Magma Fincorp Limited

February 16, 2021

Ratings

Facilities/Instruments	Amount (Rs. Crore)	Ratings[1]	Rating Action
Long term Bank Facilities	4,876.38 (reduced from 4,979.50)	**CARE AA- (CWD) (Double A Minus; Under Credit watch with Developing Implications)**	**Placed on Credit watch with Developing Implications**
Long/Short-term Bank Facilities	344.58	**CARE AA- / CARE A1+ (CWD) (Double A Minus / A One Plus] (Under Credit watch with Developing Implications)**	**Placed on Credit watch with Developing Implications**
Total Bank Facilities	**5,220.96 (Rs. Five Thousand Two Hundred Twenty Crore and Ninety Six Lakh only)**		
Secured Non-Convertible Debentures (NCDs)	**280.00 (Rs. Two Hundred Eighty Crore Only)**	**CARE AA-; CWD (Double A Minus) (Under Credit watch with Developing Implications)**	**Placed on Credit watch with Developing Implications**
Proposed Secured NCDs	**320.70 (Rs. Three Hundred Twenty Crore and Seventy Lakh only)**		
Unsecured Subordinated Tier II NCDs	**327.00 (Rs. Three Hundred and Twenty Seven Crore only)**	**CARE AA-; CWD (Double A Minus) (Under Credit watch with Developing Implications)**	**Placed on Credit watch with Developing Implications**
Perpetual Debt	**61.40 (Rs. Sixty One Crore and Forty Lakh only)**	**CARE A+; CWD (Single A Plus) (Under Credit watch with Developing Implications)**	**Placed on Credit watch with Developing Implications**
Perpetual Debt	**-**	**-**	**Withdrawn**
Commercial Paper Issue - Standalone	**250.00 (Rs. Two hundred and fifty crore only)**	**CARE A1+ (A One Plus)**	**Reaffirmed**

Details of facilities/instruments in Annexure I

Detailed Rationale & Key Rating Drivers

CARE has placed the ratings assigned to Magma Fincorp Limited (MFL) on ‘Credit Watch with Developing Implications’. The rating action follows the announcement of proposed preferential issue of equity shares of MFL to Rising Sun Holdings Private Limited (RSHPL), a company controlled by Mr. Adar Poonawalla of The Cyrus Poonawalla Group.

The preferential allotment proposed is for an aggregate value of Rs.3,456 crore and as part of the transaction MFL proposes to allot 45,80,00,000 shares to RSHPL and 3,57,14,286 shares to Mr. Sanjay Chamria (present Vice Chairman (VC) & Managing Director (MD) of MFL) and Mr. Mayank Poddar (present Chairman Emeritus of MFL). After the completion of above preferential issue, RSHPL would hold 60% stake and the existing promoters’ stake would reduce to 13.30% from the existing 24.40% in MFL. Accordingly, following the preferential issue, RSHPL would be classified as the new promoters of MFL. Furthermore, MFL and the subsidiaries shall be renamed and rebranded under the brand name ‘Poonawalla Finance’.

The Cyrus Poonawalla Group is one of the leading players in the Pharmaceuticals & Biotechnology segment. The group is led by its flagship company; Serum Institute of India Pvt Ltd (SIIPL; rated CARE AAA; Stable/CARE A1+). SIIPL holds the distinction of being the world’s largest vaccine manufacturer by number of doses produced and sold globally. SIIPL reported net profit of Rs.2511 crore during FY20 and had a robust net worth at Rs.17,690 crore as on March 31, 2020 on account of large accretion to reserves over the years.

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

The group also has presence in NBFC space through Poonawalla Finance Private Limited (PFPL; rated CARE AA+; Stable/CARE A1+), which is registered with the RBI as a Non-Deposit Accepting Systemically Important NBFC. PFPL operates in small ticket size Personal Loan, Professional Loan and Unsecured Business Loan segments. PFPL had networth and AUM (including credit substitutes) of Rs.881 crore and Rs.1125 crore respectively as on March 31, 2020. The Poonawalla Group also proposes to consolidate the existing financial services business under PFPL with MFL.

The above transaction is subject to various regulatory approvals and the company is in the process of applying for the same. CARE would continue to monitor the developments in this regard and will take a view on the ratings once the transaction is completed and impact on the credit risk profile of MFL including future business strategy is clear.

The ratings take note of the de-growth in the consolidated loan Assets under Management (loan AUM) as on December 31, 2020 due to significantly lower disbursements during H1FY21 (refers to the period April 1 to September 30) on account of impact of Covid-19. However, the disbursements witnessed a q-o-q growth in Q3FY21 with uptick in demand.

The ratings also factor in the continued subdued consolidated profitability of the company in 9MFY21. Though Pre-Provisioning Operating Profitability (PPOP) increased with marginal improvement in spreads due to lower borrowing costs along with decrease in operating expenses during the year, the profitability remained subdued primarily on account of high credit cost during the period.

The credit cost was high due to Covid-19 induced stress on the asset quality of the company. Around 38% of the loan AUM was under moratorium in August'20 and the same has resulted in deterioration in Days Past Due (DPD) bucketing of loan AUM after end of moratorium available to the borrowers. The 0-DPD loan AUM of the company decreased substantially from Rs.12,878 crore as on March 31, 2020 to Rs.10,781 crore as on December 31, 2020 due to roll forwards to higher DPD buckets. However, the collection efficiency of the company has been witnessing an improving trend m-o-m with the same improving from 84.50% in September'20 to 97.20% in January'21.

The reported gross stage III and net stage III assets as a percentage of advances improved from 6.44% and 4.19% respectively as on March 31, 2020 to 3.67% and 2.36% respectively as on December 31, 2020. The improvement was primarily due to write-offs and prevailing Hon'ble Supreme Court's Order that no borrower accounts under the moratorium granted category can be classified Non-Performing Asset (NPA) which were not NPA till August 31, 2020. Adjusting for the same, the gross stage III and net stage III assets as a percentage of advances remained relatively stable. The company on a consolidated basis had additional provisions of Rs.156 crore for probable impact of Covid-19 as on December 31, 2020. The ability of the company to further improve collection efficiency and ensure roll backs of loan AUM to lower DPD buckets is critical for profitability and asset quality going forward.

The ratings assigned to MFL continue to draw strength from Magma group's long track record of operations, experienced management team, wide branch network, geographically and product-wise diversified asset portfolio, comfortable Capital Adequacy Ratio (CAR) and adequate liquidity profile.

The ratings remain constrained by the subdued return indicators and moderately diversified resource profile of the company.

CARE has withdrawn the ratings assigned to perpetual debt issue aggregating Rs.25 crore of MFL with immediate effect, as MFL has repaid the aforementioned debt in full and there is no amount outstanding under the issue as on date.

Rating Sensitivities

Positive Factors: *Factors that could lead to positive rating action/upgrade*

- Completion of proposed equity infusion pursuant to the announcement made, leading to improved financial flexibility and capitalisation along with reduction in cost of funds
- Substantial improvement in profitability on a sustained basis and growth in AUM
- Improvement in asset quality on a sustained basis

Negative factors: *Factors that could lead to negative rating action/downgrade*

- Inability to grow the loan book and improve profitability to a reasonable level to support operations on a sustained basis
- Consolidated Gross stage III assets going above 8% of advances
- Overall CAR going below 18% on a sustained basis
- Deterioration in liquidity profile

Detailed description of the key rating drivers

Key Rating Strengths

Long track record and experienced management team

MFL has been in asset financing business for more than three decades. Mr. Mayank Poddar, the Chairman Emeritus, and Mr. Sanjay Chamria, Vice Chairman and MD, have over three decades of business experience in the financial sector. The company is governed by a six-member Board of Directors, which includes two promoter directors and four independent directors. The Board comprises of a team of qualified and experienced professionals with considerable experience in functional areas. Further, the board is ably supported by a qualified senior management team.

Pan-India presence with wide branch network
MFL has a pan-India presence through a network of 297 branches (as on December 31, 2020) spread across 21 States/Union Territories. The group primarily caters to clients in rural and semi-rural markets and majority of the branches are located in these areas. The consolidated loan book of the company was diversified geographically with north contributing about 37%, east about 19%, south about 26% and west contributing about 18% as on December 31, 2020.

Well-diversified product portfolio with increasing share of focused products
MFL, on a consolidated basis, has a well-diversified asset portfolio with presence in Asset Backed Finance (ABF) Commercial Finance (comprising utility vehicles/cars, Commercial Vehicles (CV), Construction Equipment (CE) & used assets), ABF Agricultural Finance (comprising tractors), SME loans, affordable housing, and loan against property (LAP).
The loan AUM as on December 31, 2020 comprised of 28% of cars/CV/CE/auto lease, 28% of used assets, 7% of tractors, 10% of SME loans and balance 28% of affordable housing.
Currently, the focus segments of the company are used assets, tractors, SME loans and affordable housing. The share of focus segments increased from 68% of loan AUM as on March 31, 2020 to 74% of loan AUM as on December 31, 2020. The share of high yield assets (i.e., used assets, Tractors and SME loan) in loan AUM remained at 45% as on December 31, 2020.

Comfortable CAR
MFL's Tier I CAR improved significantly from 23.00% as on March 31, 2020 to 25.20% as on December 31, 2020 due to decrease in risk weighted assets with lower loan book. Whereas, Tier II CAR remained relatively stable at 2.80% as on December 31, 2020 as compared to 2.90% as on March 31, 2020. Consequently, the overall CAR further improved and stood at 28% as on December 31, 2020 as compared to 25.90% as on March 31, 2020.
The overall CAR of the company is well above the regulatory requirement of 15%. Higher CAR would aid the company to undertake additional business and provide cushion against delinquencies and other credit risk associated with the business.
The consolidated overall gearing also improved from 4.44x as on March 31, 2020 to 3.84x as on December 31, 2020 with decrease in borrowings due to lower disbursements during the period.

Key Rating Weaknesses
Sizeable loan AUM, albeit de-growth in current year due to lower disbursements with impact of Covid-19
The consolidated disbursements of the company were significantly lower at Rs.2,249 crore in 9MFY21 vis-à-vis Rs.5,095 crore in 9MFY20 (Rs.6,428 crore in FY20). The disbursements were lower during the year owing to impact of Covid-19. However, with uptick in demand the disbursements have increased q-o-q and the same witnessed a growth of 45% with increase in disbursements from Rs.830 crore in Q2FY21 to Rs.1,203 crore in Q3FY21. The disbursements in Q3FY21 were mainly in two of the focused products with higher yield viz. used assets and affordable housing. Whereas, the disbursements in cars/CV/CE was nil and strategically reduced in SME segment on anticipation of higher stress in the segment due to Covid-19.
With de-growth in disbursements during 9MFY21, MFL's consolidated Loan AUM witnessed decrease from Rs.16,134 crore as on March 31, 2020 to Rs.15,006 crore as on December 31, 2020. However, the company continues to have a sizeable loan AUM.

Subdued return indicators
The company had witnessed substantial decline in consolidated profitability in FY20 on account of increase in finance cost and credit cost during the period. The increase in finance costs was due to subdued resource mobilization scenario in the NBFC sector. Whereas the increase in credit costs was due to deterioration in asset quality primarily because of stress in CV and CE segments and additional provisions of Rs.117 crore in Q4FY20 for probable impact of Covid-19.
MFL's consolidated total income was lower at Rs.1,776 crore in 9MFY21 vis-a-vis Rs.1,948 crore in 9MFY20 primarily due to lower interest income with decrease in loan book, though the average yield remained relatively stable during the period. However, the interest cost of the company decreased significantly in 9MFY21 with decrease in debt levels and also due to marginal decrease in the average cost of borrowings. Thus, the Net Interest Income (NII) of the company witnessed marginal improvement during the period.
Furthermore, with lower operating costs, the PPOP of the company increased from Rs.442 crore in 9MFY20 to Rs.514 crore in 9MFY21. However, with continued high credit costs of Rs.399 crore in 9MFY21 vis-à-vis Rs.356 crore in 9MFY20 the profitability continued to remain subdued. The credit costs were high due to Covid-19 induced stress in the asset

quality of the company. The company on a consolidated basis had additional provisions of Rs.156 crore for probable impact of Covid-19 as on December 31, 2020. Resultantly, the company reported consolidated net profit of Rs.89 crore in 9MFY21 vis-à-vis net profit of Rs.63 crore in 9MFY20.
Consequently, the return indicators i.e. ROTA and RONW remained subdued at 0.8% and 4.21% respectively in 9MFY21. The ability of the company to improve the profitability to a reasonable level by controlling finance costs, credit costs and operational costs is a key rating sensitivity.

Moderate asset quality
The reported Gross stage III & Net Stage III assets of the company decreased substantially from Rs.914 crore and Rs.580 crore respectively as on March 31, 2020 to Rs.491 crore and Rs.312 crore respectively as on December 31, 2020. The substantial decrease was primarily on account of write-offs and prevailing Hon'ble Supreme Court's Order that no borrower accounts under the moratorium granted category can be classified Non-Performing Asset (NPA) which were not NPA till August 31, 2020. However, adjusting for the impact of Hon'ble Supreme Court order, the Gross stage III & Net Stage III assets as a percentage of advances remained relatively stable at 6.93% and 4.49% respectively as on December 31, 2020 as compared to 6.44% and 4.19% respectively as on March 31, 2020. The stage III provision coverage was stable at 36.80% as on December 31, 2020 as compared to 36.54% as on March 31, 2020.
Around 38% of the loan AUM was under moratorium for August'20 exit and the same has resulted in deterioration in DPD bucketing of loan AUM. However, the collection efficiency of the company has witnessed an improving trend m-o-m with the same improving from 84.50% in September'20 to 97.20% in January'21. The ability of the company to further improve collection efficiency and ensure roll backs of loan AUM to lower DPD buckets is critical for asset quality going forward.
The company continues to manage asset quality and credit costs by focusing on collections and ring fencing the portfolio quality through Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and incentivising customers through interest subvention under Pradhan Mantri Awas Yojana (PMAY) schemes for the eligible portfolio.
The restructured portfolio stood at Rs.281 crore as on December 31, 2020.

Moderate diversified resource profile
The company has a moderately diversified resource profile in terms mix of bank and capital markets borrowings. MFL's consolidated borrowings were in the form of 51% of term loans (incl. PTC), 30% in the form of working capital, 12% in the form of NCDs and balance 8% in the form of perpetual & sub-debt.
The borrowings as on December 31, 2020 constituted 78% of bank borrowings and 22% of debt capital markets. Further, in terms of tenure of the borrowings the company had taken steps which have resulted in proportion of short-term borrowings to remain at 30% as on December 31, 2020.
Further diversification of resource profile and reduced dependence on bank borrowings is a key rating sensitivity.

Liquidity: Adequate
The standalone Asset Liability Maturity statement as on December 31, 2020 submitted by MFL reflects that liabilities maturing in upto one year bucket exceeds the corresponding assets and the company had cumulative deficit of Rs.651 crore in the upto 1 year bucket. The cumulative deficit in mainly on account of considering repayment of cash credit of Rs.4,428 in upto one year bucket. However, considering that working capital facilities from banks are renewed on a year-to-year basis and therefore are revolving in nature; the liquidity profile is adequate.
MFL (on consolidated basis) had free cash of about Rs.751 crore (fixed deposits/current account balances/cash in hand) and unutilized lines of credit of about Rs.1,574 crore as on January 1, 2021. Further, the company also has presence in the securitization market which provides liquidity.

Analytical approach:
CARE has taken a consolidated view of MFL, its wholly subsidiary Magma Housing Finance Ltd (MHFL) and joint venture companies Magma HDI General Insurance Company Ltd (MHDI) and Jaguar Advisory Services Private Ltd (to the extent of MFL's shareholding i.e., 35.41% and 48.9%, respectively) considering the strong operational and financial linkages.

Applicable Criteria
CARE's Policy on Default Recognition
Criteria for Short Term Instruments
Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
Rating Methodology- Non Banking Finance Companies (NBFCs)
Financial ratios –Financial Sector
Rating Methodology: Consolidation
Policy on withdrawal of ratings

About the Company

Incorporated in 1978, MFL is a RBI registered NBFC and is classified as a 'Non-Deposit taking Systemically Important Asset Financing Company' by RBI. The current promoters of MFL are Mr. Mayank Poddar (Chairman Emeritus) and Mr. Sanjay Chamria (Vice-Chairman and MD).
MFL is engaged in financing of utility vehicles/cars, CV, CE, used assets, SME loans, and tractors.
The group also operates a mortgage business separately through its wholly owned subsidiary, MHFL (erstwhile Magma Housing Finance Company) since February 2013.
The group also has a presence in general insurance business in partnership with HDI through MHDI since October'2012.

Consolidated Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total income	2,514	2,562
PAT	304	27
Interest coverage (times)	1.44	1.12
Total Assets	17,305	15,815
Net NPA (%)	3.08	4.19
ROTA (%)	1.83	0.16

A: Audited

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

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	4,428.50	CARE AA- CWD)
Term Loan-Long Term	-	-	-	Sep-24	447.88	CARE AA- CWD)
Non-fund-based - LT/ ST-BG/LC	-	-	-	-	344.58	CARE AA- / CARE A1+ (CWD)
Secured NCDs	INE511C07573	07-01-2017	9.55%	07-01-2022	5.00	CARE AA- CWD)
Secured NCDs	INE511C07581	13-02-2017	9.00%	13-02-2024	50.00	CARE AA- CWD)
Secured NCDs	INE511C07599	06-04-2017	9.00%	06-04-2024	50.00	CARE AA- CWD)
Secured NCDs	INE511C07730	30/09/2020	8.20%	30/03/2022	75.00	CARE AA- CWD)
Secured NCDs	INE511C07748	12/11/2020	8.75%	12/05/2022	100.00	CARE AA- CWD)
Proposed Secured NCDs	-	-	-	-	320.70	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08910	30-06-2014	11.45%	30-06-2021	0.50	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08803	06-09-2012	11.50%	06-09-2022	10.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08803	06-09-2012	11.50%	06-09-2022	10.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08803	06-09-2012	11.50%	06-09-2022	5.00	CARE AA- CWD)
Unsecured Subordinated Tier II	INE511C08829	17-01-2013	11.00%	17-01-2023	10.00	CARE AA- CWD)

Name of the	ISIN	Date of	Coupon	Maturity	Size of the Issue	Rating assigned along with Rating Outlook
NCD						
Unsecured Subordinated Tier II NCD	INE511C08860	23-04-2013	10.70%	21-04-2023	48.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08886	26-09-2013	10.90%	26-09-2023	14.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08902	28-03-2014	11.00%	28-04-2021	10.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08902	28-03-2014	11.00%	28-04-2021	5.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08910	30-06-2014	11.45%	30-06-2021	71.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08910	30-06-2014	11.45%	30-06-2021	140.00	CARE AA- CWD)
Unsecured Subordinated Tier II NCD	INE511C08910	30-06-2014	11.45%	30-06-2021	3.50	CARE AA- CWD)
Debt-Perpetual Debt	INE511C08704	-	-	-	0.00	Withdrawn
Debt-Perpetual Debt	INE511C08712	-	-	-	0.00	Withdrawn
Debt-Perpetual Debt	INE511C08712	-	-	-	0.00	Withdrawn
Debt-Perpetual Debt	INE511C08878	20-05-2013	12.10%	-	25.50	CARE A+ (CWD)
Debt-Perpetual Debt	INE511C08894	26-09-2013	12.00%	-	25.00	CARE A+ (CWD)
Debt-Perpetual Debt	INE511C08928	18-09-2015	12.10%	-	2.00	CARE A+ (CWD)
Debt-Perpetual Debt	INE511C08936	15-10-2015	12.10%	-	5.00	CARE A+ (CWD)
Debt-Perpetual Debt	INE511C08AF8	03-02-2017	11.50%	-	1.90	CARE A+ (CWD)
Debt-Perpetual Debt	INE511C08AH4	07-03-2017	11.50%	-	1.00	CARE A+ (CWD)
Debt-Perpetual Debt	INE511C08AJ0	04-08-2017	11.00%	-	1.00	CARE A+ (CWD)
Commercial Paper - (Standalone)	-	-	-	7 - 364 days	250.00	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		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.	Bonds-Secured Reedemable Bonds	-	-	-	-	-	-	-
2.	Debt-Perpetual Debt	LT	-	-	1)CARE A+; Negative (03-Jul-20) 2)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)

3.	Commercial Paper-Commercial Paper (Standalone)	ST	250.00	CARE A1+	1)CARE A1+ (03-Jul-20) 2)CARE A1+ (28-Apr-20)	1)CARE A1+ (27-Aug-19) 2)CARE A1+ (12-Aug-19) 3)CARE A1+ (05-Jul-19)	1)CARE A1+ (11-Jul-18) 2)CARE A1+ (06-Jul-18)	1)CARE A1+ (31-Oct-17) 2)CARE A1+ (14-Jul-17)
4.	Debt-Subordinate Debt	LT	0.50	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
5.	Debt-Subordinate Debt	LT	-	-	-	-	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
6.	Bonds-Secured Reedemable Bonds	-	-	-	-	-	-	-
7.	Debt-Perpetual Debt	LT	-	-	1)CARE A+; Negative (03-Jul-20) 2)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)
8.	Debt-Subordinate Debt	LT	-	-	-	-	-	1)Withdrawn (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
9.	Debt-Perpetual Debt	LT	25.00	CARE A+ (CWD)	1)CARE A+; Negative (03-Jul-20) 2)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)
10.	Fund-based - LT-Cash Credit	LT	4428.50	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-;	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-;

					Negative (28-Apr-20)	2)CARE AA-; Stable (05-Jul-19)		Negative (14-Jul-17)
11.	Term Loan-Long Term	LT	447.88	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
12.	Non-fund-based - LT/ ST-BG/LC	LT/ST	344.58	CARE AA- / CARE A1+ (CWD)	1)CARE AA-; Negative / CARE A1+ (03-Jul-20) 2)CARE AA-; Negative / CARE A1+ (28-Apr-20)	1)CARE AA-; Stable / CARE A1+ (12-Aug-19) 2)CARE AA-; Stable / CARE A1+ (05-Jul-19)	1)CARE AA-; Stable / CARE A1+ (11-Jul-18)	1)CARE AA-; Stable / CARE A1+ (26-Mar-18) 2)CARE AA-; Negative / CARE A1+ (14-Jul-17)
13.	Commercial Paper-Commercial Paper (Carved out)	ST	-	-	1)Withdrawn (28-Apr-20)	1)CARE A1+ (27-Aug-19) 2)CARE A1+ (12-Aug-19) 3)CARE A1+ (05-Jul-19)	1)CARE A1+ (11-Jul-18)	1)CARE A1+ (31-Oct-17) 2)CARE A1+ (14-Jul-17)
14.	Debt-Subordinate Debt	LT	20.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
15.	Term Loan-Long Term	LT	-	-	-	-	-	1)Withdrawn (14-Jul-17)
16.	Bonds-Secured Reedemable Bonds	LT	-	-	-	-	-	1)Withdrawn (14-Jul-17)
17.	Debt-Subordinate Debt	LT	15.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative	1)CARE AA-; Stable (12-Aug-19) 2)CARE	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative

					(28-Apr-20)	AA-; Stable (05-Jul-19)		(14-Jul-17)
18.	Debt-Subordinate Debt	LT	48.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
19.	Debt-Perpetual Debt	LT	10.90	CARE A+ (CWD)	1)CARE A+; Negative (03-Jul-20) 2)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)
20.	Debt-Subordinate Debt	LT	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
21.	Bonds-Secured Reedemable Bonds	LT	-	-	-	-	-	1)Withdrawn (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
22.	Debt-Subordinate Debt	LT	14.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
23.	Debt-Perpetual Debt	LT	-	-	1)Withdrawn (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)
24.	Debentures-Non Convertible Debentures	LT	30.90	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)

						(05-Jul-19)		
25.	Debt-Subordinate Debt	LT	86.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
26.	Debt-Perpetual Debt	LT	25.50	CARE A+ (CWD)	1)CARE A+; Negative (03-Jul-20) 2)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)
27.	Debt-Subordinate Debt	LT	140.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
28.	Debt-Subordinate Debt	LT	3.50	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
29.	Bonds-Secured Reedemable Bonds	LT	-	-	-	-	-	1)Withdrawn (14-Jul-17)
30.	Debentures-Non Convertible Debentures	LT	50.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
31.	Debentures-Non Convertible Debentures	LT	164.80	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
32.	Debt-Subordinate Debt	LT	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-;

						2)CARE AA-; Stable (05-Jul-19)		Negative (14-Jul-17)
33.	Debt-Subordinate Debt	LT	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
34.	Debt-Subordinate Debt	LT	-	-	-	-	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
35.	Bonds-Secured Reedemable Bonds	LT	-	-	-	-	-	1)Withdrawn (14-Jul-17)
36.	Bonds-Secured Reedemable Bonds	LT	-	-	-	-	-	1)Withdrawn (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
37.	Debt-Perpetual Debt	LT	-	-	1)Withdrawn (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)	1)CARE A+; Stable (26-Mar-18) 2)CARE A+; Negative (14-Jul-17)
38.	Debentures-Non Convertible Debentures	LT	50.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
39.	Debentures-Non Convertible Debentures	LT	50.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)
40.	Debentures-Non Convertible Debentures	LT	5.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20) 2)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)	1)CARE AA-; Stable (26-Mar-18) 2)CARE AA-; Negative (14-Jul-17)

41.	Debentures-Non Convertible Debentures	LT	75.00	CARE AA- (CWD)	1)CARE AA-; Negative (03-Jul-20)	-	-	-
42.	Debentures-Non Convertible Debentures	LT	175.00	CARE AA- (CWD)	-	-	-	-

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Commercial Paper-Commercial Paper (Standalone)	Simple
2.	Debentures-Non Convertible Debentures	Simple
3.	Debt-Perpetual Debt	Highly Complex
4.	Debt-Subordinate Debt	Complex
5.	Fund-based - LT-Cash Credit	Simple
6.	Non-fund-based - LT/ ST-BG/LC	Simple
7.	Term Loan-Long Term	Simple

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: Mradul Mishra
Contact no: +91-22-6837 4424
Email ID: mradul.mishra@careratings.com

Analyst Contact
Name: Ms Mamta Muklania
Contact no. : 033-4018 1651/98304 07120
Email ID: mamta.khemka@careratings.com

Relationship Contact
Name: Mr. Lalit Sikaria
Contact no. : 033-40181607
Email ID: lalit.sikaria@careratings.com

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