

Cholamandalam Investment and Finance Company Limited

December 08, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Subordinated debt-II	100.00 (Reduced from 115.00)	CARE AA+; Stable	Reaffirmed
Subordinated debt-III	15.00	CARE AA+; Stable	Reaffirmed
Subordinated debt-IV	300.00	CARE AA+; Stable	Reaffirmed
Subordinated debt-V	700.00	CARE AA+; Stable	Reaffirmed
Perpetual debt instrument-IV	75.50 (Reduced from 100.00)	CARE AA; Stable	Reaffirmed
Perpetual debt instrument-VI	100.00	CARE AA; Stable	Reaffirmed
Perpetual debt instrument-VII	25.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures – I	1,000.00	CARE AA+; Stable	Reaffirmed
Perpetual debt instrument-II	-	-	Withdrawn
Perpetual debt instrument-III	-	-	Withdrawn
Perpetual debt instrument-V	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the various long-term debt instruments of Cholamandalam Investment and Finance Company Limited (CIFCL) continue to factor in the benefits derived from being part of the Murugappa group and the established track record of CIFCL in the vehicle finance (VF) segment, supported by a pan-India branch network and experienced management team. The ratings derive strength from the diversified funding profile, the geographically diversified product portfolio, the healthy profitability, and the strong liquidity profile. The ratings also take notes of the capital raise of ₹4,000 crore during Q3FY24.

The ratings, however, remain constrained on account of the company's moderate asset quality metrics and moderately high gearing levels. The gross non-performing assets (GNPA) (%) and net non-performing assets (NNPA) (%) stood at 4.63% and 3.11%, respectively, as on March 31, 2023, as against 6.82% and 4.85%, respectively, as on March 31, 2022. The GNPA (%) improved to 4.07% as on September 30, 2023.

CARE Ratings Limited (CARE Ratings) has withdrawn the rating assigned to the Perpetual debt instrument-II, Perpetual debt instrument-III and Perpetual debt instrument-V of CIFCL with immediate effect, as the company has repaid in full or not utilised the aforementioned instruments and there is no amount outstanding under the said instruments as on date.

Rating sensitivities: Factors likely to lead to rating actions

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

- Improvement in the scale of operations along with improvement in the profitability indicators, with a return on total assets (ROTA) of more than 3% on a sustained basis.

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

- Improvement in the capital structure.
- Improvement in the asset quality on a sustained basis.

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

- Deterioration of the asset quality parameters with an increase in GNPA beyond 5% on a sustained basis.
- Weakening of the capital adequacy levels, with Tier-I capital adequacy ratio (CAR) below 12% on a sustained basis.

Analytical approach: Standalone**Outlook:** Stable

The stable outlook reflects the likely continuation of the stable credit profile, supported by a diversified product profile, healthy profitability and demonstrated fund-raising ability from diversified sources, including benefits derived from being part of the Murugappa group.

Detailed description of the key rating drivers**Key strengths****Benefits derived from being part of the Murugappa group**

CIFCL is part of the Murugappa group, one of India's largest conglomerates founded in 1900 with a focus towards engineering, auto components, cycles, abrasives, sugar, farm inputs, fertilisers, plantations, bio-products, finance, general insurance, and nutraceuticals. The group has 29 businesses, including ten companies listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

Headquartered in Chennai, the major companies of the group include Tube Investments of India Limited, Carborundum Universal Limited, Coromandel International Limited, and E.I.D. Parry (India) Limited (rated 'CARE A1+'). CIFCL, being a part of the Murugappa group, enjoys benefits through its vast client base, which provides comfort to the company's business growth profile. The company also derives financial support from the group as and when required to support the business, as exhibited in the past. As on September 30, 2023, the promoter and promoter group hold 51.46% in the company. Over the years, CIFCL's size and absolute profits have improved. Its profit-after-tax (PAT) increased from ₹1,186 crore in FY19 to ₹2,666 crore in FY23. At present, CIFCL is the major contributor of the profits and market capitalisation of the Murugappa group.

Established track record in vehicle financing and experienced management team

Incorporated in 1978, CIFCL has an established track record in the VF segment and has built a strong franchise in the VF market across India. With 63% of the assets under management (AUM) in VF of ₹106,498 crore of the total AUM, the company has achieved a considerable market position in the VF industry (61% of ₹124,246 crore as on September 30, 2023). Within VF, the company is well diversified across products such as light commercial vehicles (LCVs; 31% of the VF [on book] segment as on March 31, 2023), heavy commercial vehicles (HCVs; 16%), cars and multi-utility vehicles (MUVs) (27%), tractors (10%), construction equipment (CE; 8%) and three and two-wheelers (7%). New and used vehicles accounted for 72% and 28% of the outstanding VF portfolio as on March 31, 2023 (73% and 27% of the outstanding VF portfolio as on September 30, 2023).

Notably, having a diversified presence across the vehicle segment enables the company to maintain growth despite a moderation in demand or moderation in asset quality in any of the sub-segments. Although the disbursements of new products have increased, CARE Ratings expects the proportion of the VF portfolio to remain significant.

The company has an experienced senior management team, which is associated with the group for more than a decade. Vellayan Subbiah, Chairman of CIFCL, has an overall experience of 25 years in varied fields of consulting, technology, projects, and financial

services in different positions across different industries. The company's performance is supervised by the board of directors, which comprises seven members, of which three are from the Murugappa group and four are independent directors.

Geographically diversified business operations

CIFCL's branch network has a pan-India presence and is diversified across 29 states and UTs, with 1,267 branches as on September 30, 2023, of which 1,215 serve VF, 618 branches serve loan-against-property (LAP), 625 branches serve home loan (HL), and 601 branches serve new business (Consumer and Small Enterprise Loans [CSEL], Secured Business and Personal Loan [SBPL], and SME Loan [SME]). Of these, 610 LAP branches, 587 HL branches, and 601 new business branches are colocated with VF branches. Notably, 89% of the company's branches are located in Tier-III, Tier-IV, Tier-V, and Tier-VI towns. The company's branch network is distributed across the North, South, West, and East regions, with 22%, 31%, 23%, and 24% of the total branches, respectively, as on September 30, 2023. Also, rural, semi-urban, and urban branches accounted for 82%, 12%, and 6% of the total branches, respectively, as on September 30, 2023.

Diversified funding profile

CIFCL has a fairly diversified funding profile with access towards funding from banks and market instruments like non-convertible debentures (NCDs), sub-debts, and commercial paper (CP). As on March 31, 2023, the company's funding profile consisted of term loans (inclusive of short-term loans) at 61% of the total borrowings (PY: 65%), followed by debentures with 16% (PY: 15%), securitisation with 10% (PY:5%), Tier-II capital with 5% (PY: 6%), FCNR with 4% (PY: 6%), and CP with 4% (PY: 4%).

As on September 30, 2023, the company's funding profile consisted of term loans (inclusive of short-term loans) at 57% of the total borrowings, followed by securitisation at 16%, debentures at 14%, CP at 7%, Tier-II capital at 4%, and FCNR at 2% of the total borrowings. Notably, the funding mix has been a function of relative costs and witnessed significant changes in the past. During H1FY24 and in December 2023, the company has also raised funds by way of public issue of NCDs.

Capitalisation levels

The CAR and Tier-I CAR moderated to 17.13% and 14.78%, respectively, as on March 31, 2023, from 19.62% and 16.49%, respectively, as on March 31, 2022, mainly due to higher AUM growth in FY23. The CAR and Tier-I CAR stood at 16.62% and 14.66%, respectively, as on September 30, 2023.

The overall gearing stood at 7.1x as on March 31, 2023 (PY: 6.3x as on March 31, 2022) and further increased to 7.9x as on September 30, 2023. The company has raised ₹2,000 crore as equity through qualified institutional placements (QIP) and ₹2,000 crore as compulsory convertible debentures (CCDs) during Q3FY24. However, the gearing still remains relatively higher. CARE Ratings expects the recent capital raise to support the growth over the medium term and the company to maintain a capital cushion of 2% over the regulatory requirement. CIFCL has demonstrated a track record of equity capital raise. In the past, the company has been able to raise equity from various investors (including the promoters) with ₹250 crore in FY11, ₹212 crore in FY12, ₹300 crore in FY13, ₹500 crore in FY15, ₹1,200 crore in FY20, and ₹4,000 crore in Q3FY24. The recent Reserve Bank of India (RBI) circular on higher risk weighted assets (RWA) is expected to have an impact on the capital adequacy levels of non-banking financial companies (NBFCs), however, the impact is expected to be minimal given the asset classes in which the company is present.

Healthy profitability

The company reported a profit-after-tax (PAT) of ₹2,666 crore during FY23 (PY: ₹2,147 crore) on a total income of ₹12,978 crore (PY: ₹10,139 crore), representing a PAT growth of 24.2% on a y-o-y basis. During FY23, the net interest margin (NIM) witnessed a slight moderation, primarily due to an increase in the cost of funds, in trend with the industry. The opex (as a percentage of the

total assets) increased on account of an increase in manpower for new businesses and collections. The pre-provision operating profit (PPOP) increased from ₹3,771 crore in FY22 to ₹4,449 crore in FY23. The overall credit cost reduced to 0.87% in FY23 (PY: 1.13%). Supported by reduction in the credit cost, the ROTA remained stable at 2.74% in FY23 from 2.76% in FY22.

During H1FY24, CIFCL reported a profit of ₹1,489 crore on a total income of ₹8,706 crore as against a profit of ₹1,129 crore on a total income of ₹5,809 crore during H1FY23. NIM stood at 6.20% in H1FY24 as against 6.81% in H1FY23. The opex (as a percentage of the total assets stood at 2.78% during H1FY24. The PPOP improved to ₹2,760 crore in H1FY24 as against ₹2,097 crore in H1FY23 with an increase in the loan portfolio. The credit cost reduced to 1.24% in H1FY24 as against 1.32% in H1FY23. The ROTA stood at 2.39% in H1FY24 as against 2.59% in H1FY23. CARE Ratings expects CIFCL's profitability to remain healthy over the medium term.

Improvement in disbursement in FY23

CIFCL's total disbursement witnessed a growth of 87%, from ₹35,490 crore in FY22 to ₹66,532 crore during FY23. The business AUM of the company grew by 38% during FY23 from ₹76,914 as on March 31, 2022, to ₹106,498 crore as on March 31, 2023. The disbursement in the VF segment grew by 56% (PY: 26%) to ₹39,699 crore in FY23 from ₹25,439 crore in FY22, and correspondingly, the AUM in the VF segment grew by 27% from ₹53,816 crore as on March 31, 2022, to ₹68,322 crore as on March 31, 2023.

Within VF, disbursements in new vehicles and used vehicles witnessed a growth of 64% and 41%, respectively. The total disbursement in home equity grew by 68% during FY23 with disbursements of ₹9,299 crore in FY23 as against ₹5,536 crore in FY22. The disbursement in the MSME segment also grew significantly from ₹1,926 crore in FY22 to ₹6,388 crore in FY23.

CIFCL has increased its disbursements into three new business divisions in the consumer and small enterprise or business loan ecosystem, namely, CSEL, SBPL, and SME loans. The new business comprises 8% of the total disbursements in FY23 and 6% of the AUM as on March 31, 2023. The disbursement in new business grew from ₹430 crore in FY22 to ₹5,073 crore in FY23.

During H1FY24, CIFCL's total disbursements stood at ₹41,557 crore (₹27,953 crore during H1FY23), thus witnessing a growth of 49% y-o-y. The business AUM of the company stood at ₹1,24,246 crore as on September 30, 2023, as against ₹87,668 crore as on September 30, 2022 (representing a growth of 42% y-o-y). The new business comprises 9% of the disbursements and 7% of the AUM as on September 30, 2023. The company is expanding its digital partnerships; thus, the performance of its new business remains a key monitorable.

Key weaknesses

Continuation of moderate asset quality with improvement witnessed during FY23 and H1FY24

The Gross Stage 3 and Net Stage 3 improved to 3.01% and 1.62% as on March 31, 2023, as against 4.37% and 2.64% as on March 31, 2022, respectively. GS3 and NS3 improved to 2.96% and 1.56% as on September 30, 2023. Post implementation of the Income Recognition, Asset Classification and Provisioning (IRACP) norms, GNPA and NNPA stood at 6.82% and 4.85% as on March 31, 2022. It has improved to 4.63% and 3.11%, respectively, as on March 31, 2023, and further to 4.07% and 2.59%, respectively, as on September 30, 2023.

The 90+dpd in VF stood at 3.20% (on book) as on March 31, 2023, as against 3.90% as on March 31, 2022, whereas the LAP segment witnessed significant improvement in the 90+dpd from 6.47% as on March 31, 2022, to 4.02% (on book) as on March 31, 2023. CARE Ratings expects the asset quality to improve as the AUM increases over the medium term. The ability to improve asset quality while continuing to grow the portfolio will remain a monitorable.

Industry outlook and prospects

During FY22 and FY23, the commercial vehicles (CV) industry reported strong year-on-year volume growth of around 30.7% and 28.7%, respectively, on account of the pent-up demand as the economy recovered from the COVID-19 pandemic. The same was reflected on the NBFCs, which were funding to this segment. CV disbursements witnessed significant increase during FY23 on account of this recovery. The used CV growth is backed by its affordability as compared to new CVs, especially when the rural borrowers' cash flows are impacted. The asset quality for the sector was impacted in FY23 because of the implementation of new IRACP norms and this impact is expected to come down. CARE Ratings expects the CV financing sector to grow at a double-digit growth in FY24 but to remain lower than FY23, as growth in the CV industry is expected to moderate in FY24 in comparison to FY23. CARE Ratings expects asset quality to improve in the near term, as the impact of the new IRACP norms starts fading out as the old portfolio runs down. Profitability is likely to remain stable.

Liquidity: Strong

The company's asset and liability management (ALM) as on September 30, 2023, reflected no cumulative mismatches up to one year. Also, the company's liquidity position (cash and cash equivalents including liquid investments) as on September 30, 2023, stood at ₹11,034 crore. Undrawn sanction lines stood at Rs.2,535 crore as on September 30, 2023. CIFCL has established relationships with bankers, and being part of the Murugappa group supports the liquidity profile of the company.

Environment, social, and governance (ESG) risks

CIFCL has taken various measures to ensure ESG compliance during FY23. The company has been incorporating green methods in the construction of new office buildings and is under the supervision of a green consultant to imbibe green building principles. It has also taken various steps towards sustainability by contributing towards water conservation, energy efficiency, supporting micro businesses in the renewable energy sector, etc. The company also carries out non-hazardous waste recycling in its head office.

CIFCL has taken various initiatives to ensure employee wellness, diversity and inclusiveness, learning and development, and to empower communities. These initiatives include workshops, various projects, employee assistance programmes, etc.

The company has policies and processes in place to enable highest standards in governance and transparency, ethical behaviour, board diversity, etc.

Applicable criteria

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios - Financial Sector](#)

[Non Banking Financial Companies](#)

[Policy on default recognition](#)

[Policy on Withdrawal of Ratings](#)

[Rating Outlook and Credit Watch](#)

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

CIFCL is a NBFC having a track record of over four decades, promoted by the Chennai-based Murugappa group. As on September 30, 2023, the group holds 51.46% stake in CIFCL. CIFCL has a major presence in the VF and HE (LAP) segment. The company has 1,267 branches as on September 30, 2023, spread across 29 states and UTs across India with a business AUM of ₹124,246 crore, of which the share of VF was 61%, LAP was 20%, HL 9%, and new business 10%.

Brief Financials (₹ crore)	FY22(A)	FY23(A)	H1FY24(P)
	Ind AS	Ind AS	Ind AS
Total income	10,139	12,978	8,706
PAT	2,147	2,666	1,489
Interest coverage(times)	1.67	1.63	1.47
Total assets	81,677	1,12,881	1,36,190
Net stage 3%/NNPA %	2.64/4.85*	1.62/3.11*	1.56/2.59*
ROTA (%)	2.76	2.74	2.39

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

*As per IRACP norms.

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 for this company: Annexure- 4

Bank 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
Debt-Perpetual debt-II	INE121A08MS8	13-12-2012	12.80%	13-12-2022*	0.00	Withdrawn
Debt-Perpetual debt-III	INE121A08MS8	13-12-2012	12.80%	13-12-2022*	0.00	Withdrawn
Debt-Perpetual debt-III	INE121A08MW0	07-02-2013	12.80%	07-02-2023*	0.00	Withdrawn
Debt-Perpetual debt-III	Proposed	-	-	-	0.00	Withdrawn
Debt-Perpetual debt-IV	INE121A08MZ3	23-10-2013	12.60%	23-10-2023*	0.00	Withdrawn
Debt-Perpetual debt-IV	INE121A08NC0	27-12-2013	12.60%	26-12-2023*	12.00	CARE AA; Stable
Debt-Perpetual debt-IV	INE121A08NE6	27-12-2013	12.50%	27-12-2023*	26.10	CARE AA; Stable
Debt-Perpetual debt-IV	INE121A08NF3	23-01-2014	12.60%	23-01-2024*	5.00	CARE AA; Stable
Debt-Perpetual debt-IV	INE121A08NJ5	23-02-2014	12.90%	23-02-2024*	25.00	CARE AA; Stable
Debt-Perpetual debt-V	INE121A08NB2	30-10-2013	12.90%	30-10-2023*	0.00	Withdrawn
Debt-Perpetual debt-VI	INE121A08NS6	27-06-2014	12.90%	27-06-2024*	25.00	CARE AA; Stable
Debt-Perpetual debt-VI	INE121A08ND8	27-12-2013	12.50%	27-12-2023*	60.00	CARE AA; Stable
Debt-Perpetual debt-VI	INE121A08ND8	27-12-2013	12.50%	27-12-2023*	5.00	CARE AA; Stable
Debt-Perpetual debt-IV & VI	INE121A08NT4	09-07-2014	12.90%	27-06-2024*	17.40	CARE AA; Stable
Debt-Perpetual debt-VII	INE121A08NU2	27-08-2014	12.80%	27-08-2024*	25.00	CARE AA; Stable
Debt-Subordinate debt-II	INE121A08MY6	30-09-2013	11.00%	29-09-2023	0.00	Withdrawn
Debt-Subordinate debt-II	INE121A08NG1	30-01-2014	11.00%	30-01-2024	25.00	CARE AA+; Stable
Debt-Subordinate debt-II	INE121A08NH9	24-02-2014	11.00%	23-02-2024	20.00	CARE AA+; Stable
Debt-Subordinate debt-II	INE121A08NL1	26-03-2014	11.00%	26-03-2024	25.00	CARE AA+; Stable
Debt-Subordinate debt-II	INE121A08NN7	25-04-2014	11.00%	25-04-2024	25.00	CARE AA+; Stable
Debt-Subordinate debt-II	INE121A08NO5	17-05-2014	11.00%	20-05-2024	5.00	CARE AA+; Stable
Debt-Subordinate debt-III	INE121A08NQ0	11-06-2014	11.00%	11-06-2024	15.00	CARE AA+; Stable
Debt-Subordinate debt-IV	INE121A08OH7	23-08-2018	9.75%	23-08-2028	300.00	CARE AA+; Stable
Debt-Subordinate debt-V	INE121A08OG9	05-04-2018	9.05%	24-03-2028	530.00	CARE AA+; Stable
Debt-Subordinate debt-V	Proposed	-	-	-	170.00	CARE AA+; Stable
Debentures-Non-convertible debentures-I	INE121A07QU7	12-12-2022	8.30%	12-12 -2025	605.00	CARE AA+; Stable
Debentures-Non-convertible debentures-I	Proposed	-	-	-	395.00	CARE AA+; Stable

*Refers to date of first call.

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	Bonds-Perpetual bonds	LT	-	-	-	1)Withdrawn (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)
2	Debt-Perpetual debt	LT	-	-	-	1)CARE AA; Stable (09-Dec-22) 2)CARE AA; Stable (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)
3	Debt-Subordinate debt	LT	-	-	-	1)Withdrawn (09-Dec-22) 2)CARE AA+; Stable (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (07-Jul-20)
4	Debt-Perpetual debt	LT	-	-	-	1)CARE AA; Stable (09-Dec-22) 2)CARE AA; Stable (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)
5	Debt-Perpetual debt	LT	75.50	CARE AA; Stable	-	1)CARE AA; Stable (09-Dec-22) 2)CARE AA; Stable (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)
6	Debt-Subordinate debt	LT	100.00	CARE AA+; Stable	-	1)CARE AA+; Stable (09-Dec-22) 2)CARE AA+; Stable (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (07-Jul-20)
7	Debt-Perpetual debt	LT	-	-	-	1)CARE AA; Stable (09-Dec-22) 2)CARE AA; Stable (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)

8	Debt-Perpetual debt	LT	100.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Dec-22) 2)CARE AA; Stable (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)
9	Debt-Subordinate debt	LT	15.00	CARE AA+; Stable	-	1)CARE AA+; Stable (09-Dec-22) 2)CARE AA+; Stable (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (07-Jul-20)
10	Debt-Perpetual debt	LT	25.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Dec-22) 2)CARE AA; Stable (05-Jul-22)	1)CARE AA; Stable (06-Jul-21)	1)CARE AA; Stable (07-Jul-20)
11	Debt-Subordinate debt	LT	300.00	CARE AA+; Stable	-	1)CARE AA+; Stable (09-Dec-22) 2)CARE AA+; Stable (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (07-Jul-20)
12	Debt-Subordinate debt	LT	700.00	CARE AA+; Stable	-	1)CARE AA+; Stable (09-Dec-22) 2)CARE AA+; Stable (05-Jul-22)	1)CARE AA+; Stable (06-Jul-21)	1)CARE AA+; Stable (07-Jul-20)
13	Debentures-Non-convertible debentures	LT	1000.00	CARE AA+; Stable	-	1)CARE AA+; Stable (09-Dec-22)	-	-

*Long term/Short term.

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

Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Simple
2	Debt-Perpetual debt	Complex
3	Debt-Subordinate debt	Simple

Annexure-5: Lender details

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

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.

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About us:

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