# Ashok Leyland Limited

October 04, 2023

| Facilities/Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Long-term bank facilities | 400.00 | CARE AA; Stable | Reaffirmed |
| Long-term/Short-term bank facilities | 3,700.00 | CARE AA; Stable/CARE A1+ | Reaffirmed |
| Non-convertible debentures | 600.00 | CARE AA; Stable | Reaffirmed |
| Commercial paper | 2,000.00 | CARE A1+ | Reaffirmed |

Details of instruments/facilities in Annexure-1.

## Rationale and key rating drivers

The reaffirmation of the ratings assigned to the bank facilities and various debt instruments of Ashok Leyland Limited (ALL) factors in the improvement in the overall credit profile of the company, attributed to the strong recovery in the commercial vehicles (CV) industry in FY22 and FY23 (FY refers to the period from April 1 to March 31), especially for the medium and heavy commercial vehicle (M&HCV) and light commercial vehicle (LCV) segments. Furthermore, easing in commodity costs, price hikes, and cost-reduction initiatives undertaken by the company and the favourable operating leverage contributed to the improvement in the company's operating performance. The growth momentum in the CV industry, albeit moderation in volumes, is expected to continue in FY24, ensuring the visibility of stable revenues and cash flows. Furthermore, the improved profitability and deleveraging has led to an improvement in the financial risk profile and debt coverage indicators in FY23.

The ratings continue to draw strength from the company being part of the Hinduja Group, ALL's long track record of operations with an established presence, a strong brand image, and a wide distribution network with a pan-India presence, its presence in all sub-segments of the CV segment with a strong and improving market share in the domestic M&HCV segment on the back of new launches and also the healthy market share of the LCV segment. The ratings also factor in the need-based financial support available to ALL from the Hinduja group.

The ratings continue to be tempered by the moderate diversification of the revenue stream, with the M&HCV segment accounting for a significant portion of the income, and the inherent risk associated with the cyclical and highly competitive nature of the segment, and the pressure on the operating margins due to the volatility in commodity costs. However, the softening of the raw material prices and the improved operating leverage led to improved operating margins in FY23.

The ratings also continue to be tempered by ALL's exposure to group entities, with key loss-making subsidiaries impacting the profitability and leverage at consolidated levels. On a standalone basis, the overall gearing remained comfortable at 0.45x as on March 31, 2023 (PY: 0.59x). Furthermore, the total debt (TD)/profit before interest, lease rentals, depreciation and taxation (PBILDT) improved to 1.10x as on March 31, 2023. The earlier-than-expected ramp-in EV operations contributing to the top-line and profitability will remain a key monitorable.

## Rating sensitivities: Factors likely to lead to rating actions

### Positive factors

- Improvement in the revenue diversification and significant improvement in the market share while maintaining an operating margin of around 8-9%.
- Improvement in the TD/PBILDT to 1.5x on a sustained basis.

### Negative factors

- Debt-funded capex or acquisition, leading to a deterioration of the adjusted net debt (excluding Hinduja Leyland Finance Limited [HLFL] debt)/PBILDT to above 1.5x on a sustained basis.
- Weaker operating performance, leading to a decline in the operating margins below 6%.

## Analytical approach

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

CARE Ratings Limited (CARE Ratings) has considered the consolidated financials of ALL, excluding the non-banking financial company (NBFC) subsidiary – HLFL. However, the analysis considers the ongoing and future funding support likely to be extended by ALL to HLFL. The list of subsidiaries consolidated is presented in Annexure-6 below.

**Outlook:** Stable

The 'Stable' outlook reflects that ALL's market share will continue to improve in the MHCV and LCV segments over the medium term along with healthy revenue growth, driven by increasing volume and operating margins sustained at 8-9% on a standalone basis. The financial risk profile is expected to remain robust.

## Detailed description of the key rating drivers:

**Key strengths**

**Flagship company of the Hinduja group, which has a diversified presence across various industries**

ALL is a part of the Hinduja group, founded by Parmanand Deepchand Hinduja more than 100 years ago. The Hinduja group is a conglomerate having presence inter alia in the banking and finance, transport and energy, technology, media, and renewables industries, with the group's operations spanning across 70 countries. The Hinduja group acquired stake in ALL in 1987; since then, ALL has grown to become one of the major companies of the Hinduja group.

**Long track record of operations with a strong brand image and distribution network**

ALL has a long track record of operations of over 70 years. Over the years, it has built a strong brand image with a diversified product profile consisting of buses, trucks, light vehicles, defence vehicles, engines, gensets, etc, with a vehicle weight ranging from 2.5 tonne to 55 tonne, catering to the LCV-GC, M&HCV-GC, LCV-PC and M&HCV-PC segments. ALL is one of the leading players in the domestic M&HCV segment with a strong market position through a variety of product offerings. ALL offers a wide range of trucks, tippers, haulage, and tractors in the M&HCV-GC segment and Lynx, Viking, Cheetah, 12M in the M&HCV-PC segment. The sales volumes of the M&HCV GC segment are improving in congruence with a revival in economic activities. ALL had a market share of 31.8% in the M&HCV segment in FY23.

**Presence in LCV segment, which provides diversification**

For the past many decades, ALL had been generating majority of its sales volume and revenue from the M&HCV segment. In order to exploit emerging trends in the industry in the recent years, ALL has taken various initiatives and launched products in the LCV segment (Bada Dost) to increase its presence in the addressable segment. As the trend in the CV market has resulted in an increase in the share of LCV in the overall CV volume, it had become inevitable for ALL to have a presence in the domestic LCV market to secure its long-term growth prospects. While during FY23, the total industry volume (domestic) in the LCV segment improved by 26.8%, it de-grew by 6.3% in Q1FY24. However, ALL reported a volume growth (domestic) of 27.7% and 3.0% on a y-o-y basis during the same period. ALL had a market share of 10.6% in the LCV segment in Q1FY24.

**Improving operating performance, led by growth in volumes during FY23 and Q1FY24**

On a standalone basis, during FY23, ALL reported a 67% growth in the total operating income (TOI) on a y-o-y basis due to 50% growth in the overall sales volume, especially a volume growth of 68% in the MHCV segment and improved prices. The CV industry saw robust growth in FY23 on the back of economic activity, supported by government interventions and infrastructure growth. ALL reported a volume growth of 75.5% and 6.8% on a y-o-y basis in the MHCV segment (domestic) during FY23 and Q1FY24, respectively. The MHCV truck segment (domestic) volumes improved by 68.8% and 0.3% on a y-o-y basis during FY23 and Q1FY24, respectively, as compared to the industry volume growth of 40.1% and -1.7%, respectively. The MHCV bus segment (domestic) volumes improved by 184.16% and 93.2% on a y-o-y basis during FY23 and Q1FY24, respectively, as compared to the industry volume growth of 225.4% and 38.9%, respectively, on account of reopening of schools and colleges, along with the replacement of fleets by state transport undertakings. The volumes in the LCV segment (domestic) also improved by 27.7% and 3.0% on a y-o-y basis during FY23 and Q1FY24, respectively, as compared to the industry volume growth of 26.8% and -6.3%, respectively. The operating margin improved to 8.11% in FY23 due to the benefits of operating leverage, better product mix, cost-saving initiatives, softening of raw material prices and price hikes, but, however, remains lower than the pre-COVID levels. During Q1FY24, the operating margin further improved to 10.02%; the sustainability of the same will be a credit positive.

On a consolidated basis (excluding HLFL), the TOI improved by 65% in FY23 y-o-y, along with an improvement of the operating and profitability margins to 7.16% and 2.28%, respectively, as the volumes and realisations of the auto business improved.

**Comfortable financial risk profile**

On a standalone basis, the overall gearing, as on March 31, 2023, improved to 0.45x (PY: 0.59x) with lower debt levels, given the controlled working capital. The other debt coverage indicators also improved, driven by improved profitability. On account of the debt repayments and the absence of new term loans, the debt level, as on March 31, 2023, reduced to ₹3,224.83 crore (PY:

₹3,553.88 crore) and became net debt-free as on March 31, 2023. Going forward, the company is expected to remain net debt-free in the medium term in the absence of higher-than-envisaged investments in the subsidiaries for their capex requirements.

On a consolidated basis (excluding HLFL), the debt coverage indicators of ALL have improved in FY23 y-o-y on the back of improved operating margins due to price hikes, favourable operating leverage, and easing input prices in its auto business. As on March 31, 2023, the ratios, such as adjusted net auto debt/gross cash accruals (GCA) and adjusted net auto debt/PBILDT have improved on account of higher operating profitability in FY23. Going forward, in the absence of higher-than-envisaged investments in the subsidiaries for their capex requirements, CARE Ratings expects the capital structure of the company to remain comfortable, as the capex requirements are primarily expected to be met through internal accruals.

**Key weaknesses**

**Inherent cyclical nature of the automotive industry**

The automotive industry is cyclical in nature, as it derives its demand from the investments and spendings by the government and individuals. After two successive years of good volume growth in FY18 and FY19, the domestic CV industry has witnessed a degrowth of 29% and 21%, respectively, in FY20 and FY21, due to a confluence of factors such as revised axle load norms, which increased the capacity of CV by at least 20-25%, the NBFC crisis, the transition to Bharat Stage-VI (BS-VI), the general economic slowdown, and the onslaught of COVID-19. During FY22 and FY23, the CV industry reported a strong year-on-year volume growth of around 26.0% and 34.3%, respectively, on account of pent-up demand as the economy recovered from the COVID-19 pandemic. The CV industry is likely to record a moderate volume growth of around 8-10% in FY24 as the pent-up demand levels off, and muted volume growth in exports on account of the uncertain global environment amid inflationary concerns. The recent price hikes post the implementation of phase-II of the BS-VI emission norms will also impact CV demand. However, the sustenance in demand is aided by healthy replacement demand, increasing freight movement amid the increasing government infrastructure spending, and rising economic activities.

The domestic CV industry has marginally de-grown by 3.32% y-o-y in Q1FY24, recording sales volumes at 2.17 lakh units as against 2.24 lakh units in Q1FY23. The sales in the second half is higher, historically attributable to the year-end sales push by original equipment manufacturers (OEMs) and higher construction activities. Going forward, increased infrastructure spending by the Government of India (GoI) and the proposed implementation of the scrappage policy for CVs from April 2023 are expected to augur well for domestic CV sales.

**Susceptibility of margins to volatility in raw material prices**

The key raw materials required for auto OEMs are steel, iron, aluminium, copper, rubber, and glass. The prices of metals (especially steel) and rubber have elevated since H2FY21. Accordingly, most of the OEMs have undertaken increase in the prices to mitigate the impact of higher input costs. However, passing on the increase in the prices entirely to the end-consumer is challenging, especially in the areas where there is intense competition and lower demand. Thus, the margins of the OEMs are subject to variations in the raw material prices. The prices started to cool off from April 2022 onwards. However, they are still higher than pre-COVID-19 levels.

**Exposure to group entities that are strategic in nature**

The company had planned to expand its scale and scope of operations, wherein, it had invested in various subsidiaries, associate companies, and joint ventures (JVs), which are in related line of business. The total investments (net of provision for diminution in value of investments) stood at ₹3,840 crore (around 54% of net worth) as on March 31, 2023, as against ₹3,472 crore as on March 31, 2022 (58% of net worth). Major investments are in ALL's NBFC arm, HLFL (rated 'CARE AA/Stable/CARE A1+'), which is engaged in lending (mainly vehicle loans), Optare Plc., and Albonair GmbH. The investments in various subsidiaries, associate companies, and JVs are estimated at around ₹2,500 crore over the medium term of the next three years. Some of the key invested subsidiaries and group entities continue to remain loss-making with high debt levels and guarantee extended by ALL, which impacts the profitability and leverage profile at consolidated levels. Any further deterioration in profitability and leverage ratios at the consolidated level (excluding the NBFC) will remain a key monitorable.

**Liquidity**: Strong

On a standalone basis, ALL has strong liquidity, with cash and liquid investments of ₹3,225.53 crore as on March 31, 2023. As against the same, the company has debt repayments to the tune of ₹1,146 crore (principal) in FY24. The company enjoys financial flexibility and refinancing ability by being a part of the Hinduja group. On a consolidated basis (excluding HLFL) too, ALL has strong liquidity, with cash and liquid investments of ₹3,643.51 crore as on March 31, 2023.

## Environment, social, and governance (ESG) risks

ALL believes sustainability is key to its overall strategy and moving from compliance to competitiveness in the overall ESG approach. It strives to bring technologically-innovative and operationally-efficient CVs and products to its customers, and as part of that, had taken a major stride in developing technology on alternate fuels such as CNG, biofuel, and Hydrogen. Furthermore, Switch Mobility focuses to democratise green mobility and towards zero-carbon mobility. ALL's ambition is to be at the forefront and lead this through improving its energy productivity, increasing its renewable energy share, reducing scope 1 and scope 2 greenhouse gas emissions, water productivity, resource efficiency, biodiversity, ergonomic practices, and conformance to global safety standards. ALL aspires to extend this across its value chain of suppliers, dealers, and customers, and reduce its overall scope 3 emissions in the long term.

On the product and technology front, ALL is making good progress in alternate propulsion development. At the Auto Expo held in Delhi in January 2023, a wide range of alternate fuel-driven products were displayed across its LCV, ICV, and MDV platforms. This covered CNG, LNG, Hydrogen, fuel cell, and battery electric options. ALL launched its electric LCV in September 2023.

As part of CSR, its community development initiative 'Road to School' focuses on education, health, hygiene, nutrition, and facilities development in government schools that are situated in and around its facilities. As at the end of FY23, its 'Road to School' programme had covered 1,373 schools and benefitted 150,786 students across five Indian states.

## Applicable criteria

Policy on default recognition
Consolidation
Financial Ratios – Non financial Sector
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Credit Watch
Short Term Instruments
Commercial Vehicle
Manufacturing Companies
Policy on Withdrawal of Ratings

## About the company and industry

### Industry classification

| Macro-economic Indicator | Sector | Industry | Basic Industry |
|---|---|---|---|
| Industrials | Capital Goods | Agricultural, Commercial & Construction Vehicles | Commercial Vehicles |

ALL, the flagship company of the Hinduja group, is one of the largest CV manufacturers in India. The Hinduja group holds 51.11% stake in ALL as on June 30, 2023. ALL is one of the largest manufacturers of M&HCV in India and also has significant presence in the LCV segment. ALL's product profile includes buses, trucks, engines, and defence vehicles. ALL has eight manufacturing plants across six different locations, with the parent plant located at Ennore (Chennai, Tamil Nadu), three plants at Hosur (Tamil Nadu), foundry at Sriperumbudur (Tamil Nadu), gearbox manufacturing and vehicle assembly plant at Bhandara (Maharashtra), assembly plant at Alwar (Rajasthan), and a fully integrated unit in Pant Nagar (Uttarakhand).

| Brief Financials (₹ crore) Consolidated | March 31, 2022 (A) | March 31, 2023 (A) | June 30, 2023 (UA) |
|---|---|---|---|
| Total operating income | 26,273.54 | 41,721.10 | 9,691.32 |
| PBILDT | 2,801.63 | 5,141.40 | 1,508.64 |
| PAT | (285.45) | 1,361.66 | 584.49 |
| Overall gearing (times) | 3.77 | 3.70 | NA |
| Interest coverage (times) | 1.50 | 2.46 | 2.30 |

A: Audited; UA: Unaudited. Note: The above results are the latest financial results available.

| Brief Financials (₹ crore) Standalone | March 31, 2022 (A) | March 31, 2023 (A) | June 30, 2023 (UA) |
|---|---|---|---|
| Total operating income | 21,688.29 | 36,144.14 | 8,189.29 |
| PBILDT | 994.52 | 2,930.70 | 820.75 |
| PAT | 541.83 | 1,380.11 | 576.42 |
| Overall gearing (times) | 0.59 | 0.45 | NA |
| Interest coverage (times) | 3.30 | 10.14 | 11.75 |

A: Audited; UA: Unaudited. Note: The above results are the latest financial results available.

**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 the covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of the various instruments rated**: Annexure-4

**Lender details**: Annexure-5

### 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 |
|---|---|---|---|---|---|---|
| Commercial Paper | Proposed | | | 7 – 365 days | 2000.00 | CARE A1+ |
| Debentures-Non Convertible Debentures | Proposed | | | | 600.00 | CARE AA; Stable |
| Fund-based - LT/ ST-Working Capital Limits | | - | - | - | 2000.00 | CARE AA; Stable / CARE A1+ |
| Fund-based/Non-fund-based-LT/ST | | - | - | - | 500.00 | CARE AA; Stable / CARE A1+ |
| Non-fund-based - LT/ ST-BG/LC | | - | - | - | 1200.00 | CARE AA; Stable / CARE A1+ |
| Term Loan-Long Term | | - | - | 09-09-2026 | 400.00 | CARE AA; Stable |

**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 2023-2024 | 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 |
| 1 | Fund-based - LT/ ST-Working Capital Limits | LT/ST* | 2000.00 | CARE AA; Stable / CARE A1+ | - | 1)CARE AA; Stable / CARE A1+ (07-Nov-22) | 1)CARE AA; Negative / CARE A1+ (07-Jan-22)<br><br>2)CARE AA; Negative / CARE A1+ (08-Apr-21) | 1)CARE AA; Negative / CARE A1+ (06-May-20) |
| 2 | Commercial Paper-Commercial Paper (Standalone) | ST | 2000.00 | CARE A1+ | - | 1)CARE A1+ (07-Nov-22) | 1)CARE A1+ (07-Jan-22)<br><br>2)CARE A1+ (08-Apr-21) | 1)CARE A1+ (26-Mar-21) |
| 3 | Non-fund-based - LT/ ST-BG/LC | LT/ST* | 1200.00 | CARE AA; Stable / CARE A1+ | - | 1)CARE AA; Stable / CARE A1+ (07-Nov-22) | 1)CARE AA; Negative / CARE A1+ (07-Jan-22)<br><br>2)CARE AA; Negative / CARE A1+ (08-Apr-21) | 1)CARE AA; Negative / CARE A1+ (06-May-20) |
| 4 | Fund-based/Non-fund-based-LT/ST | LT/ST* | 500.00 | CARE AA; Stable / CARE A1+ | - | 1)CARE AA; Stable / CARE A1+ (07-Nov-22) | 1)CARE AA; Negative / CARE A1+ (07-Jan-22)<br><br>2)CARE AA; Negative / CARE A1+ (08-Apr-21) | 1)CARE AA; Negative / CARE A1+ (06-May-20) |
| 5 | Term Loan-Long Term | LT | 400.00 | CARE AA; Stable | - | 1)CARE AA; Stable (07-Nov-22) | 1)CARE AA; Negative (07-Jan-22)<br><br>2)CARE AA; Negative (08-Apr-21) | 1)CARE AA; Negative (06-May-20) |
| 6 | Debentures-Non Convertible Debentures | LT | 600.00 | CARE AA; Stable | - | 1)CARE AA; Stable (07-Nov-22) | 1)CARE AA; Negative (07-Jan-22)<br><br>2)CARE AA; Negative | 1)CARE AA; Negative (06-May-20) |

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2023-2024 | 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 |
| | | | | | | | (08-Apr-21) | 2)CARE AA+; Negative (01-Apr-20) |

*Long term/Short term.

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

Not available

**Annexure-4: Complexity level of the various instruments rated**

| Sr. No. | Name of the Instrument | Complexity Level |
|---|---|---|
| 1 | Commercial Paper-Commercial Paper (Standalone) | Simple |
| 2 | Debentures-Non Convertible Debentures | Simple |
| 3 | Fund-based - LT/ ST-Working Capital Limits | Simple |
| 4 | Fund-based/Non-fund-based-LT/ST | Simple |
| 5 | Non-fund-based - LT/ ST-BG/LC | Simple |
| 6 | Term Loan-Long Term | Simple |

**Annexure-5: Lender details**

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

**Annexure-6: List of subsidiaries consolidated as on March 31, 2023**

| Sr. No. | Name of the Company | Country of Incorporation | % of ownership as on March 31, 2023 |
|---|---|---|---|
| | **Subsidiaries** | | |
| 1 | Hinduja Leyland Finance Limited and its subsidiaries | India | 60.42% |
| 2 | Global TVS Bus Body Builders Limited | India | 66.67% |
| 3 | Gulf Ashley Motor Limited | India | 93.15% |
| 4 | Optare PLC and its subsidiaries | UK | 91.63% |
| 5 | Ashok Leyland (Nigeria) Limited | Nigeria | 100.00% |
| 6 | Ashok Leyland (Chile) SA | Chile | 100.00% |
| 7 | HLF Services Limited | India | 81.73% |
| 8 | Albonair (India) Private Limited | India | 100.00% |

| Sr. No. | Name of the Company | Country of Incorporation | % of ownership as on March 31, 2023 |
|---|---|---|---|
| 9 | Albonair GmbH and its subsidiary | Germany | 100.00% |
| 10 | Ashok Leyland (UAE) LLC and its subsidiaries | UAE | 100.00% |
| 11 | Ashley Aviation Limited | India | 100.00% |
| 12 | Hinduja Tech Limited, its subsidiaries and joint venture | India | 73.83% |
| 13 | Vishwa Buses and Coaches Limited | India | 100.00% |
| 14 | Gro Digital Platforms Limited (from April 14, 2021) | India | 80.21% |
| | **Joint Venture** | | |
| 15 | Ashley Alteams India Limited | India | 50.00% |
| 16 | Ashok Leyland John Deere Construction Equipment Company Private Limited (Under liquidation) | India | 50.00% |
| | **Associate** | | |
| 17 | Ashok Leyland Defence Systems Limited | India | 48.49% |
| 18 | Mangalam Retail Services Limited | India | 37.48% |
| 19 | Lanka Ashok Leyland PLC | Sri Lanka | 27.85% |

**Note on the 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.

## Contact us

| Media Contact | Analytical Contacts |
| --- | --- |
| Mradul Mishra<br>Director<br>**CARE Ratings Limited**<br>Phone: +91-22-6754 3596<br>E-mail: mradul.mishra@careedge.in<br><br>**Relationship Contact**<br><br>Pradeep Kumar V<br>Senior Director<br>**CARE Ratings Limited**<br>Phone: +91-98407 54521<br>E-mail: pradeep.kumar@careedge.in | Ranjan Sharma<br>Senior Director<br>**CARE Ratings Limited**<br>Phone: +91-22-6754 3453<br>E-mail: ranjan.sharma@careedge.in<br><br>Pulkit Agarwal<br>Director<br>**CARE Ratings Limited**<br>Phone: +91-22-6754 3505<br>E-mail: pulkit.agarwal@careedge.in<br><br>Arti Roy<br>Associate Director<br>**CARE Ratings Limited**<br>Phone: +91-22-6754 3657<br>E-mail: arti.roy@careedge.in |

**About us:**
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.



**For the detailed Rationale Report and subscription information,
please visit www.careedge.in**