IFCI Limited

November 24, 2020

Ratings

Facilities	**Amount (Rs. crore)**	**Rating[1]**	**Rating Action**
Long term Bank Facilities	5,400.00 (Rupees Five Thousand and Four hundred crore only)	**CARE BBB-; Negative (Triple B Minus; Outlook: Negative)**	**Reaffirmed**
Long term Instruments	2,032.27 (Rupees Two Thousand and thirty two crore and twenty seven lakhs only)	**CARE BBB-; Negative (Triple B Minus; Outlook: Negative)**	**Reaffirmed**
Subordinated Bonds	1,044.97 (Rupees One Thousand and Forty Four crore and ninety seven lacs only)	**CARE BBB-; Negative (Triple B Minus; Outlook: Negative)**	**Reaffirmed**
Long term Instruments – NCD*	575.00 (Rupees Five Hundred and Seventy Five crore only)	**CARE BBB+; Negative (Triple B Plus ; Outlook: Negative)**	**Reaffirmed**

**based on credit enhancement in the form of lien of Special Government security (G-sec) in favor of trustee such that the total lien amount is at least 70% of the total liability on the NCD and supplemented by a structured payment mechanism (SPM)*
Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of the ratings at **CARE BBB-; Negative** assigned to long term bank facilities and non-convertible debentures (NCDs) of IFCI Limited (IFCI) continue to derive strength from majority ownership by and evidence of timely support from Government of India (GoI) and diversified resource profile with weighted average cost of borrowings at 9.20% as on Sep 30, 2020. As per the representatives of Ministry of Finance, GoI, the IFCI is expected to receive equity infusion of Rs.200 crore by Dec 2020 that has been budgeted in the Union Budget 2020-21. Furthermore the support from GoI is evidenced by the fact that IFCI has been mandated by GoI for managing various social and industrial upliftment schemes. Overall the rating takes into account majority ownership from GoI and expectation of continuous support from GoI as and when needed to meet its debt obligations in a timely manner.

However the ratings are constrained by company's weak capitalization profile with Tier 1 and total capital adequacy ratio of 3.18% and 6.02% respectively as on Sep-20, deteriorated from 8.2% as and 13.54% respectively as on March-20, and well below the regulatory minimum requirement of 8% and 12% respectively for GoI owned NBFCs end FY 20. The company also faces stretched liquidity position with negative cumulative mismatches in more than six months bucket as per Asset Liability Maturity (ALM) statement dated Sep 30, 2020, deteriorating asset quality metrics with stage-3 assets constituting 64.8% of gross loan book as on Sep 30, 2020, high borrower-wise loan book concentration and persistently weak profitability metrics with IFCI reporting net loss of Rs.369 crore during H1FY21. Furthermore, the time-bound execution of planned divestment of other non-core assets including investment in its subsidiaries continues to remain a key rating sensitive factor.

The rating for the structured NCD amounting to Rs.575 crore at **CARE BBB+;Negative** is based on the internal credit enhancement in the form of interest/redemption of the NCDs being serviced up to at least 70%, through the cash inflows (interest/redemption amount) of the investment in G-Sec.

Rating Sensitivities: Going forward, the ability of the company to improve its capitalization profile above statutory minimum requirements, attain positive loan growth, improve asset quality metrics along with strengthening its liquidity position and undertaking timely divestments of non-core assets including its investment in subsidiaries would be the key rating sensitivities.

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

- Improvement in the capitalization profile well above the regulatory minimum levels.
- Improvement in asset quality metrics backed by steady recoveries
- Continued expectation of timely support from and substantial equity infusion by GoI
- Improvement in liquidity position of the company with positive mismatches in near and medium term maturity buckets

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

- Strong and sustainable loan growth
- Timely monetization of its non-core assets

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

- Any material change in government shareholding and/or government support to IFCI
- Any further weakness in the capitalization profile
- Delay in timely support from GoI

Outlook: Negative

The outlook on the ratings has been reaffirmed as '**Negative'** on account of further deterioration in the capitalization profile of IFCI with Tier 1 and total capital adequacy ratios breaching statutory minimum requirements for two quarters in a row. Additionally, the company continues to face issues related to extremely weak asset quality, stretched liquidity position with negative cumulative mismatches in the medium term buckets, sustained loan book contraction and weak profitability metrics with company incurring losses for the past few quarters. IFCI's ability to get adequate and timely support in the form of capital infusion from its majority shareholder GoI, liquidate non-core investments at an appropriate valuation and in a time-bound manner and reduce asset quality stress through steady recoveries will be critical for improvement in IFCI's credit profile. The outlook may be revised to 'Stable' if IFCI is able to substantially improve its capitalization profile, achieve resurgence in its loan book, improve the asset quality with sustainable reduction in its pace of slippages and inch up profitability metrics.

Detailed description of the key rating drivers

Key Rating Strengths

Majority ownership by Government of India (GoI) and expectation of support from GoI: GoI is the majority shareholder in IFCI and held 61.02% as on Sep 30, 2020 increased from 56.42% as on March 31, 2020 on account of equity infusion of Rs.200 crore in March-20. Further, in its union budget for FY 20-21, GoI had allocated equity capital of another Rs.200 crore for IFCI. As per CARE's discussion with GoI's representatives, the amount of Rs 200 crore is expected to be infused by December 2020 and further support is expected to be rolled out given the weak capitalization profile of IFCI. In view of persistent asset quality concerns and losses that have led to erosion in its net-worth, IFCI would need substantially more equity infusion to be able to meet the regulatory minimum requirements. Furthermore the support from GoI is evidenced by the fact that IFCI has been mandated by GoI for managing various social and industrial upliftment schemes. GoI has also appointed two nominee Directors on the Board of IFCI Ltd. Being a majority owned entity by GoI, the availability of adequate, timely and regular support from the government in terms of capital infusion, resource raising and other regulatory matters remains a key rating sensitive factor.

Diversified resource profile: The borrowing profile of IFCI is diversified with funds raised from non-convertible debentures (67.5% of total borrowings as on Sep 30, 2020), bank loans (17.3%), subordinated debt (11.5%) and foreign currency debt (3.7%). The borrowings of the company have however reduced by 16% Y-o-Y to Rs.13,483 crore as on March 31, 2020 from Rs.16,094 crore as on March 31, 2019 and further reduced to 11,463 crore as on Sep-20 on account of protracted de-growth in IFCI's loan book. Owing to company's majority GoI ownership coupled with its diversified borrowing profile, IFCI has been able to keep its cost of funds under control with weighted average funding cost of close to 9.20% (-3 bp Y-o-Y) as on Sep 30, 2020. Also, during FY21, the company raised fresh NCDs of Rs.200 crore at 9.4% for tenure of 2 years, 9 months and 23 days.

Key Rating Weaknesses

Weak capitalization profile with regulatory breaches for two quarters in a row: With the company reporting losses in H1FY21, the Tier 1 and overall CAR ratios of IFCI deteriorated significantly and stood at 3.18% and 6.02% respectively as on Sep-20, down from 8.2% and 13.5% respectively as on March 31, 2020 and significantly below the regulatory requirement at 8% and 12% mandated for GoI owned NBFCs. Adjusted for equity infusion of Rs.200 crore expected to be obtained by December 2020 from GoI, the CAR ratios would still be lower than the regulatory requirement.

Being a GoI owned NBFC that is currently incurring losses; IFCI is dependent on GoI for regular equity infusion. In March 2020, GoI infused equity of Rs.200 crore in IFCI and has made a budgetary allocation of another Rs.200 crore for capital infusion in IFCI for FY21. As per GoI's representative, the capital of Rs 200 crore is expected to be infused by Dec 2020. IFCI's capitalization profile is also impacted by its sizeable investments in equity shares and other investments. IFCI's management is focussing on sale of equity investments in order to reduce pressure on IFCI's capitalization while simultaneously improving its liquidity. During FY20, IFCI disinvested its entire stake of 2.44% of total equity shares of NSE and realized Rs.984.25 crore, Further; IFCI's ability to get adequate equity capital from GoI, and liquidate non-core investments in a timely manner will remain a key rating sensitivity.

Persistent weakness in asset quality: IFCI's asset quality remains weak with GNPA ratio at 62.5% respectively as on June 30, 2020 up from 61.9% as on March 31, 2020 on account of marginal increase in absolute Gross NPA to Rs.7,838 crore (up 1%) and also due to denominator effect amid prolonged loan book contraction. Whereas the NNPA ratios improved to 34.3% as on June-20 from 42.7% as on March-20 as the CARE adjusted provision coverage ratio (PCR) slightly increased to 57% as on June-20 from 55% as on March-20.

For IFCI, the NPA recognition is as per RBI-90 dpd norm. However it recognizes stage III assets as per its internal rating system. The gross stage 3 assets constituted 64.8% of gross loans end Sep 2020 and marginally up at Rs.7,855 crore as on Sep-20 from March-20 levels. IFCI's provision cover on stage-3 assets was around 45% as on Sep-20 reduced from 49% as on March 31, 2020. End August 2020, about 80% of IFCI's standard book was under moratorium. A large proportion of IFCI's NPAs are under NCLT while some others are in the process of restructuring / resolution. The extent of haircut required on these exposures and consequent adequacy of provisioning will be critical for IFCI's capitalization and profitability profile. IFCI's ability to reduce pressure on asset quality profile through reduction in NPA levels will be critical for its credit profile. Also, in view of current pandemic situation, IFCI cannot refer any fresh insolvency cases to NCLT, as the Insolvency and Bankruptcy Code (IBC) stands suspended for next six months and extendable up-to one year (onwards March 25, 2020) and could thus stall recoveries for IFCI.

Weak financial and operational performance in FY20 and H1FY21: The gross loan book continued its downward trajectory and declined to Rs.12,555 crore as on March 31, 2020, down ~29% Y-o-Y from Rs.17,594 crore as on March 31, 2019 and further reduced to Rs.12,127 crore as on Sep-20. Till the company is able to materially resolve its asset quality challenges and secure adequate equity capital from GoI / liquidate non-core investments to improve its capitalization, there will be limited headroom for loan growth. As per management, the company is not focussing on loan book expansion and hence the amount of disbursements has come down to Rs.71 crore for H1FY21 as against Rs.653 crore for the corresponding period last year and is expected to remain muted in the remaining months current fiscal as well.

On account of decline in credit book, as well as persistent weakness in asset quality profile which impacted core interest income, IFCI's total income declined by 8% in FY20 to Rs.2,264 crore in FY20. This was despite company registering profit on sale of investments during the year. However the net losses reported during FY20 reduced to Rs.278 crore as against net losses of Rs.444 crore in FY19 on account of decrease in impairment cost to Rs.422 crore in FY20 as against Rs.1,085 crore in FY19 mainly on account of provision reversals amid change in LGD assumption from 65.23% to 49.25% in FY20. However during H1FY21, IFCI reported net loss of Rs.369 crore on total income (net of interest expense) of Rs.566 crore.

In FY 21, IFCI has been appointed as a Project Management Agency by Ministry of Electronics and Information technology (MeitY), GoI for two new Electronics schemes- SPECS and Production Linked Incentive (PLI). IFCI has also been appointed as the Nodal Agency for the GOI Scheme for the Pharmaceutical Sector -Production Linked Incentive (PLI) Scheme for Promotion of Domestic Manufacturing of critical Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs) In India and Production Linked Incentive Scheme for Promoting Domestic Manufacturing of Medical Devices. These consultancy /advisory business IFCI has ventured into is expected to generate new additional fee income over medium term

Concentrated loan portfolio: IFCI is engaged in providing high ticket corporate loans and project-specific loans to corporates. As on March 31, 2020, top 20 exposures of the company account for a significant proportion (219%) of tangible net-worth and 38% of the total loan assets. As on Sep 30, 2020, 42% of the loans are towards infrastructure sector, 27% of the loans outstanding are towards manufacturing sector followed by service industry at 13% and remaining to real estate, holding companies and banking etc. However, the management mentioned that it plans to move towards more of relatively shorter and medium term loans and incrementally do less of project and consortium loans.

Liquidity profile**: **Stretched

The liquidity profile of the company remains stretched with negative cumulative mismatches in more than six months bucket, as per ALM statement dated Sep 30, 2020. Over the next six months, the company's debt obligations are around Rs.820 crore against which the company has scheduled inflows at around Rs.894 crore because of high levels of NPA and reducing standard loan book at Rs.3,038 crore as on Sep 30, 2020. However, the company has liquidity buffer of Rs.1,101 crore as on Nov 11, 2020 which includes cash and bank balance, investment in G-sec, committed but unutilised bank lines that provide some comfort to the liquidity profile. The liquidity profile could be further supported by the planned and timely execution of disinvestment of non-core assets and recoveries from NPA.

Impact of covid-19

In view of the Reserve Bank of India (RBI)'s move to allow banks, NBFCs and HFCs to offer six month moratorium to borrowers (till August 31, 2020), IFCI had about 80% of its standard loan book under moratorium end Aug 2020. Subsequently, in line with RBI Covid 19 Regulatory package dated March 27, 2020 and 17 April 2020, the company made an additional provision of 10% or Rs.397.15 crore on these standard assets as per RBI prudential norms in Q1FY21. The company has not categorized such accounts as Stage 3 accounts. Also owing to covid19, the pace of recoveries has slowed down and the company has also adopted more cautious approach in terms of new disbursals.

Analytical approach: Standalone, factoring linkages given majority GoI ownership

Applicable Criteria

Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
CARE's Policy on Default Recognition
Rating Methodology - Non Banking Finance Companies (NBFCs)
Financial Ratios – Financial Sector
Rating Methodology: Notching by factoring linkages with Government

About the Company

Incorporated on July 01, 1948, through a special Act of Parliament, IFCI is the oldest development Financial Institution of India. The constitution of the company was changed from a statutory corporation to a public limited company in 1993. Subsequently, the name of the company was also changed to its present name with effect from October 1999. IFCI has been categorized as Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) by the Reserve Bank of India in FY08. In the early 2000s, IFCI witnessed deterioration in asset quality, resulting in high losses. Thereafter, the Government of India in 2002-03, in consultation with the other stakeholders, worked out a financial rescue package for IFCI which included restructuring of its liabilities. IFCI resumed its lending operations in the year 2008 and is since engaged in providing corporate loans and project-specific loans to corporates. In addition, IFCI also invests in companies through equity, preference shares and debt instruments. In April 2015, IFCI became a government company u/s 2(45) of the Companies Act, 2013 after the government acquired Rs.60 crore of preference share equity in the company from existing shareholders. GoI holds 61.02% equity shares in IFCI as on Sep 30, 2020.

Brief Financials^ (Rs. crore)	FY19 (A)	FY20 (A)
Total income	2,466	2,264
PAT	(444)	(278)
Interest coverage (times)	0.61	0.90
Total Assets excluding intangibles and DTA	20,160	16,496
Net NPA (%)	31.77	42.70
ROTA (%)	(1.96)	(1.52)

A: Audited, ^: as per IND AS

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 (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	Up to Jul 2022	5400.00	CARE BBB-; Negative
Redeemable Unsecured NCD - taxable	INE039A09MC4	13-Jul-10	9.75%	13-Jul-30	250.00	CARE BBB-; Negative
Unsecured redeemable non-convertible bonds	INE039A09PF0	08-Oct-12	9.95%	08-Oct-22	5.41	CARE BBB-; Negative
	INE039A09PA1	26-Jun-12	10.15%	26-Jun-22	2.80	CARE BBB-; Negative
	INE039A09PE3	28-Sep-12	10.05%	28-Sep-22	8.20	CARE BBB-; Negative
	INE039A09PI4	08-Oct-12	10.12%	08-Oct-27	19.59	CARE BBB-; Negative
	INE039A09PJ2	08-Oct-12	10.10%	08-Oct-27	5.15	CARE BBB-; Negative
	INE039A09PM6	05-Nov-12	9.90%	05-Nov-22	106.88	CARE BBB-; Negative
	INE039A09PN4	05-Nov-12	9.90%	05-Nov-27	106.88	CARE BBB-; Negative
	INE039A09PO2	05-Nov-12	9.90%	05-Nov-32	106.88	CARE BBB-; Negative
	INE039A09PP9	05-Nov-12	9.90%	05-Nov-37	106.88	CARE BBB-; Negative
	INE039A09PQ7	11-Jan-13	9.90%	11-Jan-21	151.20	CARE BBB-; Negative
	INE039A09PR5	26-Apr-13	9.75%	26-Apr-28	350.00	CARE BBB-; Negative
Infra Bonds	INE039A09NX8	12-Dec-11	8.50%	12-Dec-21	46.74	CARE BBB-; Negative
	INE039A09NY6	12-Dec-11	8.50%	12-Dec-21	19.02	CARE BBB-; Negative
	INE039A09NZ3	12-Dec-11	8.75%	12-Dec-26	8.31	CARE BBB-; Negative
	INE039A09OA4	12-Dec-11	8.75%	12-Dec-26	2.72	CARE BBB-; Negative
	INE039A09OE6	15-Feb-12	9.99%	15-Feb-22	190.92	CARE BBB-; Negative
	INE039A09OF3	15-Feb-12	9.09%	15-Feb-22	46.54	CARE BBB-; Negative
	INE039A09OG1	15-Feb-12	9.16%	15-Feb-27	33.45	CARE BBB-; Negative
	INE039A09OH9	15-Feb-12	9.16%	15-Feb-27	9.10	CARE BBB-; Negative
	INE039A09OU2	31-Mar-12	8.50%	31-Mar-24	66.29	CARE BBB-; Negative
	INE039A09OV0	31-Mar-12	8.50%	31-Mar-24	18.95	CARE BBB-; Negative
	INE039A09OW8	31-Mar-12	8.72%	31-Mar-27	18.18	CARE BBB-; Negative
	INE039A09OX6	31-Mar-12	8.72%	31-Mar-27	5.98	CARE BBB-; Negative
Bonds	INE039A09NF5	31-May-11	10.20%	31-May-21	0.30	CARE BBB-; Negative
	INE039A09OT4	31-Mar-12	10.25%	31-Mar-22	0.89	CARE BBB-; Negative
	INE039A09OK3	31-Dec-11	10.60%	31-Dec-21	1.75	CARE BBB-; Negative
	INE039A09NS8	31-Aug-11	10.50%	31-Aug-21	6.38	CARE BBB-; Negative
	INE039A09OR8	28-Feb-12	10.25%	28-Feb-22	0.40	CARE BBB-; Negative
	INE039A09OD8	30-Nov-11	10.60%	30-Nov-21	0.30	CARE BBB-; Negative
	INE039A09ND0	30-Apr-11	10.00%	30-Apr-21	26.20	CARE BBB-; Negative
Tax free bonds	INE039A09PT1	31-Mar-14	8.39%	31-Mar-24	165.00	CARE BBB-; Negative
	INE039A09PU9	31-Mar-14	8.76%	31-Mar-29	145.00	CARE BBB-; Negative
Structured Secured NCD	INE039A07868	03-May-16	8.55%	03-Nov-21	575.00	CARE BBB+; Negative
Subordinated Bonds	INE039A09NJ7	01-Aug-11	10.50%	01-Aug-21	169.63	CARE BBB-; Negative
	INE039A09NK5	01-Aug-11	10.50%	01-Aug-21	21.68	CARE BBB-; Negative
	INE039A09NL3	01-Aug-11	10.75%	01-Aug-26	403.59	CARE BBB-; Negative
	INE039A09NM1	01-Aug-11	10.75%	01-Aug-26	64.96	CARE BBB-; Negative
	INE039A09NP4	25-Aug-11	10.55%	25-Aug-21	200.00	CARE BBB-; Negative
	INE039A09NT6	31-Oct-11	10.60%	31-Oct-21	3.89	CARE BBB-; Negative
	INE039A09NU4	31-Oct-11	10.60%	31-Oct-21	4.22	CARE BBB-; Negative
	INE039A09NV2	31-Oct-11	10.50%	31-Oct-21	74.51	CARE BBB-; Negative
	INE039A09NW0	31-Oct-11	10.75%	31-Oct-26	102.49	CARE BBB-; Negative

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Term Loan-Long Term	LT	-	-	-	1)Withdrawn (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	1)CARE A-; Negative (12-Jul-17)
2.	Fund-based - LT-Term Loan	LT	400.00	CARE BBB-; Negative	1)CARE BBB-; Negative (10-Aug-20)	1)CARE BBB-; Negative (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	1)CARE A-; Negative (12-Jul-17)
3.	Term Loan-Long Term	LT	-	-	-	1)Withdrawn (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	1)CARE A-; Negative (12-Jul-17)
4.	Bonds-Unsecured Reedemable	LT	250.00	CARE BBB-; Negative	1)CARE BBB-; Negative	1)CARE BBB-; Negative (24-Jan-20)	1)CARE BBB; Negative	1)CARE A-; Negative (12-Jul-17)

					(10-Aug-20)	2)CARE BBB-; Negative (05-Jul-19)	(25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	
5.	Commercial Paper	ST	-	-	-	-	-	1)Withdrawn (12-Sep-17) 2)CARE A1 (12-Jul-17)
6.	Fund-based - LT-Term Loan	LT	5000.00	CARE BBB-; Negative	1)CARE BBB-; Negative (10-Aug-20)	1)CARE BBB-; Negative (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	1)CARE A-; Negative (12-Jul-17)
7.	Bonds-Subordinated	LT	1044.97	CARE BBB-; Negative	1)CARE BBB-; Negative (10-Aug-20)	1)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB-; Negative (25-Feb-19) 2)CARE BBB; Negative (24-Sep-18) 3)CARE BBB; Negative (22-Jun-18) 4)CARE BBB; Negative (01-Jun-18)	1)CARE BBB+; Negative (12-Jul-17)
8.	Bonds	LT	466.20	CARE BBB-; Negative	1)CARE BBB-; Negative (10-Aug-20)	1)CARE BBB-; Negative (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE	1)CARE A-; Negative (12-Jul-17)

							BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	
9.	Debentures-Non Convertible Debentures	LT	346.22	CARE BBB-; Negative	1)CARE BBB-; Negative (10-Aug-20)	1)CARE BBB-; Negative (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	1)CARE A-; Negative (12-Jul-17)
10.	Debentures-Non Convertible Debentures	LT	969.85	CARE BBB-; Negative	1)CARE BBB-; Negative (10-Aug-20)	1)CARE BBB-; Negative (24-Jan-20) 2)CARE BBB-; Negative (05-Jul-19)	1)CARE BBB; Negative (25-Feb-19) 2)CARE BBB+; Negative (24-Sep-18) 3)CARE BBB+; Negative (22-Jun-18) 4)CARE BBB+; Negative (01-Jun-18)	1)CARE A-; Negative (12-Jul-17)
11.	Bonds	LT	575.00	CARE BBB+; Negative	1)CARE BBB+; Negative (10-Aug-20)	1)CARE BBB+ (SO); Negative (05-Jul-19)	1)CARE A- (SO); Negative (25-Feb-19) 2)CARE A (SO); Negative (24-Sep-18) 3)CARE A (SO); Negative (22-Jun-18) 4)CARE A (SO); Negative (01-Jun-18)	1)CARE A+ (SO); Negative (12-Jul-17)

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

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Bonds	Simple
2.	Bonds-Subordinated	Complex
3.	Bonds-Unsecured Reedemable	Simple
4.	Debentures-Non Convertible Debentures	Simple
5.	Fund-based - LT-Term Loan	Simple

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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