

# Ratings

## Rating Rationale

January 24, 2020 | Mumbai

### Tata Motors Finance Limited

#### Rating Action

Total Bank Loan Facilities Rated	Rs.25000 Crore
Long Term Rating	CRISIL AA-/Negative
Short Term Rating	CRISIL A1+

Non-Convertible Debentures Aggregating Rs.5605 Crore	CRISIL AA-/Negative
Subordinated Debt Programme Aggregating Rs.1400 Crore	CRISIL AA-/Negative
Perpetual Bonds Aggregating Rs.415 Crore	CRISIL A/Negative
Rs.7000 Crore Commercial Paper	CRISIL A1+

1 crore = 10 million

Refer to annexure for Details of Instruments &amp; Bank Facilities

#### Detailed Rationale

CRISIL ratings on the bank facilities and debt instruments of Tata Motors Finance Limited (TMFL) continue to be centrally based on the expectation of strong support from TMFL's ultimate parent Tata Motors Limited (TML) to TMF Holdings Limited (TMFHL; rated 'CRISIL AA-/Negative /CRISIL A1+') and TMFHL's two subsidiaries Tata Motors Finance Solutions Limited (TMFSL; CRISIL AA-/ Negative /CRISIL A1+) and TMFL. This is because of the high strategic importance of the companies to TML. The ratings also factor in the group's strong position in commercial vehicle (CV) finance segment. However, these rating strengths are partially offset by moderate, albeit improving asset quality of the portfolio.

On August 14, 2019, CRISIL has downgraded its ratings on the debt instruments and bank facilities of Tata Motors Finance Ltd (TMFL) to 'CRISIL AA-/CRISIL A/Negative/CRISIL A1+' from 'CRISIL AA/CRISIL A+/Negative/CRISIL A1+' in line with the downgrade in ratings of the parent Tata Motors Limited (TML; rated CRISIL AA-/Negative/CRISIL A1+).

CRISIL has also withdrawn its rating on the non-convertible debentures of Rs 10 crore and Subordinated debt of Rs 200 crore (See Annexure 'Details of Rating Withdrawn' for details) in line with its withdrawal policy. CRISIL has received independent confirmation that these instruments are fully redeemed.

#### Analytical Approach

CRISIL's ratings on the debt instruments and bank facilities of TMFL continue to be based on the expectation of strong support from TML. This is because of TMFL's strong strategic importance to TML and the latter's ownership via TMFHL. CRISIL has also combined the business and financial risk profiles of TMFHL and its subsidiaries TMFSL and TMFL, given the integration of operations and commonality of management .

The ratings on the perpetual bonds additionally take into account the deeply subordinated nature of these instruments whereby TMFL is restricted from servicing these instruments if it breaches the minimum regulatory capital requirement, or if the regulator denies permission to the company to make payments of interest and principal, if it reports losses.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

#### Key Rating Drivers & Detailed Description

##### Strengths:

##### \* High strategic importance to, and expectation of strong support from TML

CRISIL's ratings on debt instruments and bank facilities of TMFL are centrally based upon the expectation of strong support from the ultimate parent TML. This is because of the high strategic importance of TMFL to TML and also latter's majority ownership in TMFL via its wholly owned subsidiary TMFHL.

Post the restructuring in fiscal 2017; TMFHL became the holding company for the financial services business under the TML umbrella. TMFL undertakes the new vehicle financing business and is the captive financier for TML's vehicles. TMFSL is engaged in pre-owned vehicle financing business that has strong operational linkages with TML's pre-owned vehicles and in corporate lending wherein it provides both short term and long term financing to dealers and suppliers of TML. The three companies are expected to receive significant business, financial and managerial support from TML.

TML has infused equity capital of Rs 600 in TMFHL during FY 18-19. Consequently, TMHFL infused Rs 300 crore of equity into TMFL and subscribed to Rs. 370 crore of CCPS issued by TMFL and Rs. 150 crore of subordinated debt issued by TMFL in fiscal 2019. Further, in first quarter of fiscal 2020, TMFHL has infused Rs 150 crore of equity and subscribed to Rs 300 crore of subordinated debt in TMFL. The total capital ratio of TMFL was comfortable at 17.3% as on September 30, 2019 (15.25% as on March 31, 2019). CRISIL believes that TMFL will continue to receive support from TML through TMFHL, on need basis to maintain their capital adequacy above the regulatory minimum.

TMHFL group has a high level of managerial and operational integration, where the parent extends management support through

representation of its senior management on the boards of TMFL and TMFSL. CRISIL believes TML will continue to have majority ownership in TMFL through the holding company structure. This, along with operational integration and a shared brand name, makes TML morally obligated to support TMFL.

#### \* **Leading position in CV finance**

The TMF group is a leading vehicle financier in India and TMFL is among the top five CV financiers with assets under management (AUM) of Rs 31,419 crore as on September 30, 2019 (Rs 29,370 crore as on March 31, 2019 and Rs 21,035 crore as on March 31, 2018). As on September 30, 2019, TMFSL had a standalone portfolio of Rs 5,062 crore (Rs 5,805 crore as on March 31, 2019 and Rs 3,928 crore as on March 31, 2018). The consolidated assets under management (AUM) stood at Rs 36,481 crore as on September 30, 2019 (Rs 35,175 crore as on March 31, 2019 and Rs 24,963 crore as on March 31, 2018).

#### **Weakness:**

##### \* **Moderate asset quality**

TMFHL's consolidated asset quality is expected to be reflective of the nature of the subsidiaries' business, which is tilted predominantly in favor of financing TML's key customer segments such as super-strategic customers, strategic customers and first time users and buyers (FTUs and FTBs) of CVs. The FTU customers are generally not catered to by the traditional CV financiers as the inherent credit risk in some of the customer segments is relatively high.

In the first six months of fiscal 2020, there has been increase in gross non-performing assets (NPA) numbers. TMFL's gross NPA stood at 5.7% as on September 30, 2019 (2.9% as on March 31, 2019 and 4.7% as on March 31, 2018 and 9.8% as on March 31, 2017) while the net NPA stood at 4.4%. TMFSL's GNPA's stood at 3.3% as on September 30, 2019 (1% as on March 31, 2019 and 1.37% as on March 31, 2018 and 47.2% as on March 31, 2017) while the net NPA stood at 2.3%. TMFSL's NPA numbers have come down sharply when compared to previous fiscals as TMFSL has written off its MGB portfolio with full loss cover from TML. The increase in GNPA was primarily because of collections getting affected due to overall slowdown in economy. The management is taking all necessary steps to improve collections and recovery which is expected to improve the GNPA metrics by end of fiscal 2020.

In the past couple of years, TMFL has revised its business strategy with increasing share of strategic and super-strategic customers who are expected to have better risk profiles than FTUs. Further, curtailment of the manufacturer-guaranteed and similar schemes is expected to aid the asset quality metrics going forward.

#### **Liquidity Strong**

CRISIL's analysis of TMFL's asset liability maturity (ALM) profile as of November 30, 2019 shows no cumulative negative mismatches in any bucket with inclusion of committed lines of credit, however excluding committed lines of credit there is cumulative negative mismatch in over 2 months to 3 months bucket and in over 6 months upto 1 year bucket. Given the ability of the TMFHL group to raise funds and expectation of strong support from the ultimate parent TML, any negative mismatch would be manageable. As on November 30, 2019, total debt repayments coming up till end February 2020 were Rs 5,686 crore as per ALM statement, of which Rs 3,947 crore was in the form of commercial paper (CP). Against the same TMFL had collections/prepayments of Rs 2,278 crore. Further, TMFL had cash and equivalents of Rs 1,967 crore, investments of Rs 1,756 crore and sanctioned and un-utilized cash credit/WCDL limit of about Rs 2674 crore. The company also has ICD limits from TMF Group Companies.

#### **Outlook: Negative (for bank facilities and debt instruments other than perpetual debt)**

The rating outlook on TMFL is closely linked to the rating outlook on TML. CRISIL believes that TMFL will be strategically important to TML and will benefit from the financial and management support extended by TML. CRISIL will continue to closely monitor any development that can significantly alter the extent of support by TML. Changes in the rating outlook or ratings on TML may lead to similar changes in the rating outlook or ratings on TMFL.

#### **Outlook: Negative (for perpetual debt)**

CRISIL believes that TMFL will be strategically important to TML and will benefit from the financial and management support extended by the latter. The ratings may be upgraded or the outlook may be revised to 'Stable' in case of a similar action in the ratings on TML. The ratings may be revised down to if TMFL's asset quality significantly weakens; thereby adversely affecting its earnings profile, or if there is pressure on its capitalisation.

#### **Rating Sensitivity factors**

##### **Upward factors:**

\* Upgrade in the rating of Tata Motors Limited (TML) by 1 notch or higher

##### **Downward factors:**

\* Downgrade in rating of TML by 1 notch or higher

\* Any change in support philosophy of TML resulting in reduced support to TMF Holdings Group

\* Sharp deterioration in the consolidated asset quality impacting the profitability and capital level of the TMF Holdings Group

#### **About the Company**

In March 2016, TMFHL acquired 100% stake in TMFL (earlier Sheba Properties Limited), a non-banking finance company registered with RBI, for Rs 405 crore from TML. As on March 31, 2016, TMFL (earlier Sheba Properties Limited) had total assets of Rs 205 crore, of which the investment portfolio constituted 94% of the assets or Rs 193 crore.

With the implementation of scheme of arrangement effective January 2017, the entire new vehicle finance business undertaking has been transferred from TMFHL to TMFL. Post transfer, TMFL is a non-deposit taking, systemically important, non-banking financial and asset financing company and will be one of the major financiers of CVs and cars for TML's customers and channel partners. For the year ended March 31, 2019, the company reported profit after tax (PAT) of Rs 204 crore on total income (net of interest expenses) of Rs 1208 crore (basis IND AS), as against a net profit of Rs 272 crore (net of interest expenses) and total income of Rs 1028 (basis IND AS) crore in previous fiscal.

#### **Key Financial Indicators**

As on /for the year ended March 31,		2019	2018
<b>Total Assets</b>	<b>Rs crore</b>	<b>32,917</b>	<b>22,809</b>
<b>Total income (net of interest expenses)</b>	<b>Rs crore</b>	<b>1208</b>	<b>1,028</b>
<b>Profit after tax</b>	<b>Rs crore</b>	<b>204</b>	<b>272</b>
<b>Capitalization</b>	<b>%</b>	<b>15.25%</b>	<b>16.56</b>
<b>Gross NPA</b>	<b>%</b>	<b>2.92</b>	<b>4.69</b>
<b>Net NPA</b>	<b>%</b>	<b>1.52</b>	<b>3.27</b>

**Any other information:** Not applicable

**Note on complexity levels of the rated instrument:**

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on [www.crisil.com/complexity-levels](http://www.crisil.com/complexity-levels). Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

ISIN	Name of the Instrument	Date of Allotment	Coupon rate (%)	Maturity Date	Amount (Rs crore)	Rating assigned with Outlook
INE909H07CZ9	Non convertible debentures	10-Jun-16	Zero Coupon par premium	10-Jun-21	5	CRISIL AA-/Negative
INE909H07CT2	Non convertible debentures	13-May-16	9.20%	13-May-21	10	CRISIL AA-/Negative
INE909H07CL9	Non convertible debentures	17-Dec-15	9.25%	17-Dec-20	40	CRISIL AA-/Negative
INE909H07CP0	Non convertible debentures	07-Apr-16	9.20%	06-Apr-21	20	CRISIL AA-/Negative
INE909H07CX4	Non convertible debentures	10-Jun-16	9.20%	10-Jun-21	42	CRISIL AA-/Negative
INE909H07DF9	Non convertible debentures	28-Jun-16	9.30%	28-Jun-21	22	CRISIL AA-/Negative
INE909H07DJ1	Non convertible debentures	28-Jul-16	9.00%	28-Jul-21	1	CRISIL AA-/Negative
NA	Non convertible debentures -(Rated and unutilized)	NA	NA	NA	1,642.40	CRISIL AA-/Negative
INE909H08022	Subordinated debt	25-Mar-10	10.75%	25-Mar-20	88.95	CRISIL AA-/Negative
INE909H08030	Subordinated debt	12-Apr-10	10.70%	10-Apr-20	100	CRISIL AA-/Negative
INE909H08048	Subordinated debt	28-Apr-10	10.70%	28-Apr-20	111	CRISIL AA-/Negative
INE909H08063	Subordinated debt	19-Sep-11	11.00%	17-Sep-21	75.3	CRISIL AA-/Negative
INE909H08071	Subordinated debt	02-Mar-12	11.00%	02-Mar-22	69.15	CRISIL AA-/Negative
INE909H08089	Subordinated debt	26-Mar-12	11.00%	26-Mar-22	10	CRISIL AA-/Negative
INE909H08097	Subordinated debt	22-May-12	11.00%	22-May-22	37.4	CRISIL AA-/Negative
INE909H08121	Subordinated debt	03-Aug-12	10.65%	03-Aug-22	25	CRISIL AA-/Negative
INE909H08139	Subordinated debt	28-Dec-14	10.46%	28-Dec-22	28	CRISIL AA-/Negative
INE909H08147	Subordinated debt	28-May-13	10.15%	28-May-23	55.1	CRISIL AA-/Negative
INE909H08170	Subordinated debt	24-May-13	9.85%	24-May-23	100	CRISIL AA-/Negative
INE909H08196	Subordinated debt	12-Sep-15	10.60%	12-Sep-24	25	CRISIL AA-/Negative
INE909H08204	Subordinated debt	26-Sep-14	10.35%	26-Sep-24	60	CRISIL AA-/Negative
INE909H08212	Subordinated debt	19-Dec-14	9.70%	19-Dec-24	150	CRISIL AA-/Negative
NA	Subordinated debt-(Rated and unutilized)	NA	NA	NA	265.1	CRISIL AA-/Negative
INE909H08055	Perpetual Debt	23-Nov-10	11.35%	23-Nov-20	150	CRISIL A/Negative
INE909H08105	Perpetual Debt	30-May-12	11.50%	30-May-22	26.9	CRISIL A/Negative
INE909H08113	Perpetual Debt	28-Jun-12	11.25%	28-Jun-22	73.1	CRISIL A/Negative
INE909H08162	Perpetual Debt	23-May-13	11.33%	23-May-23	22.3	CRISIL A/Negative
INE909H08154	Perpetual Debt	28-May-13	11.03%	28-May-23	52.7	CRISIL A/Negative
INE909H08188	Perpetual Debt	05-Sep-14	11.10%	05-Sep-24	50.3	CRISIL A/Negative
NA	Perpetual Debt- Rated and unutilized	NA	NA	NA	39.7	CRISIL A/Negative
NA	Commercial paper- Rated and unutilized	NA	NA	NA	7,000.00	CRISIL A1+
NA	Cash Credit and Working Capital Demand Loan**#@%^<*	NA	NA	NA	5178	CRISIL AA-/Negative
NA	Long-Term Bank Facility \$*!	NA	NA	NA	11953.69	CRISIL AA-/Negative
NA	Bank Guarantee*	NA	NA	NA	319	CRISIL A1+
NA	Proposed Long-	NA	NA	NA	6581	CRISIL AA-/Negative

	Term Bank Loan Facility++					
NA	Proposed Bank Guarantee++	NA	NA	NA	968	CRISIL A1+

\*\* Central Bank of India's CC Limit is Rs 40 Crs and WCDL limit is of Rs 160 Crs

#Vijaya Bank( now Bank of Baroda)-Rs 200 Crs Only WCDL/STL

% Out of IDFC First Bank's Limit of Rs 300 Crs , Rs 250 Crs is fungible with WCDL, with Rs 50 Crs as sublimit of CC/OD

@ Indusind Bank's Rs 100 Crs limit is fungible with BG

\*Rs 300 Crs have been earmarked as CP for SBI's limit of Rs 1000 Crs

<For DBS Bank, CC Limit of Rs 25 Crs is a sublimit of WCDL Limit is Rs 200 cr

\$Secured loan from CITI bank of Rs 171 Crores is a USD 25 Million loan which is fully hedged

\*Sanctioned bank facilities as on December 31, 2019 (Note- Long-Term Bank Facilities are net of repayments)

++Rated and proposed limits as on December31, 2019

! ECB from Barclays Bank PLC & DBS Bank of USD 30 Million each; Australia and New Zealand Banking Group Limited is USD 60 Mn, CTBC is USD 20 Mn, Korean Development Bank is USD 10 Mn and International Finance Corporation of USD 100 Mn

### Annexure - Details of Rating Withdrawn

ISIN	Name of the Instrument	Date of Allotment	Coupon rate (%)	Maturity Date	Amount (Rs crore)
INE909H07CI5	Non convertible debentures	19-Nov-15	9.10%	19-Nov-19	10
INE909H08014	Subordinated debt	20-Jan-10	10.90%	20-Jan-20	200

### Annexure - List of entities consolidated

Entity consolidated	Extent of consolidation	Rationale for consolidation
TMF Holdings Limited	Full	Holding
Tata Motors Finance Solutions Limited	Full	Co-Subsidiary

### Annexure - Rating History for last 3 Years

Instrument	Current			2020 (History)		2019		2018		2017		Start of 2017	
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating	
Commercial Paper	ST	7000.00	CRISIL A1+			04-11-19	CRISIL A1+	30-10-18	CRISIL A1+	06-12-17	CRISIL A1+	--	
						14-08-19	CRISIL A1+	19-09-18	CRISIL A1+				
						05-07-19	CRISIL A1+	07-08-18	CRISIL A1+				
						27-04-19	CRISIL A1+	31-05-18	CRISIL A1+				
						15-02-19	CRISIL A1+	27-04-18	CRISIL A1+				
						06-02-19	CRISIL A1+						
Non Convertible Debentures	LT	1782.40 24-01-20	CRISIL AA-/Negative			04-11-19	CRISIL AA-/Negative	30-10-18	CRISIL AA/Stable	06-12-17	CRISIL AA/Positive	CRISIL AA/Positive	
						14-08-19	CRISIL AA-/Negative	19-09-18	CRISIL AA/Stable	03-11-17	CRISIL AA/Positive		
						05-07-19	CRISIL AA/Negative	07-08-18	CRISIL AA/Positive	21-09-17	CRISIL AA/Positive		
						27-04-19	CRISIL AA/Negative	31-05-18	CRISIL AA/Positive	31-07-17	CRISIL AA/Positive		
						15-02-19	CRISIL AA/Negative	27-04-18	CRISIL AA/Positive	09-05-17	CRISIL AA/Positive		
						06-02-19	CRISIL AA/Stable			09-05-17	CRISIL AA/Positive		
										19-04-17	CRISIL AA/Positive		
										24-02-17	CRISIL AA/Positive		
Perpetual Bonds	LT	415.00 24-01-20	CRISIL A/Negative			04-11-19	CRISIL A/Negative	30-10-18	CRISIL A+/Stable	06-12-17	CRISIL A+/Positive	CRISIL A+/Positive	
						14-08-19	CRISIL A/Negative	19-09-18	CRISIL A+/Stable	03-11-17	CRISIL A+/Positive		
						05-07-19	CRISIL A+/Negative	07-08-18	CRISIL A+/Positive	21-09-17	CRISIL A+/Positive		
						27-04-19	CRISIL A+/Negative	31-05-18	CRISIL A+/Positive	31-07-17	CRISIL A+/Positive		
						15-02-19	CRISIL A+/Negative	27-04-18	CRISIL A+/Positive	09-05-17	CRISIL A+/Positive		
						06-02-19	CRISIL A+/Stable			09-05-17	CRISIL A+/Positive		
Short Term Debt	ST									03-11-17	CRISIL A1+	CRISIL A1+	
										19-04-17	CRISIL A+/Positive		
										24-02-17	CRISIL A+/Positive		

									21-09-17	CRISIL A1+	
									31-07-17	CRISIL A1+	
									09-05-17	CRISIL A1+	
									09-05-17	CRISIL A1+	
									19-04-17	CRISIL A1+	
									24-02-17	CRISIL A1+	
<b>Subordinated Debt</b>	LT	1200.00 24-01-20	CRISIL AA-/Negative		04-11-19	CRISIL AA-/Negative	30-10-18	CRISIL AA/Stable	06-12-17	CRISIL AA/Positive	CRISIL AA/Positive
					14-08-19	CRISIL AA-/Negative	19-09-18	CRISIL AA/Stable	03-11-17	CRISIL AA/Positive	
					05-07-19	CRISIL AA/Negative	07-08-18	CRISIL AA/Positive	21-09-17	CRISIL AA/Positive	
					27-04-19	CRISIL AA/Negative	31-05-18	CRISIL AA/Positive	31-07-17	CRISIL AA/Positive	
					15-02-19	CRISIL AA/Negative	27-04-18	CRISIL AA/Positive	09-05-17	CRISIL AA/Positive	
					06-02-19	CRISIL AA/Stable			09-05-17	CRISIL AA/Positive	
									19-04-17	CRISIL AA/Positive	
									24-02-17	CRISIL AA/Positive	
<b>Fund-based Bank Facilities</b>	LT/ST	23713.00	CRISIL AA-/Negative		04-11-19	CRISIL AA-/Negative	30-10-18	CRISIL AA/Stable	06-12-17	CRISIL AA/Positive	CRISIL AA/Positive
					14-08-19	CRISIL AA-/Negative	19-09-18	CRISIL AA/Stable	03-11-17	CRISIL AA/Positive	
					05-07-19	CRISIL AA/Negative	07-08-18	CRISIL AA/Positive	21-09-17	CRISIL AA/Positive	
					27-04-19	CRISIL AA/Negative	31-05-18	CRISIL AA/Positive	31-07-17	CRISIL AA/Positive	
					15-02-19	CRISIL AA/Negative	27-04-18	CRISIL AA/Positive	09-05-17	CRISIL AA/Positive	
					06-02-19	CRISIL AA/Stable			09-05-17	CRISIL AA/Positive	
									19-04-17	CRISIL AA/Positive	
									24-02-17	CRISIL AA/Positive	
<b>Non Fund-based Bank Facilities</b>	LT/ST	1287.00	CRISIL A1+		04-11-19	CRISIL AA-/Negative/ CRISIL A1+	30-10-18	CRISIL A1+	06-12-17	CRISIL A1+	CRISIL A1+
					14-08-19	CRISIL AA-/Negative/ CRISIL A1+	19-09-18	CRISIL A1+	03-11-17	CRISIL A1+	
					05-07-19	CRISIL AA/Negative/ CRISIL A1+	07-08-18	CRISIL A1+	21-09-17	CRISIL A1+	
					27-04-19	CRISIL AA/Negative/ CRISIL A1+	31-05-18	CRISIL A1+	31-07-17	CRISIL A1+	
					15-02-19	CRISIL AA/Negative/ CRISIL A1+	27-04-18	CRISIL A1+	09-05-17	CRISIL A1+	
					06-02-19	CRISIL AA/Stable/ CRISIL A1+			09-05-17	CRISIL A1+	
									19-04-17	CRISIL A1+	
									24-02-17	CRISIL A1+	

All amounts are in Rs.Cr.

#### Links to related criteria

[CRISILs Approach to Financial Ratios](#)

[CRISILs Bank Loan Ratings - process, scale and default recognition](#)

[Rating Criteria for Finance Companies](#)

[CRISILs Criteria for Consolidation](#)

#### For further information contact:

Media Relations

Analytical Contacts

Customer Service Helpdesk

<p><b>Saman Khan</b> Media Relations <b>CRISIL Limited</b> D: +91 22 3342 3895 B: +91 22 3342 3000 <a href="mailto:saman.khan@crisil.com">saman.khan@crisil.com</a></p> <p><b>Naireen Ahmed</b> Media Relations <b>CRISIL Limited</b> D: +91 22 3342 1818 B: +91 22 3342 3000 <a href="mailto:naireen.ahmed@crisil.com">naireen.ahmed@crisil.com</a></p>	<p><b>Krishnan Sitaraman</b> Senior Director - CRISIL Ratings <b>CRISIL Limited</b> D:+91 22 3342 8070 <a href="mailto:krishnan.sitaraman@crisil.com">krishnan.sitaraman@crisil.com</a></p> <p><b>Ajit Velonie</b> Director - CRISIL Ratings <b>CRISIL Limited</b> D:+91 22 4097 8209 <a href="mailto:ajit.velonie@crisil.com">ajit.velonie@crisil.com</a></p> <p><b>Krishna Bhargav</b> Rating Analyst - CRISIL Ratings <b>CRISIL Limited</b> D::+91 22 3342 3598 <a href="mailto:Krishna.Bhargav@crisil.com">Krishna.Bhargav@crisil.com</a></p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: <a href="mailto:CRISILratingdesk@crisil.com">CRISILratingdesk@crisil.com</a></p> <p>For Analytical queries: <a href="mailto:ratingsinvestordesk@crisil.com">ratingsinvestordesk@crisil.com</a></p>
--	---	---

**Note for Media:**

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper / magazine / agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL. However, CRISIL alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites, portals etc.

**About CRISIL Limited**

CRISIL is a leading agile and innovative, global analytics company driven by its mission of making markets function better. We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint sets us apart. We have delivered independent opinions, actionable insights, and efficient solutions to over 1,00,000 customers.

We are majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit [www.crisil.com](http://www.crisil.com)

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

**About CRISIL Ratings**

CRISIL Ratings is part of CRISIL Limited ("CRISIL"). We pioneered the concept of credit rating in India in 1987. CRISIL is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI"). With a tradition of independence, analytical rigour and innovation, CRISIL sets the standards in the credit rating business. We rate the entire range of debt instruments, such as, bank loans, certificates of deposit, commercial paper, non-convertible / convertible / partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 24,500 large and mid-scale corporates and financial institutions. CRISIL has also instituted several innovations in India in the rating business, including rating municipal bonds, partially guaranteed instruments and microfinance institutions. We also pioneered a globally unique rating service for Micro, Small and Medium Enterprises (MSMEs) and significantly extended the accessibility to rating services to a wider market. Over 1,10,000 MSMEs have been rated by us.

**CRISIL PRIVACY**

CRISIL respects your privacy. We may use your contact information, such as your name, address, and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit [www.crisil.com](http://www.crisil.com).

**DISCLAIMER**

This disclaimer forms part of and applies to each credit rating report and/or credit rating rationale that we provide (each a "Report"). For the avoidance of doubt, the term "Report" includes the information, ratings and other content forming part of the Report. The Report is intended for the jurisdiction of India only. This Report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this Report does not create a client relationship between CRISIL and the user.

We are not aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing our Report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the Report is not intended to and does not constitute an investment advice. The Report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind or otherwise enter into any deal or transaction with the entity to which the Report pertains. The Report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).

Ratings from CRISIL Rating are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities / instruments or to make any investment decisions. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL assumes no obligation to update its opinions following publication in any form or format although CRISIL may disseminate its opinions and analysis. CRISIL rating contained in the Report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the Report should rely on their own judgment and take their own professional advice before acting on the Report in any way. CRISIL or its associates may have other commercial transactions with the company/entity.

Neither CRISIL nor its affiliates, third party providers, as well as their directors, officers, shareholders, employees or agents (collectively, "CRISIL Parties") guarantee the accuracy, completeness or adequacy of the Report, and no CRISIL Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Report. EACH CRISIL PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors. CRISIL's public ratings and analysis as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any) are made available on its web sites, [www.crisil.com](http://www.crisil.com) (free of charge). Reports with more detail and additional information may be available for subscription at a fee – more details about CRISIL ratings are available here: [www.crisilratings.com](http://www.crisilratings.com).

CRISIL and its affiliates do not act as a fiduciary. While CRISIL has obtained information from sources it believes to be reliable, CRISIL does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and / or relies in its Reports. CRISIL keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of CRISIL may have information that is not available to other CRISIL business units. CRISIL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL has in place a ratings code of conduct and policies for analytical firewalls and for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>

CRISIL's rating criteria are generally available without charge to the public on the CRISIL public web site, [www.crisil.com](http://www.crisil.com). For latest rating information on any instrument of any company rated by CRISIL you may contact CRISIL RATING DESK at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com), or at (0091) 1800 267 1301.

This Report should not be reproduced or redistributed to any other person or in any form without a prior written consent of CRISIL.

All rights reserved @ CRISIL