AU Small Finance Bank Limited

April 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Lower Tier-II Bonds*	75.00	CARE AA; Stable	Assigned
Tier-II Bonds*	250.00	CARE AA; Stable	Assigned
Tier-II Bonds	650.00	CARE AA; Stable	Reaffirmed
Certificate of deposit	1,400.00	CARE A1+	Reaffirmed

Details of instruments in Annexure-1.
*Transferred from erstwhile Fincare Small Finance Bank on account of amalgamation.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has assigned ratings to debt instruments transferred from Fincare Small Finance Bank (FSFB) to AU Small Finance Bank Limited (AUSFB) pursuant to the merger effective April 01, 2024, and reaffirmed ratings of debt instruments of AUSFB.
Ratings continue to factor in continuous growth momentum in business and asset size over last seven years post-conversion into small finance bank (SFB) in April 2017, making it the largest SFB in India. Ratings consider establishing a growing deposit franchise and a moderately diversified advances portfolio with a largely secured lending portfolio. Ratings also take into cognisance the management team's experience, comfortable capitalisation levels supported with periodic equity capital raise, stable asset quality parameters post COVID-19-related stress although slightly increased in 9MFY24, and healthy profitability.

However, ratings are constrained by moderate seasoning in AUSFB's new product segments, including business banking loans, home loans, and two-wheeler financing. Regional concentration of advances and deposits, comparatively lower current account-saving account (CASA) proportion, and relatively moderate size as compared to mid-sized private sector banks further offset ratings.

AUSFB's Board of Directors and the Board of Directors of FSFB, at their respective meetings held on October 29, 2023, had approved an all-stock scheme for amalgamating FSFB with and into AUSFB. The approved share swap ratio was 579 shares of AUSFB for 2,000 shares of FSFB. The scheme has been approved by shareholders of FSFB and AUSFB on November 24, 2023, and November 27, 2023, respectively, at their extraordinary general meeting (EGM). The scheme received approval by the Competition Commission of India (CCI) on January 23, 2024, and from the Reserve Bank of India (RBI) on March 04, 2024. The effective date of amalgamation was April 01, 2024, as approved by the RBI and all branches of FSFB will function as branches of AUSFB from the said date.

AUSFB appointed the erstwhile nominee director of FSFB's board on the Board of AUSFB for three years and appointed of Rajeev Yadav, the erstwhile Managing Director and Chief Executive Officer (MD & CEO) of FSFB as Deputy CEO. AUSFB designated its existing Whole Time Director as Whole Time Director and Deputy CEO.

Post share exchange, FSFB's existing shareholders will hold about 9.9% in AUSFB. All FSFB's employees will become part of AUSFB. The integration process is expected to be completed by March 2025. FSFB's business will continue to operate under AUSFB as a separate unit headed by Rajeev Yadav.

The merger will increase AUSFB's geographical reach in south India. It will also make the advances profile more granular and diversified due to addition of FSFB's customer base and product lines such as microfinance, including joint liability group (JLG) business, gold loans, micro business loans, and home loans. Although the proportion of unsecured loans will increase mainly due to addition of microfinance loan book, overall proportion of unsecured loans to total advances is expected to be low. AUSFB's and FSB's combined branch strength stood at 2,352 as on December 31, 2023.

Rating sensitivities: Factors likely to lead to rating actions

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

- Sustainably improving scale of operations with improving product and geographical diversification.
- Scaling up deposits with increasing CASA and retail deposits base, becoming more comparable to mid-sized private sector banking peers.

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

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

- Deteriorating asset quality, with gross non-performing assets (GNPA) increasing to more than 4% on a sustained basis.
- Deteriorating capital adequacy parameters, with capital adequacy ratio (CAR) falling below 17% on a sustained basis.
- Moderating profitability parameters, with return on total assets (ROTA) falling below 1% on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CARE Ratings) believes that AUSFB will continue maintaining its steady growth in advances, deposits, and healthy profitability profile over the medium term while maintaining stable asset quality and comfortable capitalisation levels.

Detailed description of key rating drivers

Key strengths

Continuous growth momentum in business

The company commenced operations as an SFB from April 2017 and got the status of a scheduled commercial bank (SCB) in November 2017. In over six years of operations as an SFB, the bank has been able to ramp up operations from 474 touchpoints as on March 31, 2018, to 1,049 touchpoints (new and converted) across 21 states and three Union Territories, with more than 28,900 employees on roll as on December 31, 2023. AUSFB, the largest SFB in India in terms of asset size, has seen steady growth in total assets increasing from ₹18,819 crore as on March 31, 2018, to ₹90,123 crore as on March 31, 2023 (December 31, 2023: ₹1,01,035 crore) at a compounded annual growth rate (CAGR) of 37%. Post the merger, the bank's asset base would be over ₹1,15,000 crore based on combined December 31, 2023, financials. The bank expects its advances and deposits to grow at 23-25% CAGR by FY27.

Comfortable capitalisation

Despite the loan book significantly growing, AUSFB continues to be sufficiently capitalised, helped by regular capital infusions by way of qualified institutional placement (QIP), the latest being ₹2,000 crore in August 2022, and steady healthy internal accruals. The bank also raised Tier-II capital of ₹500 crore in FY23. It reported a capital adequacy ratio (CAR) of 20.82% (March 31, 2023: 23.59%, March 31, 2022: 20.99%) and Tier-I CAR of 19.56% (March 31, 2023: 21.78% and March 31, 2022: 19.69%) as on December 31, 2023, well above the minimum regulatory requirement of 15% and 7.5%, respectively. The merger is expected to boost AUSFB's net worth and capitalisation levels post share swap, as promoters of FSFB infused ₹700 crore before merger. Going forward, CARE Ratings expects AUSFB to maintain sufficient cushion over minimum regulatory requirements.

Diversified resource profile with strong growth in deposit base

AUSFB has transformed its liabilities profile by developing its deposit base since becoming a bank in FY18. The deposit franchise has consistently increased, with deposits increasing from ₹7,923 crore as on March 31, 2018, to ₹80,120 crore as on December 31, 2023. Initially, CASA deposits growth was slow as compared to total deposit growth, resulting in the CASA ratio falling from 26.9% as on March 31, 2018, to 14.5% as on March 31, 2020. With a focus on increasing CASA deposits, AUSFB continues to offer higher interest rates on saving accounts as compared to mainstream banks and undertaking extensive marketing exercises. The bank has a strategy of generating deposits from urban markets and lending in rural markets. AUSFB is increasing its touchpoints in urban areas to garner more retail deposits.

The bank's CASA stood at 33.01% December 31, 2023 (March 31, 2023: 38.43%). It continues to granularise its deposit book with a focus on increasing retail deposits. The share of retail term deposits-to-total term deposits (excluding CD) increased from 30% as on March 31, 2019, to 48% as on December 31, 2023, increasing stability in the liability profile. AUSFB has resorted to securitisation on a strategic tool for diversifying its sources of funds and using capital efficiently.

CARE Ratings observes that while the bank has been increasing its depositor base and proportion of CASA in the recent years of operating as a SFB, it is relatively lower compared to a few mid-sized private sector banks, and the scaling-up of CASA over next few years will be a key rating sensitivity.

Consistent track record of healthy earnings performance

Post-conversion to an SFB and access to deposits, cost of funds declined between FY20 and FY22, as it increased proportion of CASA and retail term deposits, further helped by lowering of systemic interest rates. However, cost of funds stayed constant in FY23 as against FY22, even when there was an increase in systemic interest rates due to rate hikes by the RBI. As majority advances comprise small business customers from Tier-II and Tier-III cities that have lower banking penetration, AUSFB is able to enjoy relatively higher yields. Hence, the net interest margin (NIM) is higher than universal banks, ranging between 5% and 5.5%.

The net interest income (NII) is growing consistently, in trend with growing advances and deposits. For the year-ended March 31, 2023, AUSFB continued to grow in NII, with interest income growing at 37% y-o-y, following advances growing at 27% y-o-y. However, non-interest income was impacted by mark-to-market loss on investments due an increasing interest rate scenario, while fee-based income continued to increase, resulting in non-interest income marginally growing by 4% y-o-y for FY23. The bank's operating cost grew by 43% as it is actively spending on business expansion, capacity building and investments in digital initiatives, which resulted in the pre-provision operating profit (PPOP) moderately growing by 11% for FY23 as compared to FY22. Credit costs were lower by 57% y-o-y for FY23, supported by notably improving asset quality, which helped the bank grow its profit-after-tax (PAT) by 26% for FY23. AUSFB reported ROTA of 1.80% for FY23 (FY22: 1.88%).

AUSFB reported a net profit of ₹1,164 crore for 9MFY24 on a total income of ₹8,915 crore as against a net profit of ₹1,003 crore on a total income of ₹6,632 crore for the corresponding period in the previous year. It reported a ROTA of 1.62% (annualised) for 9MFY24 as compared to 1.79% for 9MFY23, due to declining NIM and higher credit cost, especially due to delinquencies in the credit card segment.

FSFB reported a net profit of ₹308 crore for 9MFY24 on a total income of ₹2,161 crore as against a net profit of ₹12 crore on a total income of ₹1,404 crore for the corresponding period in the previous year. It reported a ROTA of 2.94% (annualised) for 9MFY24.

Post-merger, CARE Ratings expects NIM to increase due to integration of high yielding microfinance business, however, it will also impact credit cost going forward. CARE Ratings expects AUSFB to continue maintaining healthy profitability over the medium term, while growing the business segments acquired from FSFB.

Stable asset quality post COVID-19-induced stress

Historically, AUSFB has been able to manage its asset quality to comfortable levels, despite having significant exposure to segments that are more vulnerable to economic downturns. About 88% loans are retail, providing granularity, and 91% advances of AUSFB are secured as on September 30, 2023, providing comfort in terms of eventual loss on the portfolio. The bank's GNPA levels hovered about 1.7-2.1% between FY18 and FY20, rising to peak levels of 4.3% as on March 31, 2021, due to COVID-19 impact on borrowers.

Wheels and micro business loans (MBL; earlier known as secured business loans) – two biggest segments for AUSFB – saw higher slippages in the COVID-19 period of FY21 and FY22. Asset quality has since been improving quarter-on-quarter, improved from the peak of June 2021, with the GNPA ratio at 1.66% as on March 31, 2023, considering improving environment post-COVID increasingly supporting borrowers' cashflows and repayment behaviour. This aided recoveries and resolutions of stressed cases significantly, resulting in improved collection efficiency in FY23. However, delinquencies increased in 9MFY24, mainly due to seasoning of its increasing credit card portfolio impacting credit cost and resulting in a GNPA ratio of 1.98% as on December 31, 2023, which stood in the pre-COVID range. The credit card book stood at ₹2,740 crore, contributing about 4% of gross advances as on December 31, 2023. Net stressed assets (net stressed assets = net non-performing assets [NNPA] + standard restructured + security receipts outstanding)-to-net worth ratio improved from 23% as on March 31, 2021, to 8% as on December 31, 2023. As on December 31, 2023, COVID-19 restructured constituted 0.7% of gross advances, with the provision cover at 1.75% of gross advances, providing cushion against asset quality shocks.
FSFB reported GNPA and NNPA ratio of 1.87% and 0.77% as on December 31, 2023. On a combined basis, the GNPA and NNPA ratio stood at 1.97% and 0.70% respectively as on the same date.
CARE Ratings expects the merger to add to the relatively risker portfolio of microfinance, which may increase credit cost and asset quality going forward. However, the proportion of unsecured book will be limited to 15-20% with microfinance book capped at 10% of loan portfolio (including securitisation), limiting the impact on asset quality.

Key weaknesses

Limited product diversification and lower seasoning of non-vehicle/non-MBL portfolio

AUSFB's portfolio grew significantly in the micro, small, and medium enterprise (MSME) segments in the last few years. Post-conversion to an SFB, it started new products such as business banking, gold loan, agri loan, and home loan, among others. As on December 31, 2023, the wheels segment comprised 30% of gross advances, MBL was 28%, and other products including home loan, business banking, agri, small and medium enterprise (SME), non-banking financial company (NBFC), and builder loans comprised the balance 42% of the Gross Advances, reflecting concentration in wheels and MSME segments.

However, the bank has scaled up its efforts for diversifying into products such as business banking, agri, MSME, personal loan, home loan, and credit card, among others. The portfolio built-up seasoning in these products is still low, with their performance over cycles yet to be tested. CARE Ratings expects the merger with FSFB to boost existing products such as home loan, gold loan, and MBL, further diversifying with the addition of microfinance although this would be restricted to 10% of Gross Advances up to FY27.

Regional concentration and relatively moderate size

As on December 31, 2023, AUSFB's distribution network is spread around 21 States and three Union Territories having 1,049 touchpoints, of which 402 touchpoints (38%) are in Rajasthan, followed by Gujarat having 154 touchpoints (15%), and Madhya Pradesh having 142 touchpoints (14%), accounting for 67% of the total branch distribution. Top three states constituted 63% of advances and 58% of deposits as on December 31, 2023. The company intends to leverage its branch network to drive greater and deeper penetration in the Western and Northern states of India in which it operates, focusing on low and middle-income individuals and businesses that have limited or no access to formal banking and finance channels, spanning rural, semi-urban, and urban markets. The merger is expected to add approximately 1,300 touchpoints and help AUSFB diversify geographically with access to newer geographies in the southern states of India, going forward.

Although AUSFB has seen strong growth in past few years, its merged asset size continues to be relatively smaller as compared with private sector universal banks in India.

Liquidity: Adequate

AUSFB's asset liabilities maturity (ALM) profile as on December 31, 2023, had no negative cumulative mismatches per the Structural Liquidity Statement in time buckets up to six months. To manage gaps in an optimum manner, the bank has been focusing on increasing granular deposit, where retail term deposits and CASA contributed 64% of total deposits. AUSFB's average liquidity coverage ratio (LCR) stood at 123% for the quarter-ended December 31, 2023, as against the regulatory requirement of 100%. The bank has maintained sufficient excess statutory liquidity ratio (SLR) and high-quality non-SLR instruments, which can be readily used for repo or liquidated in the secondary market. It can also resort to Rupee borrowing as corporate deposits (CDs), term money, portfolio securitisation, and re-finance from domestic financial institutions such as NABARD, SIDBI, MUDRA, NHB, and others, in case of liquidity need. The bank has access to facilities such as liquidity adjustment facility (LAF), marginal standing facility (MSF), and call money market to meet liquidity requirements.

Environment, social, and governance (ESG) risks

Environmental

- Opened more than 6,000 green fixed deposit accounts and raised more than ₹150 crore.
- More than ₹45 crore deployed in green asset lending.
- Solar projects and electric vehicles getting funded with greater traction in retail segment.

Social

- Skill development is the flagship project of the bank. Up to Q3FY24, 17,900 youth were trained and 14,020 linked to employment across 16 centres and 78% successfully linked to employment.
- Rural Sports Initiative Project, aimed at holistic development of rural children, is live across 64 locations with more than 8,100 children in the age group of 8-16 years getting trained by certified coaches.
- The bank supports women entrepreneurs for livelihood generation and capacity building by providing support and access. To date, more than 2,300 women are engaged and 724 are nurtured.

Governance

- The bank has 80% independent directors, 20% women directors.
- Board committee on sustainability driving the sustainability agenda.

Applicable criteria

Definition of Default
Rating Outlook and Rating Watch
Rating Basel III - Hybrid Capital Instruments issued by Banks
Bank
Financial Ratios - Financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macro-economic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Banks	Other bank

AUSFB

AUSFB (erstwhile AU Financiers (India) Limited) was incorporated in 1996 as an NBFC and started the CV lending business in 2003 as a franchisee originator for HDFC Bank under 'Channel Business' and later moved to lend on its own books since 2007. Over the years, the company forayed into MSME and SME, housing loans, and structured financing and other types of vehicle financing.
The company received the license of an SFB from the RBI in December 2016 and commenced banking operations from April 2017; it received the status of an SCB in November 2017. Post becoming an SFB, it expanded its product portfolio and geographical footprint.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24 (UA)
	12M	12M	9M
Total income	6,915	9,240	8,915
PAT	1,130	1,428	1,164
Total assets#	68,936	90,123	1,01,035
Net NPA (%)	0.50	0.42	0.68
ROTA (%)	1.88	1.80	1.62

A: Audited; UA: Unaudited. Note: These are latest available financial results.
Note: All analytical ratios are per CARE Ratings' calculations.
#Total assets and net worth adjusted by DTA, revaluation reserve, and intangible assets.

FSFB

FSFB (erstwhile Disha Microfin Limited) is an SFB that commenced banking operations on July 21, 2017, post receiving the final license from the RBI on May 12, 2017. The bank has been accorded scheduled commercial bank status in April 2019. As on September 30, 2023, FSFB operated in 23 states and UTs with 1,292 touchpoints and its gross advances stood at ₹10,541 crore, consisting of microfinance (54%), MBL (19%), home loans (14%), and gold loans (10%).

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24 (UA)
	12M	12M	9M
Total income	1,648	1,971	2,161
PAT	9	104	308
Total assets#	10,813	12,388	15,519
Net NPA (%)	3.55	1.30	0.77
ROTA (%)	0.09	0.89	2.94

A: Audited; UA: Unaudited. Note: These are latest available financial results.
Note: All analytical ratios are per CARE Ratings' calculations.
#Total assets and net worth adjusted by DTA, revaluation reserve and intangible assets except for 9MFY24.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instruments/facilities: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Lower Tier-II bonds	INE519Q08137	22-03-2018	11.30%	22-06-2024	38.00	CARE AA; Stable
Lower Tier-II bonds	INE519Q08145	20-03-2018	11.30%	20-06-2024	37.00	CARE AA; Stable
Bonds- Tier-II bonds	INE519Q08152	30-09-2019	12.87%	30-09-2025	100.00	CARE AA; Stable
Bonds- Tier-II bonds	INE519Q08178	05-07-2023	10.75%	05-01-2029	75.00	CARE AA; Stable
Bonds- Tier-II bonds	INE519Q08186	09-08-2023	10.75%	09-02-2029	50.00	CARE AA; Stable
Bonds- Tier-II bonds	INE949L08442	03-08-2022	9.30%	03-08-2032	350.00	CARE AA; Stable
Bonds- Tier-II bonds	INE949L08434	03-08-2022	9.30%	13-08-2032	100.00	CARE AA; Stable
Bonds- Tier-II bonds	INE949L08426	03-08-2022	9.30%	23-08-2032	50.00	CARE AA; Stable
Bonds- Tier-II bonds	Proposed	-	-	-	175.00	CARE AA; Stable
Certificate of deposit	INE949L16CF0	06-Mar-24	8.17%	27-03-2024	100.00	CARE A1+
Certificate of deposit	INE949L16CG8	07-Mar-24	8.17%	05-Mar-25	100.00	CARE A1+
Certificate of deposit	INE949L16CH6	11-Mar-24	8.15%	06-Mar-25	200.00	CARE A1+
Certificate of deposit	INE949L16CH6	11-Mar-24	8.15%	10-Mar-25	50.00	CARE A1+
Certificate of deposit	INE949L16CK0	14-Mar-24	7.95%	10-Mar-25	100.00	CARE A1+
Certificate of deposit	INE949L16CK0	14-Mar-24	7.95%	13-Jun-24	100.00	CARE A1+
Certificate of deposit	INE949L16CL8	20-Mar-24	7.95%	13-Jun-24	100.00	CARE A1+
Certificate of deposit	INE949L16CI4	13-Mar-24	8.15%	19-Jun-24	50.00	CARE A1+
Certificate of deposit	INE949L16CI4	13-Mar-24	8.15%	20-Feb-25	200.00	CARE A1+
Certificate of deposit	Proposed	-	-	Upto 364 days	400.00	CARE A1+

Annexure-2: Rating history for 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 2024-2025	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
1	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (23-Mar-22)
2	Certificate Of Deposit	ST	1400.00	CARE A1+	-	1)CARE A1+ (15-Mar-24) 2)CARE A1+ (11-Mar-24) 3)CARE A1+	1)CARE A1+ (27-Jul-22)	1)CARE A1+ (23-Mar-22)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	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
						(03-Oct-23) 4)CARE A1+ (04-Apr-23)		
3	Bonds-Tier II Bonds	LT	200.00	CARE AA; Stable	-	1)CARE AA; Stable (15-Mar-24) 2)CARE AA; Stable (11-Mar-24) 3)CARE AA; Stable (03-Oct-23) 4)CARE AA; Stable (04-Apr-23)	1)CARE AA; Stable (27-Jul-22)	1)CARE AA; Stable (23-Mar-22)
4	Bonds-Tier II Bonds	LT	300.00	CARE AA; Stable	-	1)CARE AA; Stable (15-Mar-24) 2)CARE AA; Stable (11-Mar-24) 3)CARE AA; Stable (03-Oct-23) 4)CARE AA; Stable (04-Apr-23)	1)CARE AA; Stable (27-Jul-22)	-
5	Bonds-Tier II Bonds	LT	150.00	CARE AA; Stable	-	1)CARE AA; Stable	1)CARE AA; Stable	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	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
						(15-Mar-24) 2)CARE AA; Stable (11-Mar-24) 3)CARE AA; Stable (03-Oct-23) 4)CARE AA; Stable (04-Apr-23)	(27-Jul-22)	
6	Bonds-Lower Tier II	LT	75.00	CARE AA; Stable				
7	Bonds-Tier II Bonds	LT	150.00	CARE AA; Stable				
8	Bonds-Tier II Bonds	LT	100.00	CARE AA; Stable				

LT-long term; ST-Short term.

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

Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Bonds- Tier-II bonds	Complex
2	Certificate of deposit	Simple
3	Bonds- Lower Tier II bonds	Complex

Annexure-5: Lender details

Not applicable

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

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Sanjay Agarwal Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3500 E-mail: Sanjay.agarwal@careedge.in
Relationship Contact Pradeep Kumar V Senior Director **CARE Ratings Limited** Phone: +91-44-2850 1001 E-mail: pradeep.kumar@careedge.in	Sudhakar P Director **CARE Ratings Limited** Phone: +91-044-28501003 E-mail: p.sudhakar@careedge.in Aditya R Acharekar Associate Director **CARE Ratings Limited** Phone: +91-22-6754 3528 E-mail: aditya.acharekar@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.

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