

Poonawalla Fincorp Limited (Erstwhile Magma Fincorp Limited)

August 26, 2021

Ratings

Facilities/Instruments	Amount (Rs. Crore)	Ratings ¹	Rating Action
Long term Bank Facilities	9655.65 (enhanced from 4,876.38)	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Revised from CARE AA- (Double A Minus) and removed from Credit watch with Developing Implications; Stable outlook assigned
Short term Bank Facilities	1,100.00	CARE A1+ (A One Plus)	Assigned
Long / Short-term Bank Facilities	344.35 (Reduced from 344.58)	CARE AA+; Stable / CARE A1+ (Double A Plus; Outlook: Stable/ A One Plus)	Revised from CARE AA- / CARE A1+ [Double A Minus / A One Plus] and removed from Credit watch with Developing Implications; Stable outlook assigned
Total Bank Facilities	11,100.00 (Rs. Eleven Thousand One Hundred Crore only)		
Secured Non-Convertible Debentures (NCDs)	280.00 (Rs. Two Hundred Eighty Crore Only)	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Revised from CARE AA- (Double A Minus) and removed from Credit watch with Developing Implications; Stable outlook assigned
Proposed Secured NCDs	3061.60 (Rs. Three Thousand Sixty-One Crore and Sixty Lakh only)		
Unsecured Subordinated Tier II NCDs	97.00 (Rs. Ninety-Seven Crore only)	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Revised from CARE AA- (Double A Minus) and removed from Credit watch with Developing Implications; Stable outlook assigned
Perpetual Debt	61.40 (Rs. Sixty-One Crore and Forty Lakh only)	CARE AA; Stable (Double A; Outlook: Stable)	Revised from CARE A+ (Single A Plus) and removed from Credit watch with Developing Implications; Stable outlook assigned
Commercial Paper Issue – Standalone	100.00 (Rs. One hundred crore only)	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1
Detailed Rationale & Key Rating Drivers

CARE has upgraded the rating of various long-term bank facilities/instruments of Poonawalla Fincorp Limited [PFL; erstwhile Magma Fincorp Limited (MFL)], to 'CARE AA+; Stable' from 'CARE AA- (under credit watch with developing implications)' and reaffirmed the short-term rating at 'CARE A1+'.

The revision in the ratings assigned to Poonawalla Fincorp Limited (PFL) [erstwhile Magma Fincorp Limited (MFL)] factors in the strength derived from the new promoter i.e., Poonawalla Group acquiring 60% stake through Rising Sun Holdings Private Limited (RSHPL) accompanied with a change in management control with Mr. Adar Poonawalla appointed as the Chairman of the Board, shared brand name and expectation of timely need based financial support from the Group.

The ratings also factor in significant infusion of equity capital (Rs.3,456 crore in May 2021) resulting in comfortable CAR, low leverage, and comfortable liquidity profile of PFL on a consolidated basis. Induction of professional management, revised product focus towards better quality borrowers, and reduction in cost of funds are also key drivers for rating revision. The ratings continue to draw strength from PFL's long track record of operations and wide branch network.

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

CARE had earlier placed the ratings assigned to long-term instruments/facilities of PFL on 'Credit Watch with Developing Implications' following the announcement of fresh infusion of Rs 3,456 crore by way of preferential issue of equity shares of PFL. The equity was infused by new promoters RSHPL for Rs.3,206 crore and existing promoters for Rs 250 crore.

Post the completion of this sizeable preferential issue, regulatory approvals & open offer, RSHPL holds 60% stake while the existing promoters' stake reduced to 13.3% from 24.4% in PFL. Following the preferential issue, RSHPL is classified as the promoter of PFL along with existing promoters. Further, PFL and the subsidiaries, namely Poonawalla Housing Finance Limited (PHFL) (erstwhile Magma Housing Finance Limited (MHFL)) have been renamed and rebranded under the brand name 'Poonawalla Fincorp Limited', w.e.f. July 22, 2021. The acquisition of PFL shall be of strategic importance of the financial services business to the Group.

The Poonawalla Group is one of the leading players in the Pharmaceuticals & Biotechnology segment. The group's flagship company; Serum Institute of India Pvt Ltd (SIIPL; rated CARE AAA; Stable/CARE A1+), one of the world's largest manufacturers of Measles/DTP vaccines. The group also set up Serum Institute Life Sciences Pvt. Ltd. (SLS; rated CARE AAA(CE)) in June-2020 to fulfill the group's adequate response to Covid-19. SIIPL has diverse product offerings in vaccine segment, including the Covid-19 vaccine 'Covishield'.

The rating is constrained due to PFL's relatively modest scale of operations at present due to erstwhile MFL's inability to grow due to impact of Covid-19, challenges in raising equity/debt capital and high cost of funds. PFL's profitability was impacted in FY21 as the new management adopted a stringent provisioning/write-off policy and created additional overlay provisions for Covid wave 2. The ratings are also constrained by PFL's moderately diversified resource profile at present and elevated asset quality parameters. PFL has a prudent provision cover on gross stage 3 assets at 51% as on June 30, 2021.

The ability of the company to execute its business plan and grow the loan book from focused products while achieving the envisaged asset quality and profitability parameters, maintaining healthy capitalization and diversifying its liability mix will be a key rating monitorable. However, the downside risks to the business plan are likely to be mitigated by strong parentage, large equity base and low leverage along with a professional management team.

Rating Sensitivities

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

- Implementation of business plan with a diversified AUM growth and stabilization of organization structure
- Substantial improvement in profitability on a sustained basis

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

- Weakening of linkages with the parent group
- Overall gearing going above 3x till FY23 on a consolidated basis

Detailed description of the key rating drivers

Key Rating Strengths

Strong and resourceful Promoter

The Poonawalla Group holds 60% stake in PFL through Rising Sun Holdings Private Limited. PFL is strategically important to the group as indicated by sharing of the 'Poonawalla' name, Mr. Adar Poonawalla becoming the Chairman of the board and the large investment made by the group to diversify into financial services segment with acquisition of retail lending, housing finance and general insurance business of erstwhile Magma.

The Poonawalla Group is one of India's most reputed business houses and are leading players in the Pharmaceuticals & Biotechnology segment. The group's flagship company; Serum Institute of India Pvt Ltd (SIIPL; rated CARE AAA; Stable/CARE A1+), one of the world's largest manufacturers of vaccines supplying to ~170 countries. SIIPL has a robust financial profile with total operating income (TOI) of Rs.5,774 crore with PAT margin of 39% in FY20, along with healthy networth of Rs.17,690 crore as on March 31, 2020.

SIIPL floated Serum Institute Life Sciences Pvt. Ltd. (SLS; rated CARE AAA(CE)) in June 2020 which is currently engaged in the marketing and distribution of 'Covishield', the Covid-19 vaccine. Apart from 'Covishield', SIIPL has a diverse product basket in the vaccine segment. Over the years, the group has operated with minimal debt and has one of the lowest leverage among business groups in India.

SIIPL has a healthy liquid investment portfolio (excluding investments in subsidiaries and associates) to the tune of Rs. 3,941 crore as on March 31, 2020 and cash balance of Rs.180 crore as on March 31, 2020. Further, SIIPL had generated gross cash accruals of Rs. 2,538 crores which is further expected to be augmented in the medium term. SLS is also expected to generate healthy cash flows owing to its revenues from Covid vaccine business. Thus, the Group has a robust financial profile with healthy cash accruals and minimal debt obligations.

Large equity infusion resulting in comfortable leverage

PFL had a large equity infusion of Rs.3,456 crore by way of a preferential issue of equity shares which has resulted in low leverage of 1.4x, high CAR and a comfortable liquidity position. The Poonawalla group subsequently rebranded the companies under its brand name as “Poonawalla Fincorp Limited” and “Poonawalla Housing Finance Limited” w.e.f. July 22, 2021. In May 2021, PFL infused Rs.500 crore equity into its wholly owned subsidiary Poonawalla Housing Finance Limited (PHFL; rated CARE AA+; Stable/CARE A1+), shoring up its net-worth to ~Rs. 1,000 crore.

Induction of professional management

PFL is being led by Mr. Adar Poonawalla as the Chairman and Non-Executive Director of the Board backed by a newly appointed management team. The company is governed by an eight-member Board of Directors, which includes one erstwhile promoter director and four independent directors. The Board comprises of qualified and experienced professionals with considerable experience in functional areas. The Board is ably supported by a qualified senior management team led by Mr. Abhay Bhutada, MD who has a vast experience in commercial and retail lending led the group's initial foray in retail lending as MD & CEO of Poonawalla Finance Private Limited (PFPL). Mr. Vijay Deshwal (previously with ICICI Bank) has been appointed as the Group CEO and Mr. Sanjay Miranka (previously with Aditya Birla Finance) has joined as the Group CFO along with the appointment of other senior officials with a vast experience in financial services having worked at financial institutions and banks of repute. Apart from identifying existing talent in erstwhile Magma, PFL has also onboarded a Chief Credit Officer, Business Head of LAP segment, Chief Strategy Officer, Chief Human Resource Officer and senior professionals in analytics and technology functions.

Pan-India presence with wide branch network

PFL has pan-India presence through a network of 297 branches (as on June 30, 2021) spread across 21 States/Union Territories. The consolidated loan book of the company was diversified geographically with north contributing ~36%, east ~18%, south ~26% and west ~19% as on June 30, 2021. PFL's business plan aims to rationalize the branch network suiting the needs of its realigned product suite, which is likely to achieve cost efficiencies. PFL plans to intensify its use of technology and digitalization in its entire customer life-cycle, aided by the existing branch network. This is expected to increase its reach bringing synergies between brick & mortar and digital processes.

Focused and diversified product approach in retail segment

The new management's business plan revolves around a revised product strategy, targeting better quality retail consumers and small businesses in urban/semi-urban locations. Professional management and reduced cost of funds would be a key enabler to PFL's product strategy. PFL plans to achieve a 3x growth in AUMs by FY25 with a focused product approach consisting of a mix of unsecured (Personal Loans, Loans to Professionals, Business Loans) and secured (Pre-owned Car Loan, SME LAP, Affordable Home Loans, Affordable LAP, Machinery/medical equipment loans) products. As a part of the new business strategy PFL has also discontinued products like Tractors, CVs & Used CV/CE for business and operational efficiency. PFL plans to achieve operating efficiencies through increasing use of technology and rationalizing branches and has undertaken conservative provision buffers/write-offs in FY21 along with a prudent write-off policy going forward.

PFL shall continue to focus on affordable housing loan (~25% of existing consolidated AUM) in its subsidiary PHFL and the pre-owned car loans (~15% of existing consolidated AUM) from its existing portfolio as a part of the new product suite. Each of the product segments is being led by business heads who have significant experience in respective products. Moreover, unsecured products (personal loans, loan to professionals, business loans) which were done under PFPL, have been migrated to PFL and will be a key focus going forward. PFL uses branchless digital model under unsecured loan product, enabling deeper customer reach, aiding scalability with diversification. PFL has end-to-end technology enabled process covering origination, underwriting, analytics, credit policy, disbursals, collection, and recovery.

Liquidity: Comfortable

PFL (on consolidated basis) had an overall liquidity (including free cash & cash equivalents and undrawn sanctioned lines) of about Rs 3,238 crore as on June 30, 2021. Additional undrawn sanctions in hand as on June 30, 2021 were Rs 625 crore. The proceeds from equity infusion were utilized for debt repayment and equity infusion into its subsidiary PHFL. As on June 30, 2021, the ALM profile of both PFL and PHFL shows significant surplus position across all time buckets aided by large equity base, reduced debt level and inherently short-to-medium duration of assets. With RSHPL now being the largest shareholder, financial flexibility is expected to improve significantly.

Improved access to funding

With a strong parent coupled with strong management team, the company has a wider access to more diversified liability market along with a significant reduction the cost of funds. The company is in the process to receiving fresh sanctions at much lower rates of interest and has commenced the process of replacing the erstwhile higher cost debt. It is also expected that the company shall be able to gainfully approach lending institutions who have not been associated with erstwhile MFL.

This is expected to give the company stable borrowings profile, with better access to funding and lower cost of funds going forward.

Key Rating Weaknesses

Moderately diversified resource profile

The company has a moderately diversified resource profile in terms mix of bank and debt capital markets borrowings. PFL's consolidated borrowings as on June 30, 2021 were in the form of 57% of term loans (incl PTC), 19% in the form of working capital, 16% in the form of NCDs and balance 8% in the form of perpetual & sub-debt. Moreover, the overall gearing has reduced to 1.4x due to a reduction in debt mainly from equity infusion to Rs 7,768 crore as on June 30, 2021 from Rs 10,433 crore in March 31, 2021. The borrowings as on June 30, 2021 constituted 76% of bank borrowings and 24% of debt capital markets.

It is expected that the company shall be able to leverage and raise further debt capital to embark on a growth plan envisaged by management to take its AUM to 3x level by 2025. It is expected that a likely diversification of resource profile, with increasing relationship across various categories of banks and capital market investors shall result in a stable liability profile.

Moderate asset quality

The reported Gross stage III & Net Stage III assets of the company decreased substantially from Rs.914 crore and Rs.580 crore respectively as on March 31, 2020 to Rs.465 crore and Rs.146 crore respectively as on March 31, 2021 and stood at Rs 697 crore and Rs 341 crore respectively as on June 30, 2021. The Gross stage III & Net Stage III assets as a percentage of advances thus reduced to 3.70% and 1.20% respectively as on March 31, 2021 as compared to 6.44% and 4.19% respectively as on March 31, 2020 (5.4% and 2.7% as on June 30, 2021). The stage III provision coverage was healthy at 68.60% as on March 31, 2021 as compared to 36.54% as on March 31, 2020 (~51% as on June 30, 2021).

Relatively Modest AUMs as PFL inherited a shrinking loan book of erstwhile MFL

The business of erstwhile MFL was shrinking due to challenges in raising equity/debt capital along with outbreak of Covid-19 Pandemic. As a result, consolidated disbursements of the company were significantly lower at Rs.3,680 crore in FY21 Rs.6,428 crore in FY20. The disbursement, however, picked-up from Q3FY21 and Q4FY21 mainly in used assets and affordable housing with no disbursements in Cars/CV/CE and minimal in SME segment. Nevertheless, in Q1FY22 disbursements stood healthy at Rs.1,732 crore aided by acquisition of the loan portfolios worth Rs.1,395 crore from banks / financial institutions across various retail segments of the company. With de-growth in disbursements during FY21, PFL's consolidated AUM declined from Rs.16,134 crore as on March 31, 2020 to Rs.14,225 crore as on March 31, 2021. With the company realigning its product focus, AUM is expected to grow along with likely improvement in return and asset quality indicators. PFL's consolidated loan AUM stood at Rs 14,424 crore as on June 30, 2021.

Subdued return indicators in FY21 owing to one-time credit costs, improvement in profitability in Q1FY22

PFL reported a net profit of Rs 64.5 crore in the first quarter of FY22 ending June 30, 2021. PFL had reported a net consolidated loss of Rs 559 crore in FY21 on account of one-time credit costs of Rs 894 crore on account of Covid-19 induced stress and change in write off policy in Q4FY21 which saw the net stage III assets dip to 1.20% in FY21 (2.72% in Q1FY22). PFL's consolidated total income was lower by 8% at Rs.2,358 crore in FY21 (Q1FY22: Rs 483.2 crore) vis-a-vis Rs. 2,562 crore in FY20 primarily due to lower interest income with decrease in loan book, though the average yield remained relatively stable during the period. Furthermore, with lower operating costs, the pre-provisioning operating profit of the company increased from Rs.572 crore in FY20 to Rs.699 crore in FY21 (Q1FY22: Rs 126 crore). However, with high credit costs of Rs.1,462 crore in FY21 (Q1FY22: Rs. 49.4 crore) vis-à-vis Rs.490 crore in FY20 the profitability was impacted.

However, profitability improved in Q1FY22 with annualized ROTA and RONW at 1.8% and 4.6% respectively. The company's profitability is likely to improve to a reasonable level by through change in product mix, control over finance costs, credit costs and operational costs going forward.

Additional credit costs: Provision rate is now 100% for 180+ dpd for asset backed finance (730+ dpd earlier), 90+ dpd for unsecured SME (450+ dpd earlier) and 730+ dpd for affordable housing (case to case basis earlier). PFL had additional credit costs of Rs 895 crore in the form of additional write-offs (Rs 274 crore) and additional provisions outlaid by management for Covid-19 (Rs 621 crore) in Q4FY21. It is expected that with improving collection efficiencies from Q1FY22, the company is likely to roll back towards lower DPD buckets, thus leading to an improved credit quality going forward. Moreover, with prudent provisioning for discontinued products and targeting prime quality customers aided by lower cost of funds, the credit quality is expected to improve.

Analytical approach:

CARE has taken a consolidated view of PFL, its wholly subsidiary Poonawalla Housing Finance Ltd (PHFL) and joint venture companies Magma HDI General Insurance Limited (MHDIL) and Jaguar Advisory Services Private Ltd (to the extent of PFL's

shareholding i.e., 36.43% and 48.9%, respectively) and factored in the strategic importance of PFL to Poonawalla Group considering the shared name and managerial control.

Applicable Criteria

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

[Criteria for Short Term Instruments](#)

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

[Rating Methodology- Non Banking Finance Companies \(NBFCs\)](#)

[Financial ratios –Financial Sector](#)

[Rating Methodology: Consolidation](#)

[Notching by factoring linkages in Ratings](#)

About the Company

PFL (earlier known as Magma Fincorp Limited, MFL) is a non-deposit-taking systemically important non-banking finance company, registered with the Reserve Bank of India as an Investment and Credit Company (NBFC-ICC). Incorporated in 1978 as Magma Leasing Limited, the company entered the financing business in 1989. It was renamed MFL in 2008, and PFL in 2021 post acquisition of controlling stake of 60% by Rising Sun Holdings Private Limited (entity owned and controlled by Mr. Adar Poonawalla). PFL has various product offerings aimed at the retail consumer and MSME segments including home loans, personal loans, pre-owned car loans, business loans, loan against property as well as general insurance. It operates through a network of 297 branches as of March 31, 2021, across 21 states of India.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	Q1FY22 (UA)
Total operating income	2,562	2,358	483.19
PAT	27	-559	64.54
Interest coverage (times)	1.06	0.32	1.63
Total Assets	15,815	14,387	NA
Net NPA (%)	4.19	1.19	2.72
ROTA (%)	0.16	-3.70	1.8

A: Audited; NA: Not available

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: Not Applicable

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-Cash Credit	-	-	-	-	3903.50	CARE AA+; Stable
Term Loan-Long Term	-	-	-	-	334.38	CARE AA+; Stable
Non-fund-based - LT/ ST-BG/LC	-	-	-	-	344.35	CARE AA+; Stable / CARE A1+
Fund-based - LT-Proposed fund based limits	-	-	-	-	5417.77	CARE AA+; Stable
Fund-based - ST-Working Capital Limits	-	-	-	-	1100.00	CARE A1+
Debentures-Non Convertible Debentures	INE511C07573	January 07, 2017	9.55%	January 07, 2022	5.00	CARE AA+; Stable
Debentures-Non	INE511C07581	February 13,	9.00%	February 13, 2024	50.00	CARE AA+; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Convertible Debentures		2017				
Debentures-Non Convertible Debentures	INE511C07599	April 06, 2017	9.00%	April 06, 2024	50.00	CARE AA+; Stable
Debentures-Non Convertible Debentures	INE511C07730	September 30, 2020	8.20%	March 30, 2022	75.00	CARE AA+; Stable
Debentures-Non Convertible Debentures	INE511C07748	November 12, 2020	8.75%	May 12, 2022	100.00	CARE AA+; Stable
Proposed Debentures-Non Convertible Debentures	-	-	-	-	3,061.60	CARE AA+; Stable
Debt-Subordinate Debt	INE511C08803	September 06, 2012	11.50	September 06, 2022	20.00	CARE AA+; Stable
Debt-Subordinate Debt	INE511C08803	September 06, 2012	11.50%	September 06, 2022	5.00	CARE AA+; Stable
Debt-Subordinate Debt	INE511C08829	January 17, 2013	11.00%	January 17, 2023	10.00	CARE AA+; Stable
Debt-Subordinate Debt	INE511C08886	September 26, 2013	10.90%	September 26, 2023	14.00	CARE AA+; Stable
Debt-Subordinate Debt	INE511C08860	23-04-2013	10.70%	21-04-2023	48.00	CARE AA+; Stable
Debt-Subordinate Debt	INE511C08910	-	-	-	0.00	Withdrawn
Debt-Subordinate Debt	INE511C08902	-	-	-	0.00	Withdrawn
Debt-Perpetual Debt	INE511C08878	20-05-2013	12.10%	-	25.50	CARE AA; Stable
Debt-Perpetual Debt	INE511C08894	26-09-2013	12.00%	-	25.00	CARE AA; Stable
Debt-Perpetual Debt	INE511C08928	18-09-2015	12.10%	-	2.00	CARE AA; Stable
Debt-Perpetual Debt	INE511C08936	15-10-2015	12.10%	-	5.00	CARE AA; Stable
Debt-Perpetual Debt	INE511C08AF8	03-02-2017	11.50%	-	1.90	CARE AA; Stable
Debt-Perpetual Debt	INE511C08AH4	07-03-2017	11.50%	-	1.00	CARE AA; Stable
Debt-Perpetual Debt	INE511C08AJ0	04-08-2017	11.00%	-	1.00	CARE AA; Stable
Commercial Paper-Commercial Paper (Standalone)		-	-	-	100.00	CARE A1+

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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Bonds-Secured Redeemable Bonds	-	-	-	-	-	-	-
2.	Debt-Perpetual Debt	LT	-	-	-	1)Withdrawn (16-Feb-21) 2)CARE A+; Negative (03-Jul-20) 3)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)
3.	Commercial Paper- Commercial Paper (Standalone)	ST	100.00	CARE A1+	1)CARE A1+ (13-Apr-21)	1)CARE A1+ (16-Feb-21) 2)CARE A1+ (03-Jul-20) 3)CARE A1+ (28-Apr-20)	1)CARE A1+ (27-Aug-19) 2)CARE A1+ (12-Aug-19) 3)CARE A1+ (05-Jul-19)	1)CARE A1+ (11-Jul-18) 2)CARE A1+ (06-Jul-18)
4.	Debt-Subordinate Debt	LT	-	-	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)
5.	Debt-Subordinate Debt	LT	-	-	-	-	-	1)CARE AA-; Stable (11-Jul-18)
6.	Bonds-Secured Reedemable Bonds	-	-	-	-	-	-	-
7.	Debt-Perpetual Debt	LT	-	-	-	1)Withdrawn (16-Feb-21) 2)CARE A+; Negative (03-Jul-20) 3)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)
8.	Debt-Perpetual Debt	LT	25.00	CARE AA; Stable	-	1)CARE A+ (CWD) (16-Feb-21) 2)CARE A+; Negative (03-Jul-20) 3)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)
9.	Fund-based - LT-Cash	LT	3903.50	CARE	-	1)CARE AA-	1)CARE AA-	1)CARE AA-

	Credit			AA+; Stable		(CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	; Stable (12-Aug-19) 2)CARE AA-; ; Stable (05-Jul-19)	; Stable (11-Jul-18)
10.	Term Loan-Long Term	LT	334.38	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA-; ; Stable (05-Jul-19)	1)CARE AA- ; Stable (11-Jul-18)
11.	Non-fund-based - LT/ ST-BG/LC	LT/ST	344.35	CARE AA+; Stable / CARE A1+	-	1)CARE AA- / CARE A1+ (CWD) (16-Feb-21) 2)CARE AA-; Negative / CARE A1+ (03-Jul-20) 3)CARE AA-; Negative / CARE A1+ (28-Apr-20)	1)CARE AA- ; Stable / CARE A1+ (12-Aug-19) 2)CARE AA-; ; Stable / CARE A1+ (05-Jul-19)	1)CARE AA- ; Stable / CARE A1+ (11-Jul-18)
12.	Commercial Paper- Commercial Paper (Carved out)	ST	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE A1+ (27-Aug-19) 2)CARE A1+ (12-Aug-19) 3)CARE A1+ (05-Jul-19)	1)CARE A1+ (11-Jul-18)
13.	Debt-Subordinate Debt	LT	20.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA-; ; Stable (05-Jul-19)	1)CARE AA- ; Stable (11-Jul-18)
14.	Debt-Subordinate Debt	LT	15.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA-; ; Stable (05-Jul-19)	1)CARE AA- ; Stable (11-Jul-18)
15.	Debt-Subordinate Debt	LT	48.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-;	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA-	1)CARE AA- ; Stable (11-Jul-18)

						Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	; Stable (05-Jul-19)	
16.	Debt-Perpetual Debt	LT	10.90	CARE AA; Stable	-	1)CARE A+ (CWD) (16-Feb-21) 2)CARE A+; Negative (03-Jul-20) 3)CARE A+; Negative (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)
17.	Debt-Subordinate Debt	LT	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)
18.	Debt-Subordinate Debt	LT	14.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)
19.	Debt-Perpetual Debt	LT	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)
20.	Debentures-Non Convertible Debentures	LT	30.90	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)
21.	Debt-Subordinate Debt	LT	-	-	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19) 2)CARE AA-; Stable (05-Jul-19)	1)CARE AA-; Stable (11-Jul-18)
22.	Debt-Perpetual Debt	LT	25.50	CARE AA; Stable	-	1)CARE A+ (CWD) (16-Feb-21)	1)CARE A+; Stable (12-Aug-19)	1)CARE A+; Stable (11-Jul-18)

						2)CARE A+; Negative (03-Jul-20) 3)CARE A+; Negative (28-Apr-20)	2)CARE A+; Stable (05-Jul-19)	
23.	Debt-Subordinate Debt	LT	-	-	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA- ; Stable (05-Jul-19)	1)CARE AA- ; Stable (11-Jul-18)
24.	Debt-Subordinate Debt	LT	-	-	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA- ; Stable (05-Jul-19)	1)CARE AA- ; Stable (11-Jul-18)
25.	Debentures-Non Convertible Debentures	LT	50.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19)	1)CARE AA- ; Stable (11-Jul-18)
26.	Debentures-Non Convertible Debentures	LT	164.80	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19)	1)CARE AA- ; Stable (11-Jul-18)
27.	Debt-Subordinate Debt	LT	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19) 2)CARE AA- ; Stable (05-Jul-19)	1)CARE AA- ; Stable (11-Jul-18)
28.	Debt-Subordinate Debt	LT	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA- ; Stable (12-Aug-19)	1)CARE AA- ; Stable (11-Jul-18)
29.	Debt-Subordinate Debt	LT	-	-	-	-	-	1)CARE AA- ; Stable (11-Jul-18)

30.	Debt-Perpetual Debt	LT	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE A+; Stable (12-Aug-19) 2)CARE A+; Stable (05-Jul-19)	1)CARE A+; Stable (11-Jul-18)
31.	Debentures-Non Convertible Debentures	LT	50.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)
32.	Debentures-Non Convertible Debentures	LT	50.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)
33.	Debentures-Non Convertible Debentures	LT	5.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20) 3)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (12-Aug-19)	1)CARE AA-; Stable (11-Jul-18)
34.	Debentures-Non Convertible Debentures	LT	2815.90	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21) 2)CARE AA-; Negative (03-Jul-20)	-	-
35.	Debentures-Non Convertible Debentures	LT	175.00	CARE AA+; Stable	-	1)CARE AA- (CWD) (16-Feb-21)	-	-
36.	Fund-based - LT- Proposed fund based limits	LT	5417.77	CARE AA+; Stable	-	-	-	-
37.	Fund-based - ST- Working Capital Limits	ST	1100.00	CARE A1+	-	-	-	-

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

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Commercial Paper-Commercial Paper (Standalone)	Simple
2.	Debentures-Non Convertible Debentures	Simple
3.	Debt-Perpetual Debt	Highly Complex
4.	Debt-Subordinate Debt	Complex
5.	Fund-based - LT-Cash Credit	Simple
6.	Fund-based - LT-Proposed fund based limits	Simple
7.	Fund-based - ST-Working Capital Limits	Simple
8.	Non-fund-based - LT/ ST-BG/LC	Simple
9.	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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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