

Adani Enterprises Limited

June 29, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1,367.00 (Enhanced from 1,366.68)	CARE A+; Stable (Single A Plus; Outlook: Stable)	Reaffirmed
Long Term / Short Term Bank Facilities	14,933.00 (Reduced from 14,933.32)	CARE A+; Stable / CARE A1+ (Single A Plus; Outlook: Stable/ A One Plus)	Reaffirmed
Short Term Bank Facilities	200.00	CARE A1+ (A One Plus)	Reaffirmed
Total Bank Facilities	16,500.00 (₹ Sixteen Thousand Five Hundred Crore Only)		
Market Linked Debentures	600.00	CARE PP-MLD A+; Stable (Principal Protected-Market Linked Debentures Single A Plus; Outlook: Stable)	Assigned
Market Linked Debentures	200.00	CARE PP-MLD A+; Stable (Principal Protected-Market Linked Debentures Single A Plus; Outlook: Stable)	Reaffirmed
Market Linked Debentures	240.00	CARE PP-MLD A+; Stable (Principal Protected-Market Linked Debentures Single A Plus; Outlook: Stable)	Reaffirmed
Non Convertible Debentures	400.00	CARE A+; Stable (Single A Plus; Outlook: Stable)	Reaffirmed
Total Long-Term Instruments	1,440.00 (₹ One Thousand Four Hundred Forty Crore Only)		
Commercial Paper (Carved out) *	2,000.00	CARE A1+ (A One Plus)	Assigned
Total Short-Term Instruments	2,000.00 (₹ Two Thousand Crore Only)		

Details of instruments/facilities in Annexure-1

* Carved out of the sanctioned working capital limits of the company

Detailed Rationale & Key Rating Drivers

The ratings assigned to the principal protected market-linked debenture (MLD) issue, non-convertible debenture (NCD) issue, commercial paper and bank facilities of Adani Enterprises Limited (AEL) continues to take into consideration the strengthened financial flexibility of the Adani group led by the established track record of successful incubation of businesses across various verticals and recovery of passenger traffic in the airport segment during FY22 (refers to the period April 01 to March 31). The ratings also consider equity infusion of around Rs.7700 crore in Q1FY23 from IHC Holdings LLC aiding liquidity of AEL. Successful incubation and independent listing of various entities over the years with latest being Adani Wilmar Limited (AWL; rated 'CARE A+; Stable/ CARE A1+') in FY22 has also strengthened market capitalisation of the Adani group (refers to all the listed entity of the Adani group, namely- AEL, Adani Ports & Special Economic Zones Limited [APSEZ], Adani Transmission Limited [ATL], Adani Green Energy Limited [AGEL; rated 'CARE A1+'], Adani Total Gas Limited [ATGL], AWL and Adani Power Limited [APL; rated 'CARE BBB- / CARE A3 (Under Credit Watch with Positive implications)']). Moreover, the pledge of shares by the promoters has reduced substantially in most of the entities of the Adani group, including AEL over the last two years. In CARE Ratings opinion, strengthened financial flexibility of Adani group wherein promoter family owns substantial stake in most of the entities, enhances strategic importance and economic incentive for the promoters to support diverse ventures of AEL in the case of exigencies.

The completion of the capex at Australia mining and railway subsidiaries followed by commencement of trial runs in February 2022 considerably mitigates the project implementation risk in Australia. Nevertheless, ramping up of coal dispatches as envisaged remains crucial from the credit perspective. The completion of the expansion project in solar module manufacturing along with

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

levy of basic custom duty on solar cell manufacturing with effect from April 2022 is an added credit positive. However, surge in the prices of solar wafer in India is expected to limit the benefit of BCD to an extent.

The ratings also favourably factors the recovery in the airport segment of AEL during FY22 with the revenues of Rs.2,884 crore and profit before interest lease depreciation and tax (PBILDT) of Rs.1,091 crore led by recovery in the domestic passenger and monetization of non-aero revenue. CARE Ratings expects full recovery in the domestic traffic by June 2022 and the recovery in the international traffic by early FY24 assuming no major impact of the further waves of COVID. Going forward, achievability of envisaged non-aero revenues shall be crucial.

The ratings continue to derive strength from AEL's leading position in the coal trading business and ramp-up in the operations of high profit margin mining services segment during FY21 and FY22. Healthy outstanding order book position in the road segment after securing large toll roads and hybrid annuity model (HAM) projects improve the revenue visibility for the contracting segment in the near to medium term.

The above rating strengths are tempered by the incubation risk associated with large-sized projects in diverse areas wherein AEL does not possess prior experience, large capex envisaged in the airport segment and continued dependence on sub-contractors for road project execution. Besides, the inherent regulatory risk with respect to the timely receipt of tariff order in the airports business and traffic risk in the toll roads projects are the continued rating weaknesses. CARE Ratings also notes the large-scale plans announced by AEL for manufacturing integrated green hydrogen facility with a tentative outlay of Rs.370,000 crore over the next 10 years through Adani New Industries Limited (ANIL). In line with management's earlier articulation to bring technology partner cum strategic investor for green hydrogen capex, AEL has entered into binding arrangement with TOTALenergies (TOTAL) to acquire 25% stake in ANIL. This shall strengthen the financial flexibility of AEL in raising debt for ANIL apart from technological support. CARE Ratings understands that the aforementioned capex shall be executed in phase-wise manner with first phase of 0.16 Million Metric Tonne Per Annum (MMTPA) which is expected to be operational by FY26. AEL has also announced large sized capex in Poly Vinyl Chloride (PVC) products and Copper. AEL is exposed to the inherent project execution as well as the stabilisation and technology risk especially for green hydrogen capex being first-of-its-kind projects for India. Nevertheless, strong financial flexibility of AEL along with experience of the Adani group in project execution, solar module manufacturing as well as renewable energy partly mitigate the risk. Moreover, in the medium term, AEL also expects sizeable cash inflow from mandatory dilution of its stake in AWL. This shall mitigate the equity related risk to an extent. Moreover, AEL has some flexibility to defer this capex being discretionary in nature and subject to closure of transaction with TOTAL. Further, CARE Ratings relies on management's articulation in not exceeding external debt/PBILDT of 6x even while executing large-sized capex. Therefore, any shortfall in the capex funding post debt servicing shall be funded by the promoters. The promoters of AEL have infused unsecured loans of Rs.12,541 crore till March 31, 2022, towards funding of capex in airports and Australia operations.

The ratings continue to be tempered by the volatility in commodity price movements, foreign exchange rate fluctuations and working capital intensive nature of operations for coal trading, solar module manufacturing and mining services segment.

Rating Sensitivities

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

- Completion of large-sized capex and generating envisaged returns thereof apart from monetization of assets improving the consolidated total external debt/PBILDT to less than 3.00x on a sustained basis.

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

- Total consolidated external debt/PBILDT exceeding 6.00x.
- Change in the promoter stance in supporting AEL for funding of its large capex requirement.
- Inability to rope-in strategic equity investors for large capex projects, necessitating higher debt levels.
- Significant deviation in envisaged free investible cash flows.

Detailed description of the key rating drivers

Key Rating Strengths

Strengthened financial flexibility of Adani group and continuation of need-based support to AEL

The combined market capitalisation of the Adani group has increased significantly to Rs.10,75,576 crore (including AWL) as on March 31, 2022, which provides significant financial flexibility to raise resources. The promoter continues to hold around 73% equity shares in AEL. There has been steady decline in the quantum of promoter shares pledge from 49.79% in Q4FY20 to 3.76% on May 12, 2022. The market value of the promoter's total equity holding in AEL as on March 31, 2022 stood at around Rs.1,72,519 crore. Furthermore, the market value of the total unpledged equity holding of the promoters in the entire Adani group including AEL was valued at around Rs.8,96,105 crore as on March 31, 2022.

AEL has been receiving need-based support from its promoters in case of exigencies as well as towards funding its growth capital requirements. Successful incubation track record of AEL along with strengthened financial flexibility of the Adani group wherein the promoter family owns a substantial stake in most of the entities, enhances strategic importance and economic incentive for the promoters to support diverse ventures of AEL in case of exigencies. Dilution of the promoter stake in AWL over period of one year due to regulatory requirement of bringing down promoter stake to 75% is also expected to result in sizeable cash inflow in AEL.

Completion of capex and commencement of trial runs of coal dispatch in Australia

The promoters of the Adani group had acquired 100% equity stake in Abbot Point Port Terminal in Australia. As a backward integration to the integrated risk management (IRM) business, in the year 2010, the Adani group (through a step-down subsidiary of AEL) acquired a mine at Carmichael Basin and developed the mine along with laying down a railway network from the mine to Abbot Point Port terminal. While AEL's economic interest in the mine is 100%, the rail network is being developed as a 50:50 joint venture between AEL and a promoter group company. The implementation of the project was significantly delayed due to the

public protest and delayed financial closure. The project has been completed in FY22 with a total project cost of Rs.22,000 crore being funded through the promoter debt of Rs.4,253 crore, external bank borrowing of Rs.5,500 crore and balance through loans from AEL's subsidiary. As articulated by the management, coal dispatch has commenced during February 2022 with mining capacity of 11 million metric tonne (MMT). As the majority of the capex is completed, no major cash outflow is envisaged for the project in medium term apart from the routine maintenance capex. However, ramping up of coal dispatches as envisaged shall remain crucial from the credit perspective.

Significant recovery in the passenger traffic

As on March 31, 2022, AEL operates eight airports in India of which 7 are brown field airports- Mumbai International Airport Limited (MIAL; rated CARE A+; Stable), Ahmedabad, Mangalore, Jaipur, Lucknow, Guwahati and Trivandrum while Navi Mumbai airport is green-field airport.

COVID-19 led to sharp y-o-y decline of 66% in the passenger traffic during FY21. The passenger traffic gradually recovered to 58% of the pre-COVID levels during Q4FY21; however, the recovery in the airport sector was delayed due to the second wave of COVID-19. Non-aero revenues witnessed significant decline mainly due to subdued international traffic during FY21.

Nevertheless, domestic traffic showed resilience post second wave with domestic traffic reaching almost 88% of pre-COVID level during the month of December 2021. The receding impact of the Covid-19, benefits of the mass vaccination drive, and revival of leisure travel-led demand are expected to drive recovery of the domestic traffic to pre-Covid levels by June 2022. During FY22, the performance of the airport segment improved and registered TOI of Rs.2,884 crore and PBILDT of Rs.1,091 crore. On the basis of the receding impact of Omicron wave and increase in the pace of vaccination, domestic traffic is expected to reach pre-COVID levels by June 2022. Furthermore, with slated resumption of international flights from March 27, 2022, the international traffic is expected to recover by early FY24. Moreover, airports in tier-II cities are expected to report strong growth in passenger volumes.

Moreover, regulated return on aero assets with a hybrid till tariff structure involving true-up/ true-down of the revenue takes care of the traffic fluctuations at the time of next tariff determination process thereby rendering visibility to the revenue stream. Longer residual concession period also enhances financial flexibility. Nevertheless, the cash flows are susceptible to variation in non-aero revenues in light of lower penetration of non-aero revenues per person in India as compared to other countries. However, given the locational advantage and catchment area, all the airports are expected to benefit from the ramp-up in non-aero revenues. Furthermore, AEL has developed a strategy to enhance non-aero revenue through various modes including enhancing revenue from non-passengers in line of B2C business model. The increase in the non-aero revenues as envisaged constitute the key rating monitorable.

Completion of expansion project in solar module manufacturing albeit with decline in profitability during FY22

AEL through Mundra Solar PV Limited (MSPVL) had commissioned India's largest solar cell and module manufacturing facility at Mundra with an installed capacity of 1,200 MW of solar cell and solar modules each at a total project cost of around Rs.2,000 crore in June 2017. During FY20 and FY21, the performance of MSPVL improved on the back of various initiatives announced by Government of India (GoI) for promoting domestic solar cell and module manufacturing industry.

However, owing to increase in the prices of poly silica and other commodities during FY22, the operating margins of solar division declined to 14.82% during FY22, as against 27.86% during FY21. Nevertheless, the volume of module sold remained stable at 1,104 MW during FY22 indicating demand in the market.

Government of India has imposed basic custom duty of 25% on imported solar cell and modules with effect from April 2022 to safeguard domestic players. Further, during FY22, MSPVL has completed expansion of solar module from 1.50 GW to 3.5 GW. This augur well for the increase in volumes in the medium term given stable demand in the market. Nevertheless, subsequent surge in the prices of solar wafer by China and India's dependency thereon to manufacture solar cell is expected to restrict the benefit envisaged from imposition of basic custom duty.

Ramp-up in domestic mining services business during FY21 and FY22

AEL has been acting as a domestic coal mine developer and operator (MDO) on behalf of Rajasthan Rajya Vidhyut Utpadan Nigam Limited (RRVUNL) for RRVUNL's coal requirement to run its thermal power plants in Rajasthan. AEL had completed mine development and coal production commenced from February 2013 and coal supply volumes have gradually ramped-up. AEL has also secured contracts for other mines with various counterparties and therefore number of operating mines have increased from one in FY18 to four in 9MFY22. The coal supply volume gradually increased from 7.04 MMT during FY18 to 16.00 MMT during FY21 and 27.70 MMT during FY22. Coal dispatch volume is expected to rise further in the medium term with increase in numbers of operational mines and focus of Government of India on enhanced coal production.

Although mining services business does not contribute much to the TOI of AEL, it has healthy contribution to its profitability. AEL receives 'Mining Fees' at agreed upon rate per tonne of coal supplied from the block with yearly escalation linked to wholesale price index (WPI) and consumer price index (CPI) along with reimbursement of related expenses, taxes, duties and logistics cost which provides good revenue visibility.

Vast experience of the promoters of AEL in various businesses and diversified and synergetic operations of the Adani group

The promoters of AEL have more than two decades of experience in various businesses along with established relationship with global players. Over a period of time, the Adani group has evolved as a diversified conglomerate based in India having global operations with primary interests in infrastructure and utilities sectors, while AEL continues to operate as the flagship company of the group and plays a leading role in incubating new businesses for the group. The Adani group was primarily involved in the imported coal trading business and gradually it has backward integrated its operations in domestic and overseas coal mining

through AEL along with forward integration in ports, logistics, thermal and renewable power generation, power transmission and distribution through various other group companies. AEL has coal mining operations in Indonesia and has also acquired a coal mine in Australia. Furthermore, AEL has a track record of successfully incubating businesses across various sectors in the past such as ports, power transmission, thermal and renewable power generation and city gas distribution businesses.

Leading position of AEL in IRM business in India wherein AEL imports coal through its established coal sourcing arrangements and sells to a diversified clientele

AEL, with its established business relations with coal suppliers of Indonesia, Australia and South Africa, has evolved as India's largest importer of thermal coal catering to the requirement of both private and public sector undertaking (PSU) clients. AEL has consolidated its position in the IRM business during the last decade and has developed strong business relationships with miners in Indonesia, Australia and South Africa for procurement of imported coal. AEL has developed business relationship with diversified customers across various end-user industries including coal-based thermal power generators, steel, textile, paper, brick and cement manufacturers, etc. It enjoys major share in domestic PSU tendering business. It imports coal through all the major ports of India, which saves the logistic costs and ensures timely delivery to its customers. During FY22, the IRM volumes of AEL (along with its subsidiaries) stood at around 64.40 MMT.

Substantial reduction in exposure to thermal power vertical of the Adani group

Exposure of AEL in the form of debtors from power vertical of the Adani group reduced substantially over the years and stood negligible at 2% of the net worth as on March 31, 2022. Further, a corporate guarantee given by AEL for a bank facility of Adani Power Rajasthan Limited (rated 'CARE A; / CARE A1 (Credit Watch with Developing Implications)') for around Rs.1,050 crore (as on December 31, 2021) has been released as on March 31, 2022. The outstanding corporate guarantees extended by AEL on a consolidated basis stood at around Rs.1,611 crore as on March 31, 2022.

Liquidity: strong

The operations of AEL have remained working capital intensive over the years. AEL primarily uses non-fund-based limits (Letter of Credit (LCs) for coal purchase) and had average utilisation of around 84% during 12 months ended April 30, 2022. The financial profile of RRVUNL (the major counterparty for MDO business) is below average leading to higher working capital intensity for AEL. AEL also raises funds through CP issuances to fund working capital requirements and the outstanding standalone CP was Rs.930 crore as on March 31, 2022. However, AEL, on standalone level, had free cash and cash equivalent of Rs.155.60 crore as on March 31, 2022. On a consolidated basis, AEL reported cash accruals of Rs.2,121 crore as against the repayment of Rs.1,428 crore during FY23.

The cash flow from operations (CFO) moderated during FY22 mainly due to rise in inventory levels owing surge in coal and solar wafer prices. Going forward, CFO is expected to be improved due to softening of coal prices, the commencement of operations in Australia and recovery witnessed in the Airport sector. The liquidity is also underpinned by the strong financial flexibility of the group as well as timely and need-based support from the promoters in case of capex requirements.

Key Rating Weaknesses

Inherent project risks associated with plans to undertake significantly large-size projects simultaneously across varied lines of businesses wherein AEL as an incubator does not necessarily has prior experience and increase in its capital expenditure plans

AEL has undertaken various projects across businesses that entail large capex. In the existing business segment, AEL is expected to incur capex of around Rs.32,234 crore in airport segment during FY23-FY25 apart from large order book execution in road segment. The capex in the airport segment is regulatory in nature except for NMIAL and contingent on authorities' approval towards the same. In order to reduce its equity commitments, AEL plans to introduce strategic equity partner in the Airport business. In the roads segment, AEL is executing three large greenfield packages of Ganga expressway apart from 8 HAM projects. Equity commitment for the projects under roads sector is envisaged to be funded through internal accruals generated while retaining principal engineering procurement and construction (EPC) contract at AEL subsidiary level and through raising of top up loans once the HAM projects achieved provisional commercial operations date (PCOD). However, AEL is exposed to the inherent performance risk of third-party sub-contractor in these projects, which elevates the execution risk. As most of the aforesaid capex will have a reliance on debt funding, it shall lead to higher leverage for AEL. However, 65% of the external consolidated debt for the existing business is expected to be backed by escrow mechanism, which also protects the deployment of internal accruals for capex to an extent.

AEL also plans to foray into the manufacturing of green hydrogen with an envisaged investment outlay of USD 50 billion over next 10 years through Adani New Industries Ltd (ANIL). In line with management's earlier articulation to bring technology partner cum strategic investor for green hydrogen capex, AEL has entered into binding arrangement with TOTALenergies (TOTAL) to acquire 25% stake in ANIL. This shall strengthen the financial flexibility of AEL in raising debt for ANIL apart from technological support. CARE Ratings understands that the aforementioned capex shall be executed in phase-wise manner with first phase of 0.16 million Metric Tonne Per Annum (MMTPA) which is expected to be operational by FY26.

Total outlay for green hydrogen capex is estimated at Rs.68,052 crore for FY23-FY25 mainly towards developing ecosystem for green power generation. AEL is expected to complete the expansion of integrated 4GW plant of solar cell cum solar module manufacturing and 10%-15% of capacity of wind turbine ecosystem by March 2023.

Moreover, in the medium term, AEL also expects sizeable cash inflow from mandatory dilution of its stake in AWL.

AEL has also announced large sized capex in Poly Vinyl Chloride (PVC) products and copper aggregating Rs.25,674 crore for FY23-FY25. AEL is exposed to the inherent project execution as well as the stabilisation and technology risk especially for green hydrogen capex being first-of-its-kind projects for India. Nevertheless, strong financial flexibility of AEL as well as TOTAL along

with experience of the Adani group in project execution, solar module manufacturing as well as renewable energy partly mitigate the risk. Moreover, AEL has some flexibility to defer this capex being discretionary in nature and subject to closure of transaction with TOTAL. Further, CARE Ratings relies on management's articulation in not exceeding external debt/PBILDT of 6x even while executing large-sized capex. Therefore, any shortfall in the capex funding post debt servicing shall be funded by the promoters. The promoters of AEL have infused unsecured loans of Rs.12,541 crore till March 31, 2022, towards funding of capex in airports and Australia operations.

Risk associated with commodity price movement, foreign exchange rate fluctuations and regulatory changes in its IRM business

In the IRM business, the prices of coal are mainly linked to the International Coal Price Indexes. Out of the total coal imported by AEL, the majority have a back-to-back supply contract according to the company management. Apart from that AEL maintains around 20-30 days' inventory in order to meet the spot demand from its customers. Hence, it is exposed to the short-term variation in imported coal prices under its stock-and-sale coal trading business. AEL is also exposed to the risk associated with the foreign exchange rate fluctuations since its entire imports are denominated in USD and significant amount of sales is in INR. While the management claims it hedges to most of its exposure, its profitability remains susceptible to sharp foreign exchange rate fluctuations on the unhedged portion. Meanwhile the common group treasury also helps to partly mitigate the foreign exchange rate fluctuation risk. AEL's imported coal trading business also faces regulatory risks.

Inherent regulatory risk and traffic risk for the infrastructure business

AEL is exposed to the inherent regulatory risk related to delay in the receipt of tariff order for airports business and traffic risk for its toll roads business due to various macro-economic factors beyond the control of the company. Greenfield toll roads of Ganga Expressways further elevates the traffic risk. However, longer concession period of 30 years for toll projects under Ganga Expressway and construction grant to be received from Authority are expected to offer some respite. AEL's MDO business is also exposed to the inherent environmental and regulatory challenges.

Analytical approach:

Consolidated; mainly because of the significant degree of operational, financial and managerial linkages between AEL and its subsidiaries. Also, AEL incubates various new businesses under it (in the past AEL has incubated port, thermal and renewable power, power transmission and city gas distribution businesses) and provides all the required support (operational, financial as well as managerial) till the time these businesses become self-sustainable, which necessitates taking a fully consolidated analytical approach for AEL. CARE Ratings has also fully consolidated Carmichel Rail Network Trust in projections. The commercial mining segment of AEL has not been considered in the projections for arriving at the ratings, as the same is under feasibility stage of study and initial stage of evaluation. The list of entities getting consolidated in to AEL is placed at **Annexure-6**. AEL has aggressively entered into the infrastructure segment with foray into Airports and roads, which has longer concession period with stable cash flow stream in the form of aero revenues for airports and annuities for HAM projects, and hence, CARE Ratings has also analyzed debt coverage indicators and concession life coverage of those businesses independently along with the consolidated financials of AEL.

Applicable Criteria

[Criteria on Assigning 'Outlook' and 'Credit Watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Liquidity Analysis of Non-Financial Sector Entities](#)

[Rating Methodology: Market Linked Notes \(Includes Equity Linked Notes\)](#)

[Rating Methodology: Consolidation](#)

[Rating Methodology: Manufacturing Companies](#)

[Rating Methodology: Wholesale Trading](#)

[Rating Methodology: Airport Companies](#)

[Rating Methodology: Hybrid Annuity Road Projects](#)

[Financial ratios - Non-Financial Sector](#)

About the Company

AEL, incorporated in the year 1993, is the flagship company of the Adani group with the promoter group holding 74.92% stake in the company as on December 31, 2021. AEL, on a standalone basis, has mainly integrated resources management (IRM) / coal trading, power trading and mining services businesses. AEL, on a consolidated basis, has diversified businesses, which include solar cell and module manufacturing, agro processing (including sale of branded edible oil), commodities trading, bunkering (fueling) of ships and shipping. AEL, through its subsidiaries, has invested significant funds in coal mining and related rail evacuation infrastructure in Australia and is currently incubating new businesses including airports, road development, water treatment plant, data centres, etc.

Brief financials

Consolidated Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Abridged)
TOI	44,248	40,576	70,577
PBILDT	3,139	3,554	4,870
PAT	1,040	1,046	788
Overall gearing including acceptances (times)	0.80	0.94	1.61
Interest coverage (times)	2.00	2.57	1.93

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**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3**Complexity level of various instruments rated for this company:** Annexure 4**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
Fund-based/non-fund-based-LT/ST	-	-	-	-	380.00	CARE A+; Stable / CARE A1+
Fund-based/non-fund-based-LT/ST	-	-	-	-	11620.00	CARE A+; Stable / CARE A1+
Term Loan-Long Term	-	-	-	June 30, 2030	1367.00	CARE A+; Stable
Non-fund-based - LT/ST-Bank Guarantee	-	-	-	-	590.00	CARE A+; Stable / CARE A1+
Non-fund-based-LT/ST	-	-	-	-	2343.00	CARE A+; Stable / CARE A1+
Non-fund-based - ST-Loan Equivalent Risk	-	-	-	-	200.00	CARE A1+
Debentures-Market Linked Debentures	INE423A07229	March 21, 2022	8.50%	March 21, 2024	200.00	CARE PP-MLD A+; Stable
Debentures-Market Linked Debentures	INE423A07237 INE423A07245	April 25, 2022	8.10% And 8.50%	April 25, 2024 October 25, 2023	240.00	CARE PP-MLD A+; Stable
Debentures-Non-Convertible Debentures	INE423A07203	May 20, 2020	8.95%	May 20, 2023	400.00	CARE A+; Stable
Debentures-Market Linked Debentures**	-	-	-	-	600.00	CARE PP-MLD A+; Stable
Commercial Paper-Commercial Paper (Carved out)	-	-	-	7-364 days	2000.00	CARE A1+

** Not Applicable as the MLD issue is proposed

Annexure-2: Rating History of 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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	-	-				
2	Fund-based - ST-Term loan	-	-	-	-	-	-	1)CARE A1 (02-May-19) 2)CARE A1

								(05-Apr-19)
3	Fund-based/non-fund-based-LT/ST	LT/ST*	380.00	CARE A+; Stable / CARE A1+	1)CARE A+; Stable / CARE A1+ (22-Apr-22)	1)CARE A+; Stable / CARE A1+ (21-Mar-22) 2)CARE A+ (SO); Stable / CARE A1+ (SO) (05-Apr-21)	1)CARE A+ (SO) / CARE A1+ (SO) (CWD) (30-Sep-20) 2)CARE A+ (SO); Stable / CARE A1+ (SO) (03-Apr-20)	1)CARE A+ (SO); Stable / CARE A1+ (SO) (02-May-19) 2)CARE A+ (SO); Stable / CARE A1+ (SO) (05-Apr-19)
4	Fund-based/non-fund-based-LT/ST	LT/ST*	11620.00	CARE A+; Stable / CARE A1+	1)CARE A+; Stable / CARE A1+ (22-Apr-22)	1)CARE A+; Stable / CARE A1+ (21-Mar-22) 2)CARE A; Stable / CARE A1 (05-Apr-21)	1)CARE A / CARE A1 (CWD) (30-Sep-20) 2)CARE A; Stable / CARE A1 (03-Apr-20)	1)CARE A; Stable / CARE A1 (02-May-19) 2)CARE A; Stable / CARE A1 (05-Apr-19)
5	Term Loan-Long Term	LT	1367.00	CARE A+; Stable	1)CARE A+; Stable (22-Apr-22)	1)CARE A+; Stable (21-Mar-22) 2)CARE A+ (SO); Stable (05-Apr-21)	1)CARE A+ (SO) (CWD) (30-Sep-20) 2)CARE A+ (SO); Stable (03-Apr-20)	1)CARE A+ (SO); Stable (02-May-19) 2)CARE A+ (SO); Stable (05-Apr-19)
6	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST*	590.00	CARE A+; Stable / CARE A1+	1)CARE A+; Stable / CARE A1+ (22-Apr-22)	1)CARE A+; Stable / CARE A1+ (21-Mar-22) 2)CARE A; Stable / CARE A1 (05-Apr-21)	1)CARE A / CARE A1 (CWD) (30-Sep-20) 2)CARE A; Stable / CARE A1 (03-Apr-20)	1)CARE A; Stable / CARE A1 (02-May-19) 2)CARE A; Stable / CARE A1 (05-Apr-19)
7	Non-fund-based-LT/ST	LT/ST*	2343.00	CARE A+; Stable / CARE A1+	1)CARE A+; Stable / CARE A1+ (22-Apr-22)	1)CARE A+; Stable / CARE A1+ (21-Mar-22) 2)CARE A; Stable / CARE A1 (05-Apr-21)	1)CARE A / CARE A1 (CWD) (30-Sep-20) 2)CARE A; Stable / CARE A1 (03-Apr-20)	-
8	Debentures-Non-Convertible Debentures	LT	400.00	CARE A+; Stable	1)CARE A+; Stable (22-Apr-22)	1)CARE A+; Stable (21-Mar-22)	1)CARE A (CWD) (30-Sep-20)	-

						2)CARE A; Stable (05-Apr-21)	2)CARE A; Stable (05-May-20)	
9	Debentures-Market Linked Debentures	LT	-	-	1)Withdrawn (22-Apr-22)	1)CARE PP-MLD A+; Stable (21-Mar-22) 2)CARE PP-MLD A; Stable (05-Apr-21)	1)CARE PP-MLD A (CWD) (30-Sep-20)	-
10	Non-fund-based - ST-Loan Equivalent Risk	ST	200.00	CARE A1+	1)CARE A1+ (22-Apr-22)	1)CARE A1+ (21-Mar-22) 2)CARE A1 (05-Apr-21)	1)CARE A1 (CWD) (30-Sep-20)	-
11	Debentures-Market Linked Debentures	LT	200.00	CARE PP-MLD A+; Stable	1)CARE PP-MLD A+; Stable (22-Apr-22)	1)CARE PP-MLD A+; Stable (21-Mar-22)	-	-
12	Debentures-Market Linked Debentures	LT	240.00	CARE PP-MLD A+; Stable	1)CARE PP-MLD A+; Stable (22-Apr-22)	-	-	-
13	Debentures-Market Linked Debentures	LT	600.00	CARE PP-MLD A+; Stable				
14	Commercial Paper-Commercial Paper (Carved out)	ST	2000.00	CARE A1+				

*LT/ST: Long term- short term

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

Particulars	Detailed explanation	
	NCD Issue	MLD Issue
Financial Covenants	Security cover will be at least 1.10 times of the outstanding book value of the NCDs at all times during the tenure of NCDs.	-

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

Sr. No.	Name of Instrument	Complexity Level
1	Debentures-Market Linked Debentures	Highly Complex
2	Debentures-Market Linked Debentures	Highly Complex
3	Debentures-Non-Convertible Debentures	Complex
4	Fund-based/non-fund-based-LT/ST	Simple
5	Non-fund-based - LT/ ST-Bank Guarantee	Simple
6	Non-fund-based - ST-Loan Equivalent Risk	Simple
7	Non-fund-based-LT/ST	Simple
8	Term Loan-Long Term	Simple
9	Commercial Paper (carved out of working capital limits)	Simple

Annexure 5: Bank Lender Details for this Company

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

Annexure 6: List of subsidiaries/joint ventures/associates of AEL getting consolidated as on March 31, 2022

Sr. No.	Name of Company / Firm	Relationship	Shareholding as at
			31st March 2022
1	Adani Global Ltd (AGL)	Subsidiary	100%
2	Adani Global FZE (AGFZE)	Subsidiary	100%
3	Adani Global DMCC	Subsidiary	100%
4	Adani Global Pte Ltd (AGPTE)	Subsidiary	100%
5	PT Adani Global (PTAGL)	Subsidiary	100%
6	PT Adani Global Coal Trading (PTAGCT)	Subsidiary	100%
7	PT Coal Indonesia (PTCI)	Subsidiary	100%
8	PT Sumber Bara (PTSB)	Subsidiary	100%
9	PT Energy Resources (PTER)	Subsidiary	100%
10	PT Niaga Antar Bangsa (PTNAB)	Subsidiary	100%
11	PT Niaga Lintas Samudra (PTNLS)	Subsidiary	100%
12	PT Gemilang Pusaka Pertiwi	Subsidiary	100%
13	PT Hasta Mundra	Subsidiary	100%
14	PT Lamindo Inter Multikon	Subsidiary	100%
15	PT Suar Harapan Bangsa	Subsidiary	100%
16	Adani Agri Fresh Ltd (AAFL)	Subsidiary	100%
17	Natural Growers Pvt Ltd	Subsidiary	100%
18	Parsa Kente Collieries Ltd	Subsidiary	74%
19	Jhar Mineral Resources Pvt Ltd (Formerly known as Chendipada Collieries Pvt Ltd)	Subsidiary	100%
20	Adani Resources Pvt Ltd	Subsidiary	100%
21	Surguja Power Pvt Ltd	Subsidiary	100%
22	Rajasthan Collieries Ltd	Subsidiary	74%
23	Talabira (Odisha) Mining Pvt Ltd	Subsidiary	100%
24	Gare Pelma III Collieries Ltd	Subsidiary	100%
25	Bailadila Iron Ore Mining Pvt Ltd	Subsidiary	100%
26	Gidhmuri Paturia Collieries Pvt Ltd	Subsidiary	74%
27	Adani Welspun Exploration Ltd	Subsidiary	65%
28	Mahaguj Power LLP	Subsidiary	100%
29	Mundra Synenergy Ltd	Subsidiary	100%
30	Adani Shipping Pte Ltd (ASPL)	Subsidiary	100%
31	Adani Shipping (India) Pvt Ltd	Subsidiary	100%
32	Aanya Maritime Inc	Subsidiary	100%
33	Aashna Maritime Inc	Subsidiary	100%
34	Rahi Shipping Pte Ltd	Subsidiary	100%
35	Vanshi Shipping Pte Ltd	Subsidiary	100%
36	Urja Maritime Inc	Subsidiary	100%
37	Adani Bunkering Pvt Ltd	Subsidiary	100%
38	Adani Minerals Pty Ltd	Subsidiary	100%
39	Adani Mining Pty Ltd (AMPTY)	Subsidiary	100%
40	Adani Infrastructure Pty Ltd	Subsidiary	100%
41	Galilee Transmission Holdings Pty Ltd (GTHPL)	Subsidiary	100%
42	Galilee Transmission Pty Ltd (GTPL)	Subsidiary	100%
43	Galilee Transmission Holdings Trust	Subsidiary	100%
44	Galilee Biodiversity Company Pty Ltd	Subsidiary	100%
45	Adani Renewable Asset Holdings Pty Ltd (ARAHPTYL)	Subsidiary	100%
46	Adani Renewable Asset Holdings Trust (ARAHT)	Subsidiary	100%
47	Adani Renewable Asset Pty Ltd (ARAPL)	Subsidiary	100%
48	Adani Renewable Asset Trust (ARAT)	Subsidiary	100%
49	Adani Rugby Run Trust (ARRT)	Subsidiary	100%
50	Adani Rugby Run Pty Ltd (ARRPTYL)	Subsidiary	100%
51	Adani Global Royal Holding Pte Ltd (AGRH)	Subsidiary	100%
52	Queensland RIPA Holdings Trust (QRHT)	Subsidiary	100%
53	Queensland RIPA Holdings Pty Ltd (QRHPL)	Subsidiary	100%
54	Queensland RIPA Pty Ltd (QRPL)	Subsidiary	100%
55	Queensland RIPA Trust (QRT)	Subsidiary	100%
56	Adani Rugby Run Finance Pty Ltd	Subsidiary	100%
57	Whyalla Renewable Holdings Pty Ltd (WRHPL)	Subsidiary	100%
58	Whyalla Renewable Holdings Trust (WRHT)	Subsidiary	100%

59	Whyalla Renewables Pty Ltd (WRPTYL)	Subsidiary	100%
60	Whyalla Renewables Trust (WRT)	Subsidiary	100%
61	Adani Australia Pty Ltd	Subsidiary	100%
62	Adani Green Technology Ltd (AGTL)	Subsidiary	51%
63	Adani Tradex LLP (ATX LLP)	Subsidiary	100%
64	Adani Tradecom Ltd (ATCML) (Formerly known as Adani Tradecom LLP)	Subsidiary	100%
65	Adani Tradewing LLP (ATWG LLP)	Subsidiary	100%
66	Adani Commodities LLP (ACOM LLP) (AIPL holding rounded off to zero due to fractions)	Subsidiary	100%
67	Mundra Solar Ltd (MSL)	Subsidiary	51%
68	Mundra Solar PV Ltd (MSPVL)	Subsidiary	51%
69	Adani Defence Systems and Technologies Ltd (ADSTL)	Subsidiary	100%
70	Ordefence Systems Ltd (OSL) (Formerly known as Adani Land Defence Systems and Technologies Ltd)	Subsidiary	100%
71	Adani Aerospace and Defence Ltd	Subsidiary	100%
72	Adani Naval Defence Systems and Technologies Ltd	Subsidiary	91%
73	Horizon Aero Solutions Limited (Formerly known as Adani Rave Gears India Ltd)	Subsidiary	100%
74	Adani Road Transport Ltd (ARTL)	Subsidiary	100%
75	Bilaspur Pathrapali Road Pvt Ltd	Subsidiary	74%
76	Adani Water Ltd	Subsidiary	100%
77	Prayagraj Water Pvt Ltd	Subsidiary	74%
78	Mundra Copper Ltd	Subsidiary	100%
79	Adani Cementation Ltd	Subsidiary	100%
80	Adani North America Inc (ANAI)	Subsidiary	100%
81	Adani Infrastructure Pvt Ltd (AIPL)	Subsidiary	100%
82	Alpha Design Technologies Pvt Ltd (ADTPL) - Consolidated	Subsidiary	26%
83	Mancherial Repallewada Road Pvt Ltd	Subsidiary	74%
84	Galilee Basin Conservation And Research Fund	Subsidiary	100%
85	Suryapet Khammam Road Pvt Ltd	Subsidiary	74%
86	NW Rail Operations Pte Ltd (NWRPTE)	Subsidiary	100%
87	North West Rail Holdings Pty Ltd (NWRHPTY)	Subsidiary	100%
88	MH Natural Resources Pvt Ltd (Formerly known as Gare Pelma II Mining Pvt Ltd)	Subsidiary	100%
89	Adani Airport Holdings Ltd (AAHL)	Subsidiary	100%
90	Lucknow International Airport Ltd (Formerly known as Adani Lucknow International Airport Ltd)	Subsidiary	100%
91	Flaire Unmanned Systems Pvt Ltd	Subsidiary	26%
92	AP Mineral Resources Pvt Ltd (Formerly known as Kurmitar Mining Pvt Ltd)	Subsidiary	100%
93	Guwahati International Airport Ltd (Formerly known as Adani Guwahati International Airport Ltd)	Subsidiary	100%
94	TRV (Kerala) International Airport Ltd (Formerly known as Adani Thiruvananthapuram International Airport Ltd)	Subsidiary	100%
95	Mangaluru International Airport Ltd (Formerly known as Adani Mangaluru International Airport Ltd)	Subsidiary	100%
96	Ahmedabad International Airport Ltd (Formerly known as Adani Ahmedabad International Airport Ltd)	Subsidiary	100%
97	Jaipur International Airport Ltd (Formerly known as Adani Jaipur International Airport Ltd)	Subsidiary	100%
98	Stratatech Mineral Resources Pvt Ltd	Subsidiary	100%
99	Adani Metro Transport Ltd	Subsidiary	100%
100	Mundra Solar Energy Ltd	Subsidiary	74%
101	Kurmitar Iron Ore Mining Pvt Ltd	Subsidiary	100%
102	CG Natural Resources Pvt Ltd (Formerly known as Adani Iron Ore Mining Pvt Ltd)	Subsidiary	100%
103	Adani Railways Transport Ltd	Subsidiary	100%
104	Gare Palma II Collieries Pvt Ltd	Subsidiary	100%
105	Sabarmati Infrastructure Services Ltd	Subsidiary	100%
106	Vijaynagara Smart Solutions Ltd	Subsidiary	100%
107	Gomti Metropolis Solutions Ltd	Subsidiary	100%

108	Periyar Infrastructure Services Ltd	Subsidiary	100%
109	Brahmaputra Metropolis Solutions Ltd	Subsidiary	100%
110	Agneya Systems Ltd	Subsidiary	100%
111	Carroballista Systems Ltd	Subsidiary	100%
112	Rajputana Smart Solutions Ltd	Subsidiary	100%
113	MP Natural Resources Pvt Ltd (Formerly known as Adani Chendipada Mining Pvt Ltd)	Subsidiary	100%
114	Adani Global (Switzerland) LLC	Subsidiary	100%
115	Nanasa Pidgaon Road Pvt Ltd	Subsidiary	100%
116	Vijayawada Bypass Project Pvt Ltd	Subsidiary	74%
117	AdaniConnex Pvt Ltd (ACX) (Formerly known as DC Development Chennai Pvt Ltd)	Jointly Controlled Entity	50%
118	DC Development Hyderabad Pvt Ltd	Jointly Controlled Entity	50%
119	DC Development Noida Pvt Ltd	Jointly Controlled Entity	50%
120	Noida Data Center Ltd	Jointly Controlled Entity	50%
121	Mumbai Data Center Ltd	Jointly Controlled Entity	50%
122	Pune Data Center Ltd	Jointly Controlled Entity	50%
123	PLR Systems Pvt Ltd	Subsidiary	56%
124	Azhiyur Vengalam Road Pvt Ltd	Subsidiary	100%
125	Kutch Copper Ltd	Subsidiary	100%
126	PRS Tolls Pvt Ltd	Subsidiary	100%
127	Kodad Khammam Road Pvt Ltd	Subsidiary	100%
128	Vizag Tech Park Ltd	Subsidiary	100%
129	Adani-Elbit Advance Systems India Ltd (upto 1st September, 2020 considered as a Jointly Controlled Entity)	Subsidiary	14%
130	Mundra Solar Technopark Pvt Ltd (upto 31st December, 2020 considered as a Subsidiary)	Jointly Controlled Entity	25.71%
131	Jhar Mining Infra Pvt Ltd	Subsidiary	100%
132	Adani Wilmar Ltd (AWL)	Jointly Controlled Entity	43.97%
133	Vishakha Polyfab Pvt Ltd (VPPL)	Jointly Controlled Entity	21.99%
134	KTV Health and Foods Pvt Ltd	Jointly Controlled Entity	21.99%
135	KOG KTV Food Products (India) Pvt Ltd	Jointly Controlled Entity	21.99%
136	Golden Valley Agrotech Pvt Ltd	Jointly Controlled Entity	43.97%
137	AWN Agro Pvt Ltd	Jointly Controlled Entity	21.99%
138	AWL Edible Oils and Foods Pvt Ltd	Jointly Controlled Entity	43.97%
139	GSPC LNG Ltd	Associate	5.46%
140	Vishakha Industries Pvt Ltd	Associate	50%
141	Adani Global Resources Pte Ltd (AGRPTE)	Jointly Controlled Entity	50%
142	Carmichael Rail Network Holdings Pty Ltd (CRNHPL)	Jointly Controlled Entity	50%
143	Carmichael Rail Network Pty Ltd	Jointly Controlled Entity	25%
144	Carmichael Rail Network Trust (CRNPL)	Jointly Controlled Entity	50%
145	Carmichael Rail Development Company Pty Ltd (Formerly known as Queensland RIPA Finance Pty Ltd)	Jointly Controlled Entity	32.50%
146	Carmichael Rail Asset Holdings Trust (CRAHT)	Jointly Controlled Entity	50%
147	Autotec Systems Pvt Ltd	Associate	26%
148	Comprotech Engineering Pvt Ltd	Associate	26%

149	Adani Solar USA Inc (ASUI)	Subsidiary	100%
150	Adani Solar USA LLC (ASULLC)	Subsidiary	100%
151	Hartsel Solar LLC	Subsidiary	100%
152	Oakwood Construction Services Inc	Subsidiary	100%
153	Midlands Parent LLC (MPLLC)	Subsidiary	100%
154	Adani Road O&M Ltd	Subsidiary	100%
155	Badakumari Karki Road Pvt Ltd	Subsidiary	100%
156	Panagarh Palsit Road Pvt Ltd	Subsidiary	74%
157	Mundra Petrochem Ltd	Subsidiary	100%
158	Mahanadi Mines and Minerals Pvt Ltd	Subsidiary	100%
159	Mundra Windtech Ltd	Subsidiary	100%
160	Bhagalpur Waste Water Ltd	Subsidiary	74%
161	Bowen Rail Operation Pte. Ltd(BROPL)	Subsidiary	100%
162	Bowen Rail Company Pty Ltd	Subsidiary	100%
163	Adani Petrochemicals Ltd	Subsidiary	100%
164	PLR Systems (India) Ltd	Subsidiary	100%
165	Adani Digital Labs Pvt Ltd	Subsidiary	100%
166	Mumbai Travel Retail Pvt Ltd	Subsidiary	74%
167	April Moon Retail Pvt Ltd	Subsidiary	74%
168	Astraeus Services IFSC Ltd	Subsidiary	100%
169	Mundra Solar Technology Ltd	Subsidiary	100%
170	Mundra Aluminium Ltd	Subsidiary	100%
171	Adani Data Networks Ltd	Subsidiary	100%
172	Budaun Hardoi Road Pvt Ltd	Subsidiary	100%
173	Unnao Prayagraj Road Pvt Ltd	Subsidiary	100%
174	Hardoi Unnao Road Pvt Ltd	Subsidiary	100%
175	Adani New Industries Ltd	Subsidiary	100%
176	Bengal Tech Park Ltd	Subsidiary	100%
177	Adani Copper Tubes Ltd	Subsidiary	100%
178	Adani Cement Industries Ltd	Subsidiary	100%
179	Maharashtra Border Check Post Network Ltd	Associate	49%
180	Seafront Segregated Portfolio	Subsidiary	100%
181	Cleartrip Pvt Ltd	Associate	20%
182	Unyde Systems Pvt Ltd	Associate	11.34%
183	Adani Total LNG Singapore Pte Ltd	Jointly Controlled Entity	50%
184	Adani Power Resources Ltd	Associate	49%
185	Vishakha Pipes And Moulding Pvt Ltd (Formerly known as Vishakha Industries)	Associate	50%
186	GVK Airport Developers Ltd (GVKADL)	Subsidiary	97.97%
187	GVK Airport Holdings Ltd (GVKAHL)	Subsidiary	97.97%
188	Bangalore Airport & Infrastructure Developers Ltd	Subsidiary	97.97%
189	Mumbai International Airport Ltd (MIAL)	Subsidiary	72.97%
190	Mumbai Aviation Fuel Farm Facility Pvt Ltd	Jointly Controlled Entity	18.24%
191	Mumbai Airport Lounge Services Pvt Ltd	Jointly Controlled Entity	18.97%
192	Navi Mumbai International Airport Pvt Ltd	Subsidiary	54%

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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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