HDB Financial Services Limited (Revised)

December 30, 2020

Ratings

Instruments/Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Non-Convertible Debentures	7,500 (Rs. Seven Thousand Five Hundred Crore Only)	**CARE AAA; Stable (Triple A; Outlook: Stable)**	**Assigned**
Non-Convertible Debentures	32,235 (Rs. Thirty Two Thousand Two Hundred & Thirty Five Crore Only)	**CARE AAA; Stable (Triple A; Outlook: Stable)**	**Reaffirmed**
Bank Loan Ratings	30,000 (Rs. Thirty Thousand Crore Only)	**CARE AAA; Stable (Triple A; Outlook: Stable)**	**Reaffirmed**
Market Linked Debentures	3,000 (Rs. Three Thousand Crore Only)	**CARE PP-MLD AAA; Stable (PP-MLD Triple A; Outlook: Stable)**	**Reaffirmed**
Subordinate Debt	3,500 (Rs. Three Thousand Five Hundred Crore Only)	**CARE AAA; Stable (Triple A; Outlook: Stable)**	**Reaffirmed**
Perpetual Debt	1,000 (Rs. One Thousand Crore Only)	**CARE AAA; Stable (Triple A; Outlook: Stable)**	**Reaffirmed**
Commercial Paper	12,500 (Rs. Twelve Thousand Five Hundred Crore Only)	**CARE A1+ (A One Plus)**	**Reaffirmed**
Total	**89,735 (Rs. Eighty Nine Thousand Seven Hundred and Thirty Five Only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

*The reaffirmation of ratings factor in the strength that HDB Financial Services Limited (HDBFSL) derives from strong linkages it enjoys with its parent HDFC Bank Ltd (**HBL; rated 'CARE AAA; Stable', 'CARE A1+'**), in the form of operational and financial support. The ratings also reflect the steady financial performance as well as adequate capitalization of HDBFSL. The ratings also take into consideration HDBFSL's experienced management, its strong liquidity position, diversified resource profile and moderation in asset quality. Credit profile and continued support from HBL, profitability of HDBFSL, asset quality, and capital adequacy, are the key rating sensitivities.*

Owing to the impact on economy due to COVID-19 outbreak, and general weakening of borrower profile due to the pandemic, the asset quality and collection efficiency of HDBFSL will remain the key monitorable.

Rating Sensitivities: Factors that could lead to negative rating action/downgrade

- Any reduction of the depth and scope of support from HBL.
- Deterioration in credit profile of HBL.
- Deterioration in asset quality parameters on a sustained basis.
- Moderation in capital buffers with considerable fall in Capital Adequacy Ratio close to the minimum regulatory requirement.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications*

Detailed description of the key rating drivers
Key Rating Strengths
Strong linkages with the parent HDFC Bank

HDBFSL has strong financial and operational linkage with HBL (rated '**CARE AAA; Stable', 'CARE A1+'**). HBL owns majority shareholding (95.30% as on March 31, 2020) in HDBFSL. HDBFSL has strong linkages with the group. In terms of sharing of brand name, resource raising ability and funding support, HDBFSL benefits being part of the group. Conversely, HDBFSL also supports HBL for sourcing and collection of latter's retail loan portfolio and provides outsourcing services to HBL.

About HDFC Bank limited: HBL being the largest private sector bank in India with total assets of Rs.12,44,541 crore as on March 31, 2019, has been identified as Domestic Systemically Important Bank (DSIB) by the Reserve Bank of India since September 04, 2017. This strong market share is complemented by its expanding pan-India domestic franchise. As on March 31, 2020, the bank had a network of 5,416 branches in 2,803 cities [P.Y.: 5,103 branches in 2,748 cities] with more than 50% of the branches in semi urban & rural areas. The bank has three overseas branches in Bahrain, Hong Kong, Dubai and representative offices in Abu Dhabi, Dubai and Kenya. As on March 31, 2020, Tangible Networth of the Bank was Rs.1,70,986 crore, and the bank had reported profit of Rs.26,257 crore on NII of Rs.56,186 crore for FY20.

Experienced Management

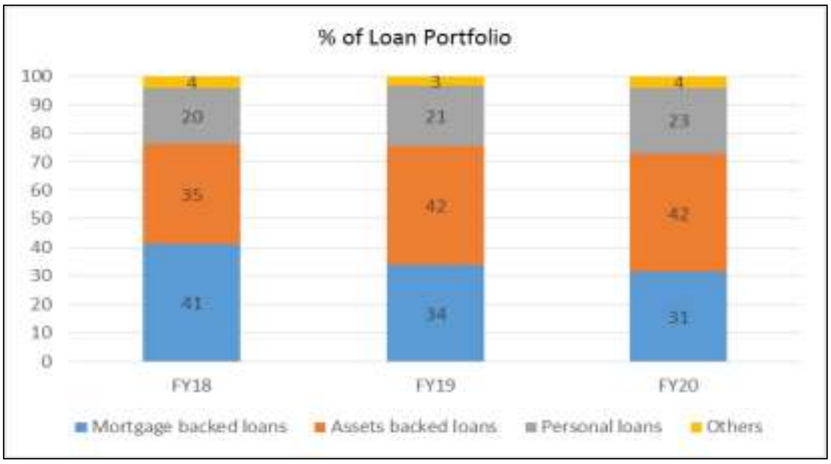
HDBFSL has a strong management team headed by Mr. G Ramesh (MD and CEO), along with 4 independent directors and, who have extensive experience in various facets of banking and financial services.

HDBFSL benefits from HBLs experience in the financial sector. The operations of the company are handled by the Managing Director who is assisted by a team of qualified and experienced professionals.

Established presence in the retail segment with healthy share of secured loan portfolio

As on 31st March 2020, the company's loan portfolio was diversified with 31% of the portfolio into mortgage backed assets (SME, LAP, etc.), 42% was Asset Financing (which includes Tractors / Used CVs / New CVs / CEs / gold loans) and the remaining ~27% was into Personal and unsecured loans.

Trend of Portfolio break-up



Source: Annual Report HDBFSL FY20

Secured loan portfolio stood at around 73% of total portfolio as on March 31, 2020 (FY19 – 76%). Its mortgage-backed exposure has declined as part of conscious strategy from 41% in FY18 to 34% in FY19 and further to 31% in FY20.

The lending book is granular in nature with average ticket size between 7-8 Lakhs, average tenure of 3-4 years and the 20 largest borrowers accounting for 0.36% of the book as on March 31, 2020 (FY19: 0.46%).

Moderation in reported asset quality due to changes in regulations and weakening economic environment.

The company's asset quality parameters took a one time hit in FY20 due to change in the regulations related to non-performing assets classification, which contributed towards increase in Gross and Net NPA to 3.87% and 3.19% respectively as on March 31, 2020 from GNPA of 1.83% and NNPA of 1.26% as on March 31, 2019. Moreover, poor economic conditions and higher delinquencies across sectors also contributed to additional slippages

In H1FY21, HDBFSL has further reported a rise in NPA numbers with Gross and Net NPA at 4.30% and 3.10% respectively as on September 30, 2020.

However, with economic growth showing improvement in last few months, it is expected that the asset quality would not deteriorate significantly from current levels and it would remain a key monitorable going forward.

Conservative reporting policies

HDBFSL's write off policy is also conservative as it is on Gross basis, i.e. the entire loan amount as against what others follow which is Net (i.e. Loan – Security value) basis. The final credit loss even after an account becoming NPA is likely to be lower than what is reflected, due to higher provisioning and write offs taken in H1FY21.

For recognition of NPAs, HDBFSL follows banking regulations, being a subsidiary of HDFC Bank, as compared to the prevalent regulatory recommendations for NBFCs.

Comfortable capitalisation

The company has been maintaining comfortable capitalization levels and reported tangible net worth of Rs.7,593 crore as on March 31, 2020. Regular capital infusion by HBL in the past and internal accruals has helped HDBFSL to maintain comfortable capital adequacy ratio (CAR) which stood at 19.36% with Tier-I CAR at 13.96% as on March 31, 2020 (FY19: CAR – 17.91%, Tier-I CAR – 12.78%). Moreover, the company's gearing levels improved to 6.86 times at end FY20 from 7.04 times at end-FY19.

<u>Trend of Capitalisation parameters</u>

Particulars	**FY18**	**FY19**	**FY20**
Tangible Networth (Rs. Crore)	5737	6784	7593
Tier I CAR (%)	12.79	12.78	13.96
Overall CAR (%)	**18.01**	**17.91**	**19.36**

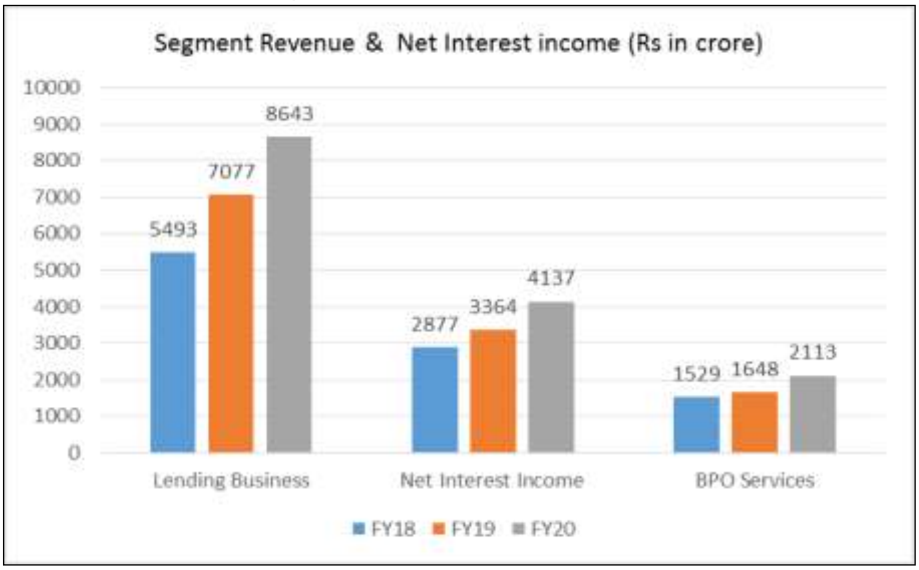
Reported CAR as on September 30, 2020 was at 19.60% and Tier-I CAR at 14.60%. Gearing levels are consistent for period ending H1FY21 at 7.01 times. HDBFSL, as a subsidiary of HBL, has the ability to raise capital as required for maintaining its loan book.

Good growth in business and profit in FY20 albeit moderation in H1FY21

Portfolio of HDBFSL has demonstrated good growth over the last three years, with AUM registering a CAGR of 10%. AUM of HDBFSL grew by 6% in FY20. Interest income and BPO Service income increased by 23% and 30% in FY20. Net Interest Margin (NIM) improved from 6.65% in FY19 to 7.11% in FY20. Consequently, PPOP increased by 23% from Rs.2361 crore for period ending 30th March 2019 to Rs. 2906 crore for period ending 30th March 2020. However, with rise in provisions from Rs.637 crore in FY19 to Rs. 1442 crore in FY20, Profit after Tax (PAT) in FY20 fell by 13%. PAT decreased from Rs.1153 crore in FY19 to Rs.1005 crore in FY20.

Accordingly, Return on Assets (ROTA) declined to 1.73 % in FY20 from 2.28% in FY19. Also RONW declined to 13.98% in FY20 from 18.42% in FY19.

Trend in segmental revenue & net interest income



Source: Numbers Annual Report HDBFSL FY20

In H1FY21, the business growth has been muted with loan assets growing by 0.67% over March 31, 2020 due to economic impact of Covid-19 pandemic. Total income growth was also muted and it improved by 3% on a Y-o-Y basis. Net Interest Income improved by 12% on a Y-o-Y basis. However, due to high provisioning in H1FY21 of Rs.1616 crore compared to Rs.679 crore in H1FY20, PAT fell by ~94% from Rs.427 in H1FY20 crore to Rs.26 crore in H1FY21.

ROTA & RONW fell drastically to 0.09% and 0.69% for period ending 30th September 2020 compared to 1.47% and 12.29% for period ending 31st March 2020. Also ratio of provisions (total provisions) to average total assets increased from 2.34% in H1FY20 to 5.31% in H1FY21.

Liquidity Position - Strong

HDBFSL has been able to manage its liquidity profile by maintaining adequate liquid investments and back up lines of credit. The overall liquidity profile of the company remains sound with positive cumulative mismatch in upto one-year time buckets as per ALM statement on October 31, 2020. Additionally, the company draws comfort from unutilized bank lines and liquid investments of Rs. 6711 crore as on October 31, 2020. It also enjoys strong financial flexibility being subsidiary of HBL.

Impact of Covid-19

The COVID-19 pandemic has led to a significant impact on Company's regular operations including lending and collection activities. HDBFSL extended moratorium to its borrowers in accordance with its Board approved policy.

HDBFSL extended moratorium to all its customers as it went for 'Opt-Out' Strategy in Moratorium 1.0. Moratorium 2.0 was 'Opt-in' strategy. However, HDBFSL was very selective in giving moratorium in the second phase. Also for many weak customers, moratorium was not given, and subsequently if there were delays, it was allowed to slip into NPA.

HDBFSL did not opt for any moratorium from its lenders. Collection efficiency was impacted during the peak of the pandemic in first quarter wherein collection efficiency for April & May fell.

CARE understands that disbursement and collection efficiency have slowly improved to around pre covid level.

Analytical approach: CARE has analyzed the standalone credit profile of HDBFSL along with its strong operational and managerial linkages with its parent HDFC Bank Ltd.

Applicable Criteria

Criteria on assigning 'Outlook' and 'CreditWatch' to Credit Ratings
CARE's Policy on Default Recognition
Short Term Instruments
Rating Methodology- Non Banking Finance Companies
CARE's Criteria for Market Linked Notes/Debentures
Financial Ratios-Financial Sector
Rating Methodology: Factoring Linkages in Ratings (Parent-Subsidiary Linkages)

About HDFC Bank Limited (HBL)

The Housing Development Finance Corporation Limited (HDFC) (CARE AAA (Stable)) was amongst the first to receive an 'in principle' approval from the Reserve Bank of India (RBI) to set up a bank in the private sector, as part of RBI's liberalization of the Indian Banking Industry in 1994. The bank was incorporated in August 1994 in the name of 'HDFC Bank Limited', with its registered office in Mumbai, India. HDFC Bank is promoted by HDFC Ltd. which has 19.32% stake as on September 30, 2020. Currently, HBL is the largest private sector bank and second largest bank in India.

As on March 31, 2020, the bank's total balance sheet size stood at Rs.15,30,511 crore.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total income	1,16,598	1,38,073
PAT	21,078	26,257
Total Assets	12,44,541	15,30,511
Net NPA (%)	0.39	0.36
ROTA (%)	1.83	1.89

A: Audited (Figures as per Ind AS)

About HDB Financial Services Limited (HDBFSL)
HDBFSL is a subsidiary of HDFC Bank Limited (HBL) with shareholding of 95.30% as on March 31, 2020. HDBFSL was incorporated in June 2007 and commenced its lending operations in March 2008.
HDBFSL is a lending company which offers various retail loans like Loan against property (LAP), Commercial Vehicle (CV) and Construction Equipment (CE) financing, gold loan, personal loans, etc. The company operates through network of 1,468 operational branches (as on March 31, 2020), located in 1,070 cities. The company is a corporate agent for HDFC Standard Life Insurance Company and HDFC Ergo General Insurance to distribute their insurance products.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total income	8725	10756
PAT	1,153	1,005
Total Assets	55,707	60,714
Interest coverage (times)	1.52	1.36
Net NPA (%)	1.26	3.19
ROTA (%)	2.28	1.73

A: Audited (Figures as per Ind AS)

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure – 1: Details of instruments / facilities

Type of Instrument	ISIN	Date of Issuance	Maturity Date	Size of Issue (Rs in crore)	Rating assigned along with Rating Outlook
Commercial Paper	---	---	7 days to 1 year	12,500	CARE A1+
Bank Facilities	-	-	-	30,000	CARE AAA; Stable
NCD*	INE756I07BC3	26-Apr-17	26-May-20	135	CARE AAA; Stable
NCD*	INE756I07BE9	11-May-17	11-Jun-20	100	CARE AAA; Stable
NCD*	INE756I07BF6	11-May-17	08-Jul-20	125	CARE AAA; Stable
NCD*	INE756I07BG4	18-May-17	18-Jun-20	100	CARE AAA; Stable
NCD*	INE756I07BH2	29-May-17	29-Jun-20	300	CARE AAA; Stable
NCD*	INE756I07BJ8	13-Jun-17	12-Jun-20	200	CARE AAA; Stable
NCD*	INE756I07BK6	19-Jun-17	19-Jun-20	375	CARE AAA; Stable
NCD*	INE756I07BL4	18-Jul-17	17-Aug-20	500	CARE AAA; Stable
NCD*	INE756I07BM2	27-Jul-17	28-Sep-20	400	CARE AAA; Stable
NCD*	INE756I07BP5	08-Sep-17	08-Sep-20	400	CARE AAA; Stable
NCD*	INE756I07BQ3	20-Sep-17	20-Oct-20	400	CARE AAA; Stable
NCD*	INE756I07BR1	18-Oct-17	18-Nov-20	500	CARE AAA; Stable
NCD*	INE756I07BT7	06-Dec-17	07-Dec-20	800	CARE AAA; Stable
NCD	INE756I07BU5	15-Jan-18	15-Apr-21	145	CARE AAA; Stable
NCD	INE756I07BV3	16-Mar-18	10-May-21	373	CARE AAA; Stable
NCD	INE756I07BW1	16-Mar-18	06-Apr-21	299	CARE AAA; Stable
NCD	INE756I07BX9	01-Jun-18	08-Jun-21	663	CARE AAA; Stable
NCD	INE756I07BY7	27-Jun-18	07-Jul-21	215	CARE AAA; Stable
NCD	INE756I07CA5	11-Jul-18	12-Jul-21	575	CARE AAA; Stable
NCD*	INE756I07CB3	16-Aug-18	14-Aug-20	360	CARE AAA; Stable
NCD	INE756I07CC1	31-Aug-18	09-Sep-21	552	CARE AAA; Stable
NCD	INE756I07CD9	17-Oct-18	29-Oct-21	701	CARE AAA; Stable

NCD	INE756I07CE7	26-Oct-18	25-Mar-22	449.50	CARE AAA; Stable
NCD*	INE756I07CF4	02-Nov-18	15-Jun-20	385	CARE AAA; Stable
NCD	INE756I07CI8	03-Dec-18	05-Apr-22	500	CARE AAA; Stable
NCD	INE756I07CI8	21-Dec-18	05-Apr-22	361.20	CARE AAA; Stable
NCD*	INE756I07BF6	28-Dec-18	08-Jul-20	125	CARE AAA; Stable
NCD*	INE756I07BK6	28-Dec-18	19-Jun-20	285	CARE AAA; Stable
NCD*	INE756I07BF6	10-Jan-19	08-Jul-20	200	CARE AAA; Stable
NCD*	INE756I07CJ6	10-Jan-19	10-Aug-20	245	CARE AAA; Stable
NCD*	INE756I07BQ3	23-Jan-19	20-Oct-20	200	CARE AAA; Stable
NCD	INE756I07BT7	23-Jan-19	07-Dec-20	300	CARE AAA; Stable
NCD	INE756I07CI8	23-Jan-19	05-Apr-22	57.50	CARE AAA; Stable
NCD	INE756I07CK4	23-Jan-19	04-May-22	386.90	CARE AAA; Stable
NCD	INE756I07CI8	21-Feb-19	05-Apr-22	111	CARE AAA; Stable
NCD	INE756I07CM0	21-Feb-19	18-Feb-21	250	CARE AAA; Stable
NCD	INE756I07CI8	14-Mar-19	05-Apr-22	290	CARE AAA; Stable
NCD	INE756I07CM0	14-Mar-19	18-Feb-21	500	CARE AAA; Stable
NCD	INE756I07CO6	14-Mar-19	14-Mar-22	290	CARE AAA; Stable
NCD	INE756I07CP3	03-May-19	17-Jun-22	225	CARE AAA; Stable
NCD	INE756I07BX9	17-May-19	08-Jun-21	97	CARE AAA; Stable
NCD	INE756I07CQ1	17-May-19	17-May-21	365	CARE AAA; Stable
NCD	INE756I07CQ1	30-May-19	17-May-21	300	CARE AAA; Stable
NCD	INE756I07CP3	21-Jun-19	17-Jun-22	305	CARE AAA; Stable
NCD	INE756I07CS7	25-Jul-19	25-Aug-22	117	CARE AAA; Stable
NCD	INE756I07DI6	08-Aug-19	08-Aug-29	1500	CARE AAA; Stable
NCD	INE756I07BY7	22-Aug-19	07-Jul-21	325	CARE AAA; Stable
NCD	INE756I07CP3	22-Aug-19	17-Jun-22	275	CARE AAA; Stable
NCD	INE756I07CU3	28-Aug-19	28-Aug-24	280	CARE AAA; Stable
NCD	INE756I07CW9	19-Nov-19	19-Nov-22	255	CARE AAA; Stable
NCD	INE756I07CV1	13-Sep-19	18-Nov-21	700	CARE AAA; Stable
NCD	INE756I07CS7	24-Sep-19	25-Aug-22	200	CARE AAA; Stable
NCD	INE756I07CS7	24-Oct-19	25-Aug-22	220	CARE AAA; Stable
NCD	INE756I07CV1	25-Nov-19	18-Nov-21	300	CARE AAA; Stable
NCD	INE756I07CX7	25-Nov-19	23-Dec-22	260	CARE AAA; Stable
NCD	INE756I07CW9	26-Dec-19	19-Nov-22	240	CARE AAA; Stable
NCD	INE756I07CX7	26-Dec-19	23-Dec-22	260	CARE AAA; Stable
NCD	INE756I07CY5	16-Jan-20	16-Feb-23	257	CARE AAA; Stable
NCD	INE756I07BY7	30-Jan-20	07-Jul-21	250	CARE AAA; Stable
NCD	INE756I07CZ2	30-Jan-20	20-Jan-23	800	CARE AAA; Stable
NCD	INE756I07DA3	17-Feb-20	17-Apr-23	380	CARE AAA; Stable
NCD	INE756I07DA3	03-Mar-20	17-Apr-23	50	CARE AAA; Stable
NCD	INE756I07DB1	03-Mar-20	20-Oct-22	510	CARE AAA; Stable
NCD	INE756I07DC9	28-Apr-20	29-Jun-23	1200	CARE AAA; Stable
NCD	INE756I07DE5	26-May-20	27-Jul-23	1300	CARE AAA; Stable
NCD	INE756I07DD7	26-May-20	24-Aug-23	700	CARE AAA; Stable
NCD	INE756I07DG0	19-Jun-20	26-Oct-23	875	CARE AAA; Stable
NCD	INE756I07DH8	07-Aug-20	25-May-23	500	CARE AAA; Stable
NCD	INE756I07DA3	01-Sep-20	17-Apr-23	350	CARE AAA; Stable
NCD	INE756I07DJ4	11-Sep-20	26-Jul-22	300	CARE AAA; Stable
NCD	INE756I07DJ4	14-Oct-20	26-Jul-22	425	CARE AAA; Stable
NCD	INE756I07DJ4	27-Oct-20	26-Jul-22	325	CARE AAA; Stable
NCD	INE756I07DK2	27-Oct-20	10-Aug-22	330	CARE AAA; Stable
NCD (Proposed)	---	---	---	11,804.90	CARE AAA; Stable
Subordinate Bond	INE756I08017	09-Aug-12	09-Aug-22	250	CARE AAA; Stable
Subordinate Bond	INE756I08025	30-Nov-12	30-Nov-22	150	CARE AAA; Stable
Subordinate Bond	INE756I08033	22-Mar-13	22-Mar-23	200	CARE AAA; Stable

Subordinate Bond	INE756I08041	18-Oct-13	17-Oct-23	100	CARE AAA; Stable
Subordinate Bond	INE756I08058	20-Dec-13	20-Dec-23	50	CARE AAA; Stable
Subordinate Bond	INE756I08066	18-Mar-14	18-Mar-24	80	CARE AAA; Stable
Subordinate Bond	INE756I08074	20-Jun-14	20-Jun-24	200	CARE AAA; Stable
Subordinate Bond	INE756I08082	13-Nov-14	13-Nov-24	100	CARE AAA; Stable
Subordinate Bond	INE756I08090	17-Nov-14	15-Nov-24	200	CARE AAA; Stable
Subordinate Bond	INE756I08116	06-Dec-16	04-Dec-26	170	CARE AAA; Stable
Subordinate Bond	INE756I08108	22-Jul-16	22-Jul-26	220	CARE AAA; Stable
Subordinate Bond	INE756I08124	01-Feb-18	01-Feb-28	150	CARE AAA; Stable
Subordinate Bond	INE756I08132	21-Feb-18	21-Feb-28	130	CARE AAA; Stable
Subordinate Bond	INE756I08140	27-Jul-18	27-Jul-28	250	CARE AAA; Stable
Subordinate Bond	INE756I08173	15-Nov-18	15-Nov-28	350	CARE AAA; Stable
Subordinate Bond	INE756I08181	07-Jun-19	07-Jun-29	315	CARE AAA; Stable
Subordinate Bond	INE756I08181	24-Jan-20	07-Jun-29	228.5	CARE AAA; Stable
Subordinate Bond	INE756I08215	02-Nov-20	01-Nov-30	356.5	CARE AAA; Stable
Debt- Perpetual Debt	INE756I08157	06-Aug-18	Perpetual until call option is exercised	200	CARE AAA; Stable
Debt- Perpetual Debt	INE756I08165	07-Sep-18	Perpetual until call option is exercised	100	CARE AAA; Stable
Debt- Perpetual Debt	INE756I08199	16-Aug-19	Perpetual until call option is exercised	100	CARE AAA; Stable
Debt- Perpetual Debt	INE756I08207	29-Nov-19	Perpetual until call option is exercised	100	CARE AAA; Stable
Debt- Perpetual Debt (Proposed)	--	--	--	500	CARE AAA; Stable
Market Linked Debenture*	INE756I07CL2	08-Feb-19	31-Jul-20	300	CARE PP MLD AAA; Stable
Market Linked Debenture	INE756I07CN8	01-Mar-19	04-Feb-21	338.90	CARE PP MLD AAA; Stable
Market Linked Debenture	INE756I07CR9	13-Jun-19	04-Jun-21	125	CARE PP MLD AAA; Stable
Market Linked Debenture	INE756I07DF2	02-Jun-20	09-May-23	236.10	CARE PP MLD AAA; Stable
Market Linked Debenture (Proposed)	--	--	--	2,000	CARE PP MLD AAA; Stable

** Instruments have been fully paid. Would be removed post discussion with issuer*

Annexure – 2: Rating history of last three years

Sr. No.	Name of the Instrument	Current Ratings			Rating history			
	Facilities	Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1	Commercial Paper	ST	12,500	CARE A1+	1)CARE A1+ (14-Jul-20)	1)CARE A1+ (08-Jan-20) 2)CARE A1+ (28-Jun-19)	1)CARE A1+ (28-Sep-18) 2)CARE A1+ (15-Jun-18)	1)CARE A1+ (12-Sep-17) 2)CARE A1+ (11-Jul-17)

Sr. No.	Name of the Instrument	Current Ratings			Rating history			
	Facilities	Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
2	Fund-based - LT-Term Loan	LT	30,000	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20) 2) CARE AAA; Stable (28-Jun-19)	1)CARE AAA; Stable (28-Sep-18) 2)CARE AAA; Stable (15-Jun-18)	1)CARE AAA; Stable (12-Sep-17)
3	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (11-Jul-17)
4	Debt-Subordinate Debt	LT	2,750	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20)	1)CARE AAA; Stable (28-Sep-18) 2)CARE AAA; Stable (15-Jun-18)	1)CARE AAA; Stable (12-Sep-17)
5	Debentures-Non Convertible Debentures	LT	735	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20)	1)CARE AAA; Stable (28-Sep-18) 2)CARE AAA; Stable (15-Jun-18)	1)CARE AAA; Stable (12-Sep-17) 2)CARE AAA; Stable (11-Jul-17)
6	Debt-Subordinate Debt	LT	750	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20)	1)CARE AAA; Stable (28-Sep-18) 2)CARE AAA; Stable (15-Jun-18)	1)CARE AAA; Stable (12-Sep-17)
7	Debt-Perpetual Debt	LT	1,000	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20) 2)CARE AAA; Stable (28-Jun-19)	1)CARE AAA; Stable (28-Sep-18)	1)CARE AAA; Stable (12-Sep-17) 2)CARE AAA; Stable (11-Jul-17)
8	Debentures-Non Convertible Debentures	LT	7,500	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20)	1)CARE AAA; Stable (28-Sep-18) 2)CARE AAA; Stable (15-Jun-18)	1)CARE AAA; Stable (12-Sep-17) 2)CARE AAA; Stable (11-Jul-17)
9	Debentures-Non Convertible Debentures	LT	7,500	-	1) CARE AAA; Stable (14-Jul-20)	-	-	-
10	Debentures-Non Convertible Debentures	LT	9000	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20)	1) CARE AAA; Stable (15-Nov-18) 2)CARE AAA; Stable (28-Sep-18) 3)CARE AAA; Stable (15-Jun-18)	-

Sr. No.	Name of the Instrument	Current Ratings			Rating history			
	Facilities	Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
11	Debentures-Market Linked Debentures	LT	1000	CARE PP-MLD AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20)	1)CARE PP-MLD AAA; Stable (15-Nov-18)	-
12	Debentures-Non Convertible Debentures	LT	15000	CARE AAA; Stable	1) CARE AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20) 2)CARE AAA; Stable (28-Jun-19)	-	-
13	Debentures-Market Linked Debentures	LT	2000	CARE PP-MLD AAA; Stable	1) CARE PP-MLD AAA; Stable (14-Jul-20)	1)CARE AAA; Stable (08-Jan-20) 2)CARE PP-MLD AAA; Stable (28-Jun-19)	-	-

Annexure 3: Complexity level of various instruments rated for this company

Sr. No	*Name of Instrument*	*Complexity Level*
1	*Commercial Paper – Commercial Paper*	*Simple*
2	*Long Term- Term Loan*	*Simple*
3	*Debentures-Non Convertible Debentures*	*Simple*
4	*Debt-Subordinate Debt*	*Complex*
5	*Debt-Perpetual Debt*	*Highly Complex*
6	*Debentures – Market Linked Debentures*	*Highly Complex*

Annexure 4: Detailed explanations of covenants of the rated instrument / facilities – Not Applicable

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Name - Mr. Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact 1
Name - Mr. Himanshu Shethia
Contact no.- +91-22-6754 3468
Email ID – himanshu.shethia@careratings.com

Analyst Contact 2
Name - Mr. Sanjay Kumar Agarwal
Contact no. – +91-22-6754 3500 / 582
Email ID – sanjay.agarwal@careratings.com

Business Development Contact
Name: Mr. Ankur Sachdeva
Contact no. : +91-22-6754 3495
Email ID – ankur.sachdeva@careratings.com

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