherry, and Karnataka, which together constituted 24.4% of the outstanding portfolio of SCNL as on March 31, 2022, increased from 1% as on March 31, 2017. Consequently, the regional concentration risk of SCNL has reduced, as reflected by a reduction in the portfolio of the top five states (Uttar Pradesh, Bihar, Punjab, Assam, and West Bengal) from 75% as on March 31, 2018, to 67% as on March 31, 2022 (viz Uttar Pradesh, Bihar, Punjab, Madhya Pradesh, and West Bengal). Uttar Pradesh remains the largest state, constituting 27.5% of gross loans, followed by Bihar, constituting another 15.6%.

Key rating weaknesses

Stressed asset quality: The GNPA increased to 8.4% as on March 31, 2021, from 2.9% as on March 31, 2020, owing to COVID-induced economic stress and flooding in few states, viz, Assam, Bihar, and Odisha. Despite lower slippages (additional slippages of ₹58 crore in FY22 as compared to ₹459.8 crore in FY21), contraction in the loan book resulted in GNPA's improving only to 8.0% as on March 31, 2022, from 8.4% a year earlier. Gross NPAs decreased to Rs 411.95 crore as on March 31, 2022, from Rs 471.97 crore a year earlier. Certain recovery is also expected its Assam portfolio under state government's Assam Microfinance Incentive and Relief Scheme. Going forward, with the improving macroeconomic environment and rising trend seen in collection efficiencies, slippages from the standard book are expected to remain limited.

However, the restructured book remains high, at around ₹921.7 crore as on March 31, 2022 (17.6% of on-book gross loans), of which some part was under moratorium until March 31, 2022. Any significant slippages from the restructured book may negatively impact the asset quality, going forward.

In future, however, the ability of the company to improve its asset quality and limit the net credit losses will be crucial for the its credit profile.

Moderate profitability metrics: SCNL's ROTA improved to 0.4% in FY22 from -0.1% in FY21, with moderation in credit costs or total managed assets to 1.9% from 3.0% and improvement in net interest margin (NIM) to 6.1% from 5.0% during the period. The opex cost to average total managed assets was at 4.6% in FY22, which is expected to improve with the growth picking up, benefiting from economies of scale.

Overall, although profitability improved, it remains lower than the pre-COVID levels (ROTA of 2.6% in FY19) due to the relatively higher credit cost (0.7% in FY19 vs. 1.9% in FY22), lower NIM (7.1% in FY19 vs. 6.1% in FY22), and lower income from the sale of assignments. Going forward, some improvements may be seen in yields, post deregulation of the interest rate by the Reserve Bank of India (RBI). However, the ability of the company to keep its credit costs under control will remain a key determinant for its profitability profile.

Inherent industry risks: The microfinance sector continues to be impacted by the inherent risk involved, viz, socio-political intervention risk and risks emanating from unsecured lending and marginal profile of borrowers who are vulnerable to economic downturns, besides operational risks related to cash-based transactions.

Liquidity: Adequate

The company has a favourable liquidity position, given the shorter tenure of loans and advances (up to two years) as against the long tenure of borrowings (two to seven years), as also reflected by a well-matched asset liability management (ALM) profile as on March 31, 2022. As on the same date, SCNL's expected inflows up to the next one-year bucket (including bank balance and liquid investments) was 1.16x of its expected outflows. The company also has an established practice of always maintaining adequate buffer in the form of free cash and bank balance and liquid investments to cushion its liquidity profile. As on March 31, 2022, SCNL had an unencumbered cash balance of ₹1,090 crore and committed undrawn bank lines of ₹269.41 crore, against debt obligations of ₹1,274.1 crore in the next three months.

SCNL also has an accessed assignment route to raise funds (₹1,204 crore constituting 18.8% of its AUM as on March 31, 2022) and business correspondence route (₹59.90 crore constituting 0.9% of the AUM as on March 31, 2022, albeit reduced from ₹256 crore as on March 31, 2021).

Analytical approach: Standalone

Applicable criteria

- [CARE Ratings' credit rating process](#)
- [CARE Ratings' policy on Default Recognition](#)
- [Rating outlook and credit watch](#)
- [Financial ratios – Financial sector](#)
- [Rating methodology – Non-banking finance companies](#)
- [Policy on Withdrawal of Ratings](#)
- [Criteria for short-term instruments](#)

About the company

SCNL is a leading microfinance company based out of Gurugram. The company is registered with the RBI as a non-deposit accepting, systemically important NBFC and had been granted NBFC-MFI status by the RBI on November 6, 2013. SCNL is also listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Incorporated in 1990, the company was initially engaged in providing loans to individuals, including shopkeepers, etc, in the urban areas. In 2008, the company started its group lending business with the JLG model, which constituted 94.5% of its portfolio as on March 31, 2022, with MSME loans constituting the balance AUM as on the same date.

MSME loans include unsecured loans of a ticket size of ₹1-10 lakh for a period of 1-10 years and corporate loans to other MFIs of ₹3-10 crore. The operations of SCNL are spread across 23 states and UTs, ie, Uttar Pradesh, Madhya Pradesh, Bihar, Punjab, Delhi-NCR, Uttarakhand, Rajasthan, Haryana, Chandigarh, Jammu & Kashmir, Maharashtra, Chhattisgarh, Jharkhand, Himachal Pradesh, West Bengal, Gujarat, Odisha, Assam, Karnataka, Meghalaya, Tripura, Sikkim, and Pondicherry. As on March 31, 2022, SCNL was operating through 1,028 branches, with around 25.4 lakh active borrowers (JLG and MSME), with total AUM being ₹6,409 crore (including BC book for IndusInd of ₹59.90 crore and assigned portfolio of ₹1,204.4 crore).

SCNL also has three subsidiaries, viz, Taraashna Financial Services Limited (TFSL), Satin Housing Finance Limited (SHFL), and Satin Finserv Ltd (SFL). TFSL acts as a business correspondent for four Banks/FIs. The company has spread its presence in six states with 158 branches and AUM of ₹724 crore as on March 31, 2022. SHFL is a housing finance company (HFC) registered with the National Housing Bank (NHB), which undertakes extension of home loans and loan against property. Currently, SHFL sources its business in the regions of Delhi-NCR, Uttar Pradesh, and Rajasthan. It commenced lending operations in February 2018 and has built AUM of ₹318 crore as on March 31, 2022. SFL is the newest subsidiary of the group, which commenced operations in March 2019 to foray into the MSME segment. The AUM of SFL as on March 31, 2022, was ₹167 crore.

Brief Financials (₹ crore)*	March 31, 2021 (A)	March 31, 2022 (A)	Q1FY23
TOI	1,276.94	1,261.93	Not available
PAT	-13.55	40.23	
Interest coverage (times)	0.98	1.10	
Total assets	8,163.9	7,720.1	
Net NPA (%)	4.75	2.47	
Return on average total asset (%)	-0.18	0.53	

A: Audited; *CARE adjusted financials

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term loan (including proposed)	-	-	-	August 01 2025	3,000	CARE A- Negative
Commercial paper issue (<one year)	Proposed				150	CARE A1
Non-Convertible Debentures	INE836B07444	30-Jun-20	11.25%	30-Jun-23	25.00	CARE A- Negative
Non-Convertible Debentures	INE836B07469	28-Jul-20	11.00%	28-Jul-23	25.00	CARE A- Negative
Non-Convertible Debentures	INE836B07477	31-Jul-20	10.95%	31-Jul-23	25.00	CARE A- Negative
Non-Convertible Debentures	INE836B07436	27-Sep-19	12.11%	27-Sep-23	120.00	CARE A- Negative
Non-Convertible Debentures	INE836B07402	14-Dec-18	11.10%	14-Dec-23	213.00	CARE A- Negative
Non-Convertible Debentures	INE836B07584	16-Dec-20	10.50%	06-May-24	48.75	CARE A- Negative
Non-Convertible Debentures	INE836B07592	22-Dec-20	11.10%	05-Jun-25	187.50	CARE A- Negative
Non-Convertible Debentures	INE836B07634	07-Mar-22	11.7702%*	06-Mar-26	75.00	CARE A- Negative
Non-Convertible Debentures	INE836B07626	02-Sep-21	11.50%	02-Sep-26	37.30	CARE A- Negative
Subordinate Debt	INE836B08202	17-Dec-19	15.50%	31-Dec-26	30.00	CARE A- Negative
Non-Convertible Debentures	INE836B08210	24-Mar-20	13.14%	24-Apr-27	50.05	CARE A- Negative
Non-Convertible Debentures	INE836B08236	28-Feb-22	11.50%*	28-Feb-28	57.00	CARE A- Negative
Non-Convertible Debentures	INE836B07659	15-June-16	12.00%	15-June-25	68.00	CARE A- Negative
Non-convertible debentures	INE836B07667	24-June-22	11.15%	24-June-27	96.25	CARE A- Negative
Non-convertible debentures	INE836B07642	30-Mar-22	11.77%	30-Mar-26	30.00	CARE A- Negative
Non-convertible debentures	INE836B07618	31-July-18	11.40%	31-July-23	97.00	CARE A- Negative
Non-convertible debentures	INE836B07550	23-Oct-20	11.50%	23-April-24	60.00	CARE A- Negative
Non-convertible debentures	INE836B07535	03-Oct-17	11.65%	03-Oct-22	65.00	CARE A- Negative
Non-convertible debentures	INE836B07451	15-July-14	12.75%	30-June-23	50.00	CARE A- Negative
Proposed NCDs	Proposed				500.00	CARE A- Negative

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	3000.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
2	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (04-Apr-19)
3	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (24-Mar-20) 2)CARE A-; Stable (05-Jul-19)
4	Debentures-Non Convertible Debentures	LT	50.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
5	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (05-Mar-20) 2)CARE A-; Stable (05-Jul-19)
6	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
7	Debentures-Non Convertible Debentures	LT	26.28	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
8	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (04-Apr-19)
9	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (04-Apr-19)
10	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
11	Debentures-Non Convertible Debentures	LT	68.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)

12	Preference Shares-Non Convertible Redeemable Preference Share	LT	-	-	-	1)Withdrawn (07-Jul-21) 2)CARE BBB+ (RPS); Stable (07-Apr-21)	1)CARE BBB+ (RPS); Stable (07-Jul-20)	1)CARE BBB+ (RPS); Stable (05-Jul-19)
13	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
14	Commercial Paper-Commercial Paper (Standalone)	ST	150.00	CARE A1	1)CARE A1 (06-Jul-22) 2)CARE A1 (07-Apr-21)	1)CARE A1 (07-Jul-21) 2)CARE A1 (07-Apr-21)	1)CARE A1 (07-Jul-20)	1)CARE A1 (05-Jul-19)
15	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Mar-20) 2)CARE A-; Stable (05-Jul-19)
16	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (14-Aug-20) 2)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
17	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Mar-20) 2)CARE A-; Stable (05-Jul-19)
18	Debentures-Non Convertible Debentures	LT	65.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
19	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Mar-20) 2)CARE A-; Stable (05-Jul-19)
20	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (14-Aug-20) 2)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
21	Debentures-Non Convertible Debentures	LT	60.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (05-Jul-19)
22	Debentures-Non Convertible Debentures	LT	334.20	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21)	1)CARE A-; Stable (14-Aug-20)	1)CARE A-; Stable (17-Sep-19)

						2)CARE A-; Stable (07-Apr-21)	2)CARE A-; Stable (07-Jul-20)	2)CARE A-; Stable (05-Jul-19)
23	Debentures-Non Convertible Debentures	LT	38.70	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (14-Aug-20) 2)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (17-Sep-19) 2)CARE A-; Stable (05-Jul-19)
24	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
25	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Jul-19)
26	Debentures-Non Convertible Debentures	LT	120.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (17-Sep-19)
27	Debt-Subordinate Debt	LT	30.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (29-Nov-19)
28	Debentures-Non Convertible Debentures	LT	50.05	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20)	1)CARE A-; Stable (24-Mar-20)
29	Debentures-Non Convertible Debentures	LT	200.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (07-Jul-20) 2)CARE A-; Stable (25-Jun-20)	-
30	Debentures-Non Convertible Debentures	LT	300.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (14-Aug-20)	-
31	Debentures-Non Convertible Debentures	LT	217.62	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (07-Jul-21) 2)CARE A-; Stable (07-Apr-21)	1)CARE A-; Stable (29-Sep-20)	-
32	Debentures-Non Convertible Debentures	LT	300.00	CARE A-; Negative	1)CARE A-; Negative (06-Jul-22)	1)CARE A-; Negative (08-Jul-21)	-	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Name of the Instrument	Detailed Explanation
A. Financial covenants	NA
CAR of not less than 15%	
Total debt/total equity of not higher than 7.0x	
PAR>30 days + restructured portfolio - loan loss provision divided by total equity of:	
1. No greater than 40% from December 24, 2022 to June 28, 2023	
2. No greater than 25% from June 24, 2022 to December 28, 2023	
3. No greater than 15% from December 24, 2023 onwards	
Less than 5% of total liabilities in non-INR denominated currency	NA
Off-balance sheet portfolio to total asset of less than 40%	
B. Non-financial covenants	NA

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Non Convertible Debentures	Simple
3	Debt-Subordinate Debt	Complex
4	Fund-based - LT-Term Loan	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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