JK Tyre & Industries Ltd

August 25, 2020

Ratings

Facilities	**Amount (Rs. crore)**	**Rating[1]**	**Rating Action**
Long-term Bank Facilities	3,658.98	CARE A-; Negative (Single A Minus; Outlook: Negative)	Revised from CARE A; Negative (Single A; Outlook: Negative)
Short-term Bank Facilities	1,170.00 (1100.00)	CARE A2+ (A Two Plus)	Revised from CARE A1 (A One)
Long-term / Short-term Bank Facilities	280.00 (350.00)	CARE A-; Negative / CARE A2+ (Single A Minus ; Outlook: Negative / A Two Plus)	Revised from CARE A; Negative / CARE A1 (Single A ; Outlook: Negative / A One)
Total facilities	**5,108.98 (Rupees Five thousand one hundred eight crore & ninety eight lakh only)**		
Long/ Short Term instruments-Fixed Deposit programme	140.00	CARE A- (FD); Negative/ CARE A2+ (FD) (Single A Minus [Fixed Deposit]; Outlook: Negative/ A Two Plus [Fixed Deposit])	Revised from CARE A (FD); Negative/ CARE A1 (FD) (Single A [Fixed Deposit]; Outlook: Negative/ A One [Fixed Deposit])

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the ratings for the bank facilities & instruments of JK Tyre & Industries Ltd (JKTI) takes into account the deterioration in its financial risk profile in FY20 (refers to period from April 01, 2019 to March 31, 2020) characterized by a decline in its total operating income on account of lower capacity utilization amidst a slowdown in domestic automobile industry, especially the commercial vehicle segment; the company's leveraged capital structure and lower than envisaged cash accruals and profitability. Lower profitability has in turn resulted in deterioration in JKTI's coverage and return indicators in FY20. The financial profile remains further subdued in Q1FY21 (UA) on account of the persistence of slowdown in the end user automobile industry and Covid-19 related demand and supply disruptions. The revision in the ratings further factors in the working capital intensive nature of its operations and exposure to foreign currency fluctuation risks, raw material prices volatility and competitive nature of the industry. The ratings, however, continue to derive strength from the experienced promoters and JKTI's long track record of operations, its established market position in the truck and bus radial (TBR) segment, and its wide marketing and distribution network.

CARE has also taken note of the intimation by the company regarding the instructions by the Enforcement Directorate (ED) to freeze one of its bank accounts. According to the JKTI management, the company has not received any notice for any investigation from the ED with respect to the said matter. The company has written to the ED requesting for further details on the matter and the reasons for the aforesaid action. Nonetheless, CARE will monitor further developments, if any, in this regard, going forward.

JKTI have sought moratorium on payments from its lenders as part of the COVID-19 - Regulatory Package announced by the RBI on March 27, 2020 and May 22, 2020. In the anticipation of the said approval following the regulatory package by RBI some of the scheduled repayments and interest payments were deferred by the company. The moratorium has been approved by the bankers of JKTI for the period March-May 2020, and JKTI has also applied for the second tranche over June-August 2020. CARE has not recognized this instance as a default, as the same is permitted by the RBI as part of the relief measures announced recently. Non-recognition of default in this case is as per the guidance provided by the SEBI circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/ 53 dated March 30, 2020.

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

Rating Sensitivities:
Positive Factors:
- Ability of the company to increase its scale of operations by more than 25% from its current levels.
- Ability of the company to improve its PBILDT margins beyond 15% on a sustainable basis.
- Ability to improve the capital structure marked by consolidated overall gearing of less than 2.00x on a sustained basis.

Negative Factors:
- Decline in profitability margins as marked by PBILDT margin below ~10% on a sustained basis.
- Total debt/EBITDA over 4.5x on a sustained basis
- Any further increase in debt (other than envisaged) leading to deterioration in the capital structure with overall gearing increasing from the current levels in any of the years going ahead
- Any outcome arising from the ED attachment of the bank account of JKTI which has a negative impact on the credit profile of the company.

Outlook: Negative
The continuation of the negative outlook is on account of CARE's belief that JKTI's financial profile may weaken further on account of persistence of demand weakness in the auto sector amidst the possible prolongation of the COVID-19 pandemic. With its leveraged capital structure, high repayments in the years ahead and competitive nature of the industry, lower than expected operating income or profitability of the company may adversely impact its credit profile and liquidity. The outlook may be revised back to Stable, in case JKTI, is able to enhance its overall operating performance and scale of operations leading to higher than expected cash accruals and improvement in its credit risk profile.

Detailed description of the key rating drivers
Key Rating Strengths
Experienced promoters and management: The JK Group is one of the leading conglomerates and has business interests across the globe, spanning over 105 countries. The promoters have an experience of around four decades in the tyre business. The company's operations are headed by Dr R P Singhania (the Chairman and Managing Director) who handles the day-to-day affairs. Besides, the management team also comprises of experienced and well-qualified members, namely, Mr. Anshuman Singhania (Deputy Managing director), Mr. Arun K. Bajoria (Director & President - International Operations) who bring more than 50 years of collective industry experience to the Board. They are ably supported by a team of professionals in the day to day affairs. Bengal & Assam Co Ltd (BACL), rated CARE A+; Stable/A1+ (reaffirmed on March 04, 2020) which is the holding arm of the JK group of entities holds 52.80% of JKTI share capital as on June 30, 2020.

Long-track record of operations: JKTI has been engaged in tyre manufacturing since 1975 and is among the leading tyre manufacturers in India. After pioneering passenger car radialization (PCR) in 1977, the company accelerated the pace of radialization in India and remains a market leader in the TBR segment. JKTI established its first tyre manufacturing facility in Kankroli, Rajasthan, in 1975 with an installed capacity of 5 lakh tyres per annum (p.a.). As on March 31, 2020, the company had nine plants in India with overall capacity of 24.36 million tyres p.a. (15.39 million tyres p.a. in JKTI standalone) and three plants in Mexico with a capacity of 7.9 million tyres p.a. Over the years, the company has received various accreditations and prestigious awards in respect of quality improvement and customer satisfaction.

Established brand with diversified product portfolio and wide distribution network: JKTI caters to the various user segments including truck & bus (both bias and radial tyres), LCV (bias & radial), PCR, farms, off-the-road tyre radials (OTR) with highest revenue contribution from the TBR segment in JKTI. JKTI has a widespread distribution network across the country with approximately 4,600 dealers and 360 distributors. The company also has over 408 exclusive passenger car tyre retail outlets by the name of *Steel Wheels* and *173 Xpress Wheels* for small town and semi-urban markets which also caters to two-three wheelers. It also has 49 fully equipped tyre service centres offering total tyre solutions, called *JK Tyre Truck Wheels*. Over the years, apart from *JK Tyre Truck Wheels* service centres, JKIL had taken several initiatives to improve the quality of service such as Fleet Management, 'and *JK Tyre Care* centres which offer one-stop solution for truck/bus tyre customers.

Focus on high margin TBR segment with presence across market segments: JKTI has been focusing on TBR segment and has witnessed steady pace of radialization in the past few years. TBR segment commands around 20% premium over bias tyres which has driven steady profitability despite fall in turnover in the past. There has been continued increase in revenue contribution from relatively higher margin radial tyres whose proportion in the overall revenue has increased from 58% in FY16 to 64% in FY20 (refers to period from April 01 to March 31).

Key Rating Weaknesses

Deterioration in the financial risk profile characterized by decline in its total operating income, lower coverage indicators: JKTI's operating income registered a ~20% decline in FY20 over FY19 with decline in sales across different segments including truck & bus (bias & radial), non-truck & bus (bias & radial) includes PV (Passenger vehicles), LCV (Light Commercial Vehicle), SCV (Small Commercial Vehicle), Tractors tyres etc. The primary reason for decline in sales on y-o-y basis is the overall slowdown in the automotive sector, aggravated by the breakout of COVID-19 towards the end of FY20. CVs contribute around 58% of the revenues for JKTI and CV space remains a clear laggard on demand front with issues like weak consumer sentiments amidst slowing economic activities, rising cost of vehicle ownership and softened rural demand has impact the tyre demand and hence the topline performance of JKTI registered a de-growth. Further in the TBR segment, JKTI has 26% of the revenue share coming from the OEM segment (in PCR segment: 25%), 26% from exports (in PCR segment: 15%) and the balance from the replacement market. The sluggishness in the overall automotive market in FY20 resulted in the OEM share coming down for JKTI. The decline in quantity sales in domestic market was mitigated to an extent with increased quantity sales in export market. The company is one of the largest exporters of tyres with exports to 105 countries across six continents; major export destinations include Middle & South East Asia, North & South America and Africa. During FY20, contribution from the OEM segment has declined due to the overall slowdown in automotive industry; however contribution from the export and replacement segments has increased from 11% and 51% in FY19 to 17% and 59% in FY20. The management has guided that they will be able to maintain similar volume sale in FY21 (like FY20) backed by its thrust on export & replacement market sales, recent tyre imports restrictions, new models added for passenger vehicle tyres, addition of the smart tyre segment. JKTI's further penetration into replacement and export markets is a key monitorable, going forward, as the OEM share is likely to decline owing to weak auto industry sentiments.
The PBILDT margins though improved to 11.08% in FY20 from 9.93% in FY19, primarily on account of lower raw material prices during the year, cost rationalization measures undertaken historically as well as an increase in the contribution from the replacement and export markets in FY20. Furthermore, JKTI has taken cost reduction measures pertaining to the rationalization of employee costs, advertising spend and other travelling overheads which is expected to support the margins going ahead.
Besides, owing to strong operational, business linkages, JKTI provides support to its subsidiaries, Cavendish Industries Ltd (CIL) and JK Tornel SA de CV (JKTSA). During FY20, JKTI, out of the proceeds of Rs 200 crore which were infused by the promoters (BACL) in March 2019 invested Rs 75 crore in CIL to support the ongoing TBR capex there & apart from this it advanced loans and advances of Rs ~88 crore to support the working capital & debt repayment requirements of CIL. Apart from this, JKTI has also extended support to JKTSA in the form of extended credit period for the sales made to JKTSA during FY20.

Slower than expected de-leveraging: The total debt of JKTI at a standalone level continues to be high. On account of the lower than expected cash accruals and profits, the company's coverage indicators have moderated with interest coverage at 1.98x for FY20 (2.40x for FY19) and TDGCA (Total debt to Gross cash accruals) at 15.21x for the year ended Mar 31, 2020 (PY: 8.34x). Total debt of the company stood at Rs. 3,354 crore as on March 31, 2020 as against Rs. 3,320 crore as on March 31, 2019. As on March 31, 2020 the overall gearing level (including LC backed creditors and dealer deposits) at standalone level stood at 2.16x, compared to 2.28x as on March 31, 2019.
During Q1FY21 financials performance of the company was subdued on account of nationwide lockdown imposed during the period and the subsequent impact that Covid-19 had on the entire economy resulting in further sluggishness in the end user auto industry. Nonetheless, the company's sales volumes gradually picked up month on month in May and June 2020 with the easing of the lockdown restrictions & company was able to sell in the replacement segment gradually. JKTI's operating income (Standalone) registered a ~56% decline from Rs. 1804 crores in Q1FY20 to Rs. 794 crores in Q1FY21. The company's PBILDT margin also deteriorated from 8.62% in Q1FY20 to 3.12% in Q1FY21. Its total debt stood at around Rs. 3,083 crores as on June 30, 2020 as against Rs. 3354 crores as on March 31, 2020, on account of decrease in working capital borrowings. As discussed with the management, during the lockdown period, the company has worked towards realisation from debtors and liquidation of old stock, as a result of which working capital position of the company improved. Interest coverage, however, continued to remain weak on account of lower profitability marked by lower total operating income in Q1FY21. Total debt to PBILDT was higher as on March 31, 2020 at 5.74x than 4.95x as on March 31, 2019, on account of lower than expected deleveraging and lower profitability, attributed to the decline in total operating income.

Stretched Liquidity:
The liquidity profile of the company has deteriorated in FY20 owing to lower than expected cash accruals on account of the sluggish market further aggravated by the breakout of Covid-19. The cash and bank balance stood at Rs 37.50 crore as on March 31, 2020 (Rs. 90.58 crore as on March 31, 2019). JKTI had term loan repayments of Rs 267.02 crore in FY20 out of which Rs 235.46 crore were repaid, while the company availed moratorium on the balance. Besides, the operating cycle increased to 107 days in FY20 compared to 79 days in FY19, primarily on account of increase in inventory days from 60 days in FY19 to 79 days in FY20 and increase in collection days from 70 days in FY19 to 91 days in FY20. The stretch in the operating cycle is primarily on account of lower total operating income in FY20 vis-à-vis FY19. Subsequent to the company

availing of the moratorium period, JKTI has scheduled repayment of around Rs. 227 crores in FY21. Its cash and bank balances, as on June 30, 2020, stood at around Rs. 52.47 crore. The company's average utilization for working capital borrowing at maximum level was around 81% during the 12-month period ending June 2020, which provides some buffer with JKTI to fund its working capital requirements. During Q1FY21, the company has received fresh sanctions of Rs. 159 crore of COVID-related funding from various banks which is expected to support the liquidity position of the company. As discussed with the management, the company has been able to reduce its working capital in the first quarter by liquidation of its inventory and realization of debtors and is also in process of streamlining its operations and reducing overhead costs. JKTI is also supporting the working capital requirements of its subsidiaries CIL and JKTSA by way of infusion of equity and loans and advances, extended credit period, etc. Further, JKTI and HASETRI (Hari Shankar Singhania Elastomer & Tyre Research Institute) have entered into a research grant agreement on September 18, 2019 valid for ten years, as per which JKTI has hired HASETRI to carry out to carry out theesearch and development projects. As per the agreement, JKTI will provide the estimated funds approximately Rs 43.50 crore (including payment to labour, contractors, purchase of materials and equipment, consumables and support services in relation to the project) required to carry out the projects.

Exposure to volatility in the raw material prices and exchange rate movement: Raw materials constitute around 60% of the total operating costs. Natural rubber is the major raw material for manufacturing tyres, constituting 60% of the total raw material costs. Rubber and crude oil are global commodities and prices vary across all international markets. The tyre business is highly sensitive to movement in rubber & crude oil prices. The average price of natural rubber (NR) in FY20 stood at Rs. 124.73/kg (Rs 127.26/kg in FY19 and Rs 137.23/kg in FY18). While JKTI procures NR primarily from the domestic market (around 60%), it imports the balance depending on prices in the international market. Other components like carbon black, steel cord and chemicals are both procured domestically and imported. JKTI imports nearly 40%-50% of its raw material requirements. These imports are primarily LC backed. JKTI's LC exposure (including bank guarantees) as on March 31, 2020 stood at Rs 540 crore as against Rs 439 crore on March 31, 2019. Further, JKTI is exposed to exchange rate fluctuation risks as it has significant export income and import payments for raw material requirements, besides having foreign currency loans (FCLs). During FY20, JKTI's exports stood at around Rs 1,085 crore and imported raw materials stood at around Rs 1,048 crore. While the natural hedge in its business enables it to partially mitigate the risk, it remains exposed to foreign exchange fluctuation risks on its FCL, which are not hedged. JKTI as on March 31, 2020 has FCL to the extent of Rs 558 crore. JKTI booked a foreign exchange gain of Rs 1.25 crore in FY20 (PY: Rs. 6.69 crore). JKTI's PBILDT margin remains sensitive to any volatility in input prices, including those of natural rubber and crude, considering raw material costs represent about 60% of the revenue. While its impact is likely to be limited in FY21, given a benign raw material price environment, any rupee depreciation could partly offset the benefit as JKTIL imports a significant part of its raw material requirement.

Industry Outlook: India is one of the largest automobile markets in the world, which makes the country one of the leading markets for tyres. The tyre industry is directly affected by the performance of the automobile industry, which, in turn, depends on the overall economic growth. In FY20, the industry sales witnessed a sharp decline of 14.8% y-o-y vis-à-vis a growth of about 6.4% witnessed during FY19 led by factors such as increased insurance costs, uneven monsoon, high ownership costs, curtailed lending by the NBFC segment, weak festival demand, weak consumer sentiments and the spread of Covid-19 in the country. Overall auto production witnessed a decline of about 14.7% y-o-y during FY20 period vis-à-vis a growth of about 6.3% during the corresponding period previous year. Many major manufacturers (OEMs) continued to slash the production between April – December 2019 period owing to declining sales and large inventories of roughly about 30-45 days with dealers and wholesalers, along with the upcoming shift to the new BS-VI standards from April 1, 2020. During January – March 2020, while the inventory was at the normal level, demand continued to decline forcing the OEMs to cut production. Commercial vehicles sales declined sharply by about 30% during the year with Medium and Heavy Commercial Vehicles (M&HCVs) sales declining by about 43% and Light Commercial Vehicles (LCVs) sales by about 21% y-o-y. The nationwide lockdown has also impacted the freight demand leaving the transporters with a significant drop in revenues. Passenger vehicles segment witnessed a decline of 14.8% y-o-y in sales during FY20. Multi-Utility Vehicles (MUV) segment sales on the other hand, witnessed a marginal growth of about 3% y-o-y during the period led by various new model launches along with additional deals and discounts offered by the dealers and players.
Consumer sentiments have remained low since the past 4-5 quarters now, which is evident in the falling automobile sales numbers of commercial vehicles, passenger vehicles and 2 & 3 wheelers, where the latter performed marginally better than the former two. Short term outlook for the overall automobile sector remains gloomy. Improvement in consumer demand and reaching pre-Covid level of sales is unlikely until Q3-FY21, which marks the onset of festive season in India. In FY21, tractors, two-wheelers and passenger vehicles segments are expected to witness faster recovery in demand compared with three-wheelers and commercial vehicles.
Going forward, JKTI has planned to increase its revenue share from replacement market and export market. The company has entered new geographies which has led to increased replacement sales. Company has started focusing on increasing channel partners and distributors. In the last financial year company has added 250+ new channel partners and also added new OEM customers such as Hyundai (Creta), KIA motors and Maruti Suzuki (Swift). Company has also set-up a new sales

office i.e. Western tyres in USA and will focus to increase its business in US market. Moreover, the Director General of Foreign Trade has put imported tyres under restricted category, which is likely to be beneficial for the domestic tyre companies including JKTI. As a strategy, JKTI will be focusing on the replacement and exports markets, so as to offset the likely demand decline in the OEM market. Thrust on export & replacement segments are key revenue drivers for JKTI in FY21.

Analytical approach:
Standalone. The ratings however factor in the operational linkages & the financial support which JKTI has to extend to its subsidiaries.
Note: Earlier CARE had taken a consolidated approach in analyzing the overall credit profile of JK Tyre & Industries Ltd owing to common management and strong operational linkages with its subsidiaries. However as per the change in criteria wherein incase a corporate parent has subsidiaries in foreign countries, CARE shall exclude the foreign subsidiary from consolidation as cash flow fungibility between the parent and subsidiaries may be restricted in these cases, the analytical approach is revised this year to Standalone. The ratings however continue to factor in the support to be provided by JKTI to its subsidiaries.

Applicable Criteria
Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
Criteria for Short Term Instruments
CARE's Policy on Default Recognition
Financial Ratios - Non-Financial Sector
Rating Methodology - Manufacturing Companies
Rating Methodology- Auto Ancillary Companies
Rating Methodology: Consolidation and Factoring Linkages in Ratings

About the Company
JKTI, the flagship company of the JK group, is headed by Dr R P Singhania as its chairman and managing director. It is a one of the leading tyre manufacturers in India and amongst the top 25 manufacturers in the world with a wide range of products catering to diverse business segments that includes Truck/Bus, LCV (Light commercial vehicles), Passenger Cars, MUV (Multi utility vehicles) and Tractors. JKTI has a global presence in 105 countries with nine plants in India and three in Mexico, with total consolidated capacity of 32 million tyres per annum.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	7641	6120
PBILDT	759*	678
PAT	204	229
Overall gearing (times)^	2.28	2.16
Interest coverage (times)	2.40	1.98

A: Audited
**Does not include one-time income of Rs 48 crore in FY19.*
^Including Dealer Deposits

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

CARE Ratings
Professional Risk Opinion

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based-Long Term	-	-	-	1700.00	CARE A-; Negative
Non-fund-based - ST-BG/LC	-	-	-	950.00	CARE A2+
Non-fund-based - LT/ ST-BG/LC	-	-	-	280.00	CARE A-; Negative / CARE A2+
Term Loan-Long Term	-	-	March 2034	1958.98	CARE A-; Negative
Fund-based - ST-Term loan	-	-	-	220.00	CARE A2+
Fixed Deposit-FD (Long-term)/ FD (Short-term)	-	-	-	140.00	CARE A-; Negative / CARE A2+

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.	Fund-based-Long Term	LT	1700.00	CARE A-; Negative	-	1)CARE A; Negative (05-Jul-19)	1)CARE A+; Negative (05-Oct-18)	1)CARE A+; Stable (11-Aug-17) 2)CARE AA-; Negative (05-Apr-17)
2.	Non-fund-based - ST-BG/LC	ST	950.00	CARE A2+	-	1)CARE A1 (05-Jul-19)	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)
3.	Non-fund-based - LT/ ST-BG/LC	LT/ST	280.00	CARE A-; Negative / CARE A2+	-	1)CARE A; Negative / CARE A1 (05-Jul-19)	1)CARE A+; Negative / CARE A1+ (05-Oct-18)	1)CARE A+; Stable / CARE A1+ (11-Aug-17) 2)CARE AA-; Negative / CARE A1+ (05-Apr-17)
4.	Term Loan-Long Term	LT	1958.98	CARE A-; Negative	-	1)CARE A; Negative (05-Jul-19)	1)CARE A+; Negative (05-Oct-18)	1)CARE A+; Stable (11-Aug-17) 2)CARE AA-; Negative (05-Apr-17)
5.	Fund-based - ST-Term loan	ST	220.00	CARE A2+	-	1)CARE A1 (05-Jul-19)	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)

6.	Commercial Paper-Commercial Paper (Carved out)	ST	-	-	1)Withdrawn (19-Aug-20)	1)CARE A1 (05-Jul-19)	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)
7.	Commercial Paper	ST	-	-	-	1)Withdrawn (09-Apr-19)	1)CARE A1+ (05-Oct-18)	1)CARE A1+ (11-Aug-17) 2)CARE A1+ (05-Apr-17)
8.	Fixed Deposit-FD (Long-term)/ FD (Short-term)	LT/ST	140.00	CARE A-; Negative / CARE A2+	-	1)CARE A; Negative / CARE A1 (05-Jul-19)	1)CARE A+; Negative / CARE A1+ (05-Oct-18)	1)CARE A+ (FD); Stable / CARE A1+ (FD) (11-Aug-17) 2)CARE AA- (FD); Negative / CARE A1+ (FD) (05-Apr-17)

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

Name of the Instrument	Detailed explanation
A. Financial covenants	
1. Term loan	Prepayment allowed with prepayment penalty of 1% of outstanding amount
B. Non-financial covenants	
1. Term loan	Borrower shall submit performance data of the Plants on quarterly basis

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Fixed Deposit-FD (Long-term)/ FD (Short-term)	Simple
2.	Fund-based - ST-Term loan	Simple
3.	Fund-based-Long Term	Simple
4.	Non-fund-based - LT/ ST-BG/LC	Simple
5.	Non-fund-based - ST-BG/LC	Simple
6.	Term Loan-Long Term	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.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Group Head Name - Ms Ravleen Sethi
Group Head Contact no.- 011- 45333251
Group Head Email ID- ravleen.sethi@careratings.com

Relationship Contact
Name: Swati Agrawal
Contact no. : +91-11-4533 3200
Email ID: swati.agrawal@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**