

Rating Rationale

December 08, 2023 | Mumbai

Incred Financial Services Limited

Rated amount enhanced for Bank Debt

Rating Action

Total Bank Loan Facilities Rated	Rs.4600 Crore (Enhanced from Rs.4100 Crore)
Long Term Rating	CRISIL A+/Stable (Reaffirmed)

Rs.11.5 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD A+/Stable (Reaffirmed)
Rs.200 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD A+/Stable (Reaffirmed)
Rs.200 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD A+/Stable (Reaffirmed)
Rs.300 Crore Non Convertible Debentures[^]	CRISIL A+/Stable (Reaffirmed)
Rs.275 Crore Non Convertible Debentures	CRISIL A+/Stable (Reaffirmed)
Rs.347.87 Crore Non Convertible Debentures[^]	CRISIL A+/Stable (Reaffirmed)
Rs.300 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

[^]Public Issue

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has reaffirmed its ratings on the bank loan facilities and debt instruments of Incred Financial Services Limited (Incred) at 'CRISIL A+/CRISIL PPMLD A+/Stable/CRISIL A1+'.

The ratings continue to factor in Incred's strong capital position backed by a high pedigree investor base, experienced leadership team and diversified loan portfolio. These strengths are partially offset by Incred's moderate scale of operations within product segments, modest earnings profile, though improving, unsecured nature of majority of the loan portfolio and moderate asset quality in some of the product segments.

Incred's capital position is supported by a networth base of Rs 2,623 crore, thus leading to a comfortable leverage of 1.8 times as of September 30, 2023. The company's earnings profile has also improved evidenced by a rising return on managed assets (RoMA) of 3.3% (annualized) for the six-month period ending September 30, 2023, albeit operating expenses remain elevated.

Nevertheless, the ratings are underpinned by moderating, albeit comfortable asset quality metrics as Incred's gross non-performing assets (GNPAs) and net non-performing assets (NNPA) inched up marginally from 2.1% and 0.9% respectively as on March 31, 2023, to 2.6% and 1.2% respectively as on September 30, 2023, on the back of interim slippages from the personal loan and anchor-backed business loan segment.

CRISIL Ratings has also taken note of the recent measures by Reserve Bank of India (RBI) covering the Banking and NBFC sector. Firstly, on the asset side for NBFCs, there is an increase in risk weights for unsecured consumer loans (including credit card receivables), by 25 percentage points to 125% from 100% earlier. This regulation applies to all retail loans except housing loans, vehicle loans, educational loans, loans against gold and microfinance/SHG loans. The increase in risk-weighted assets will lead to a decrease in the capital adequacy ratios of NBFCs (wherever applicable), including that of Incred, but is not likely to materially impact the ratios.

Secondly, there is an increase in risk weights for Bank's exposure to NBFCs by 25 percentage points (over and above the risk weight associated with the given external rating) in all cases where the extant risk weight as per external rating of NBFCs is below 100%. Herein, loans to HFCs, and loans to NBFCs which are eligible for classification as priority sector are excluded. This development may potentially lead to an increase in the cost of bank borrowings for NBFC sector. This could lead to diversification in the borrowings mix with higher share of capital market instruments and securitisation, amongst others. The ability of NBFCs to pass on the potentially higher borrowing costs will be monitored. While the borrowing cost for Incred is expected to witness marginal uptick, the same is unlikely to have any material impact on the overall earnings or resource profile of the company.

Analytical Approach

For arriving at the rating, CRISIL Ratings has evaluated the standalone business, financial, and management risk profile of Incred, factoring in the changes post implementation of the corporate scheme of arrangement.

Key Rating Drivers & Detailed Description**Strengths:****Strong capitalisation position supported by high pedigree of investor base**

Incred is well-capitalised with network of Rs 2,484 crore and a comfortable gearing of 1.6 times as on March 31, 2023, which further improved to Rs 2,623 crore and 1.8 times respectively as on September 30, 2023, following rising positive internal accruals. This marks a significant improvement from a network of Rs 595 crore as on March 31, 2019. The improvement stemmed primarily from the implementation of the recent scheme of corporate reorganization along with internal accretions.

The company commenced its operations with a network of around Rs 500 crore, mainly contributed by the founder's company – Bee Finance Ltd (Mauritius). Incred initially raised optionally convertible debentures (OCDs) in fiscal 2017, and converted them to equity in fiscal 2019 (April 2018) amounting to the tune of Rs 116 crore from Investcorp (IDFC Private Equity) and Paragon Partners. Furthermore, during April and May 2019, Incred raised compulsorily convertible preference shares (CCPS) of Rs 427 crore from institutional investors such as FMO (the Netherlands Development Finance Company), OAKS Asset Management (Formerly known as Alpha Capital), Moore Strategic Ventures, and Elevar Equity.

CRISIL Ratings believes Incred's capital position will remain comfortable with regards to its scale and nature of operations, supported by its demonstrated ability to raise capital from existing as well as new investors. Additionally, capital position of the company is expected to strengthen further going forward as it has received board approval to raise incremental equity up to an amount of Rs 500 crore.

Experienced promoters and senior management team

Incred was promoted in 2016, by Mr Bhupinder Singh, Whole Time Director and Chief Executive Officer. Having been associated with Deutsche Bank with his last stint as head of the Corporate Finance division and the co-head of the Fixed Income, Equities and Investment Banking divisions for the Asia Pacific region, Mr Singh has a professional experience of over two decades. Over its operating history, the company's senior management team has gained strength, and now comprises renowned professionals from various industry sections.

Mr Vivek Bansal, Incred's Chief Financial Officer (CFO), has experience of two decades, which include leadership stints in Fidelity Investments (London) and Standard Chartered (Mumbai). Prior to Incred, Mr Bansal served as deputy CFO of YES Bank and Group Head of Finance. Mr Ashwin Sekar, who is the Chief Technology Officer, had been associated with companies such as Gain Credit for over 13 years. The business side is headed by Mr. Saurabh Jhalaria who has almost 20 years of work experience and was earlier Managing Director – Singapore operations at Deutsche Bank.

Mr Prithvi Chandrasekhar (Head of Risk Analytics and PL business), has held various positions across several companies, including Capital One and McKinsey over a professional stint of over 25 years.

Mr. Krishna Bahety (Chief Risk Officer) has over 22 years of experience in credit risk management, underwriting, process control, portfolio management and risk analysis across multiple product verticals. Prior to Incred he was with Udaan as Head of Policy responsible for various policy development and implementation. This team of senior executives reports to a board comprising veterans from the financial services industry. These include independent directors, nominee directors from investor bodies and a few representatives from the senior management team of Incred.

Diversified loan portfolio

InCred had a diversified loan portfolio of Rs 7,481 crore as on September 30, 2023, which marks an annualized growth of 47% over that as on March 31, 2023 (23% year-to-date). The growth during the period was driven by growing retail personal loan and education loan portfolio. As on September 30, 2023, the AUM mix, including co-lending portfolio, consisted of personal loans (43%), student loans (22%), anchor & escrow backed business loans (18%), lending to financial institutions (8%), and secured school financing and LAP (7%). Apart from these, erstwhile KKR India's wholesale portfolio also constituted 1% of the AUM. This book is spread across 1 group account and is expected to run down in the near to medium term.

In the past two fiscal years, retail AUM of Incred has witnessed sequential growth, with its share in total AUM increasing from ~58% as on March 31, 2021, to 82% as on March 31, 2023, with the share of unsecured personal loans, education loans and escrow backed anchor-based financing gaining traction, while the share of wholesale loan book has declined considerably from 42% as on March 31, 2021 (via school financing and lending to Fis) to 18% as on March 31, 2023, and further to 16% as on September 30, 2023. The same has been on the back of rising disbursements towards retail loan category, under which majority was via personal loans and anchor backed business loans, as it accounted for 81% of total disbursements in fiscal 2023 (91% in H1 of fiscal 2024), as compared to 62% in fiscal 2021.

Therefore, concentration around wholesale segments has reduced over time and the loan book has diversified across retail segments.

Also, given the low correlation between these segments, CRISIL Ratings believes that the diversified loan portfolio supports the overall business profile, especially in case of stress in any one segment.

Weaknesses:**Moderate earnings profile, albeit improving**

Owing to its nascent scale of operations, operating expenses for Incred, though correcting, have remained high attributed to support costs, employee and technology-linked expenses. Furthermore, on-boarding of senior management to lead respective asset segments also contributed to the high employee expenses in fiscal 2023. Over the past five fiscal years, operating expenses for Incred has remained elevated in the range of 5-6% (adjusting for one-time business expenses).

For fiscal 2022, the company reported an annualized return on managed assets (RoMA) of 1.1% corresponding to a net profit of Rs 36 crore. After adjusting for non-cash ESOP expenses, demerger related legal expenses incurred and net charge on P&L due to sale of two-wheeler portfolio, the annualized RoMA for the period was about 1.6%. Thereafter, for fiscal 2023, overall profitability improved gradually with Incred reporting a net income of Rs 121 crore supported by rise in share of higher yielding loan portfolio and minimal credit costs during the period, thus translating into a RoMA of 2.2% for fiscal 2023.

Furthermore, during the six-month period ending September 30, 2023, on an annualized basis, RoMA for the entity improved sequentially to 3.3% on the back of improving margins.

Given the provisioning policy, coupled with sustained focus on tightening costs and operating expenses, CRISIL Ratings expects Incred's profitability to sustain at healthier levels than that seen in the past in normal course of business. However, Incred's ability to scale up the portfolio, enhance recoveries and improve profitability while keeping credit costs low, will be a key rating sensitivity factor.

Asset quality remains a monitorable

Given the relatively short track record of operations and low, though increasing, seasoning in the loan portfolio across its multiple asset classes remains modest.

As on March 31, 2023, gross NPA (GNPA) of the overall loan portfolio of Incred remained comfortable while improving gradually to 2.1%, as compared to 2.8% as on March 31, 2022, and 3.4% as on March 31, 2021. The NPA metrics were impacted during the pandemic albeit improving collections have supported the improvement in the asset quality metrics.

However, the entity witnessed marginal moderation in its asset quality metrics during the period ending September 30, 2023, with its GNPA inching up to 2.6%. In terms of collections, when calculated after accounting for over-dues, collection efficiency of the overall book was around 97%. Going forward, the company's ability to scale up operations, while maintaining asset quality and profitability at adequate levels will be key rating sensitivity factors.

Modest scale of operations and market position with limited seasoning

As on September 30, 2023, Incred's AUM stood at Rs 7,481 crore, spread across seven asset classes. While this gives Incred the benefit of diversity, scale of operations and market position remains moderate within each asset class. Therefore, as the portfolio continues to gain vintage, the company's ability to profitably scale the portfolio across diverse segments remains to be demonstrated.

Liquidity: Adequate

As on September 30, 2023, the company had liquidity balance of Rs 848 crore (includes undrawn bank lines amounting to Rs 261 crore). Also, as per its ALM statement dated September 30, 2023, Incred had positive cumulative mismatches across all time buckets, with debt obligations for the next three months amounting to Rs 719 crore, against which Incred had projected asset inflows of Rs 1,133 crore.

Outlook: Stable

Incred is expected to maintain adequate capitalisation and diversity in its lending portfolio. The company will also continue to benefit from the extensive experience of its leadership

Rating Sensitivity Factors

Upward factors:

- Significant improvement in market position led by increase in scale of operations while maintaining comfortable adjusted gearing.
- Sustenance of improvement in earnings profile as well as RoMA at healthier levels on a steady state basis.
- Sustenance in asset quality metrics with 90+ days past due (dpd) (including write-offs) remaining below 4% on steady-state basis over the medium term

Downward factors:

- Steady-state adjusted gearing of over 4 times, or inability to raise capital to fund growth
- Any adverse movement in asset quality with 90+ dpd (including write-offs) seeing material deterioration over the medium term.
- Earnings profile remaining sub-optimal impacting RoMA over the near to medium term

About the Company

The erstwhile Incred Financial Services Ltd (now renamed as Incred Prime Finance Ltd) was a non-deposit taking, non-banking financial company headquartered in Mumbai. Incorporated in January 1991 as Visu Leasing and Finance Pvt Ltd (VLFL), this company was acquired by Incred in 2016, after which, its name was changed to reflect the Incred brand. Having started its operations in February 2017, Incred is a new-age financial services platform that leverages technology and data science, throughout its lending chain, thereby reducing the turnaround time.

On September 30, 2023, the company had a diversified AUM of Rs 7,481 crore which includes the effect of corporate reorganization with erstwhile KKR India Financial Services. KKR India was a non-deposit taking, systemically important, NBFC, engaged in providing structured funding, promoter financing, and mezzanine financing, commenced operations in October 2009. Prior to the corporate reorganization, KKR Capital Markets India Private Limited held 100% stake in KKR India. The current Incred Financial Services Ltd refers to the merged entity.

Key Financial Indicators

As on/for the year ended	Unit	Sep-2023 [^]	Mar-2023 [^]	Mar-2022	Mar- 2021
		Including the effect of the amalgamation		Excluding the effect of the amalgamation	
Total assets	Rs crore	7,568	6,653	4,024	2,791
Advances	Rs crore	6,392	5,552	3,823	2,634
Total income	Rs crore	587	877	521	392
Profit after tax (PAT)	Rs crore	129	121	36	10
Gross NPA	%	2.6	2.1	2.8	3.4
Gearing	Times	1.8	1.6	2.5	1.6
Return on managed assets	%	3.3 [#]	2.2	1.1	0.4

[^]includes the amalgamation impact of InCred Housing Finance Private Limited

[#]annualised

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available

information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity Levels	Rating outstanding with outlook
NA	Non-Convertible Debenture (Public Issue)^	NA	NA	NA	35.54	Simple	CRISIL A+/Stable
INE321N07335	Non-Convertible Debenture (Public Issue)	10-Nov-23	9.55	10-Nov-25	87.65	Simple	CRISIL A+/Stable
INE321N07343	Non-Convertible Debenture (Public Issue)	10-Nov-23	9.48	10-May-25	13.29	Simple	CRISIL A+/Stable
INE321N07350	Non-Convertible Debenture (Public Issue)	10-Nov-23	9.66	10-Nov-25	19.27	Simple	CRISIL A+/Stable
INE321N07368	Non-Convertible Debenture (Public Issue)	10-Nov-23	9.66	10-Nov-26	57.28	Simple	CRISIL A+/Stable
INE321N07376	Non-Convertible Debenture (Public Issue)	10-Nov-23	9.84	10-Nov-26	86.97	Simple	CRISIL A+/Stable
NA	Non-Convertible Debenture (Public Issue)^	NA	NA	NA	18.96	Simple	CRISIL A+/Stable
INE321N07277	Non-Convertible Debenture (Public Issue)	02-Feb-23	9.65	02-May-26	14.77	Simple	CRISIL A+/Stable
INE321N07285	Non-Convertible Debenture (Public Issue)	02-Feb-23	9.8	02-May-25	25.46	Simple	CRISIL A+/Stable
INE321N07301	Non-Convertible Debenture (Public Issue)	02-Feb-23	9.45	02-May-25	173.83	Simple	CRISIL A+/Stable
INE321N07293	Non-Convertible Debenture (Public Issue)	02-Feb-23	10	02-May-26	16.98	Simple	CRISIL A+/Stable
INE945W07399	Non-Convertible Debenture (Public Issue)	18-Feb-22	9.25%	16-Feb-24	41.55	Simple	CRISIL A+/Stable
INE945W07407	Non-Convertible Debenture (Public Issue)	18-Feb-22	9.13%	16-Feb-24	10.77	Simple	CRISIL A+/Stable
NA	Non-Convertible Debenture (Public Issue)^	NA	NA	NA	45.55	Simple	CRISIL A+/Stable
INE321N07251	Non-Convertible Debenture	30-Aug-22	9.50%	30-Aug-24	35	Simple	CRISIL A+/Stable
INE945W07316	Non-Convertible Debenture	27-Jul-21	10.95%	27-Jul-27	115	Complex	CRISIL A+/Stable
INE321N07327	Non-Convertible Debenture	14-Sep-23	9.5	12-Dec-25	40	Simple	CRISIL A+/Stable
NA	Non-Convertible Debenture^	NA	NA	NA	85	Simple	CRISIL A+/Stable
NA	Long Term Principal Protected Market Linked Debentures^	NA	NA	NA	120.6	Highly Complex	CRISIL PPMLD A+/Stable
INE945W07282	Long Term Principal Protected Market Linked Debentures	01-Jun-21	NIFTY 50 LINKED	04-Oct-24	13.9	Highly Complex	CRISIL PPMLD A+/Stable
INE945W07308	Long Term Principal Protected Market Linked Debentures	20-Jul-21	NIFTY 50 LINKED	26-Apr-24	15	Highly Complex	CRISIL PPMLD A+/Stable
INE945W07340 (Tranche-I)	Long Term Principal Protected Market Linked Debentures	23-Sep-21	10Y G-SEC	22-Apr-24	32	Highly Complex	CRISIL PPMLD A+/Stable
INE945W07365	Long Term Principal Protected Market Linked Debentures	29-Sep-21	NIFTY 50 LINKED	29-Mar-24	75	Highly Complex	CRISIL PPMLD A+/Stable

INE945W07415	Long Term Principal Protected Market Linked Debentures	19-Jan-22	NIFTY 50 LINKED	08-May-25	17.3	Highly Complex	CRISIL PPMLD A+/Stable
INE945W07340 (Tranche-II)	Long Term Principal Protected Market Linked Debentures	29-Jun-22	NIFTY 50 LINKED	22-Apr-24	101	Highly Complex	CRISIL PPMLD A+/Stable
INE945W07423	Long Term Principal Protected Market Linked Debentures	25-Jul-22	NIFTY 50 LINKED	05-Dec-25	11.7	Highly Complex	CRISIL PPMLD A+/Stable
INE321N07269	Long Term Principal Protected Market Linked Debentures	22-Sep-22	NIFTY 50 LINKED	08-Apr-25	25	Highly Complex	CRISIL PPMLD A+/Stable
NA	Commercial Paper	NA	NA	7 to 365 Days	300	Simple	CRISIL A1+
NA	Cash Credit & Working Capital Demand Loan	NA	NA	NA	425	NA	CRISIL A+/Stable
NA	Cash Credit	NA	NA	NA	10	NA	CRISIL A+/Stable
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	545.87	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Feb-24	5.56	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	05-Jul-25	10.39	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	05-Apr-26	22.01	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	22-Sep-26	25	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Dec-25	26.25	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Sep-26	25	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	27-Nov-25	50	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-26	62.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Jun-26	66.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Oct-26	77.08	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Nov-24	13.86	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Nov-24	100	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Jan-24	2.49	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Sep-25	22.21	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Dec-26	72.22	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Nov-27	94.44	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	27-Sep-28	100	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	28-Mar-26	27.78	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-26	16.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	14-Jul-27	17.78	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	25-Aug-28	75	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-27	52.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-27	35	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	10-Sep-24	10.89	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	25-Jul-25	21.82	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-26	30	NA	CRISIL A+/Stable

NA	Term Loan	NA	NA	28-Jun-25	29.17	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	19-Mar-24	6.66	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	28-Dec-24	9.08	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	28-Jun-26	46.37	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Dec-24	27.08	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Dec-24	19.44	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Dec-24	10.42	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Dec-25	34.72	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Dec-25	75	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Aug-28	196.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Dec-25	25	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-25	22.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Mar-27	38.89	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	09-Mar-27	38.89	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	28-Feb-26	58.32	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	03-Jun-25	29.98	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	22-Sep-27	44.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	11-Apr-24	6.37	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	25-Mar-24	54.55	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	25-Mar-24	5.45	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Jun-25	20.42	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Feb-26	41.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Feb-26	12.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Mar-26	41.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Sep-26	25	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	24-Dec-23	2.28	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	29-Sep-25	35.01	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Jun-25	17.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	01-Mar-26	33.33	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Aug-24	8.51	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Jan-26	15.76	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Sep-26	50	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	27-Jan-28	47.22	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	27-Jan-26	46.67	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	10-Nov-25	122	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	26-Sep-26	300	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	28-Feb-25	23.56	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	31-Oct-25	56.25	NA	CRISIL A+/Stable

NA	Term Loan	NA	NA	24-Mar-26	62.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	25-Mar-28	94.73	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	22-Aug-25	96.15	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	15-Dec-23	2.2	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	01-Jun-25	24.5	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Jun-25	38.82	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	01-Jul-26	75	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	25-Jan-26	22.7	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	06-Sep-26	26	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	30-Oct-28	300	NA	CRISIL A+/Stable
NA	Term Loan	NA	NA	03-Oct-26	65	NA	CRISIL A+/Stable
NA	Term Loan*	NA	NA	NA	70	NA	CRISIL A+/Stable

^Yet to be issued

*Yet to be availed

Annexure - Rating History for last 3 Years

Instrument	Current			2023 (History)		2022		2021		2020		Start of 2020
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	4600.0	CRISIL A+/Stable	17-11-23	CRISIL A+/Stable	25-11-22	CRISIL A+/Stable	18-11-21	CRISIL AA/Watch Negative	13-07-20	CRISIL AA/Stable	CRISIL AA/Stable
			--	29-09-23	CRISIL A+/Stable	25-08-22	CRISIL A+/Stable	20-08-21	CRISIL AA/Watch Negative	30-03-20	CRISIL AA/Stable	--
			--	21-09-23	CRISIL A+/Stable	15-02-22	CRISIL AA/Watch Negative	12-02-21	CRISIL AA/Stable	--	--	--
			--	14-09-23	CRISIL A+/Stable	--	--	--	--	--	--	
			--	07-08-23	CRISIL A+/Stable	--	--	--	--	--	--	
			--	23-03-23	CRISIL A+/Stable	--	--	--	--	--	--	
			--	08-02-23	CRISIL A+/Stable	--	--	--	--	--	--	
Commercial Paper	ST	300.0	CRISIL A1+	17-11-23	CRISIL A1+	25-11-22	CRISIL A1+	18-11-21	CRISIL A1+	13-07-20	CRISIL A1+	CRISIL A1+
			--	29-09-23	CRISIL A1+	25-08-22	CRISIL A1+	20-08-21	CRISIL A1+	30-03-20	CRISIL A1+	--
			--	21-09-23	CRISIL A1+	15-02-22	CRISIL A1+	12-02-21	CRISIL A1+	--	--	
			--	14-09-23	CRISIL A1+	--	--	--	--	--	--	
			--	07-08-23	CRISIL A1+	--	--	--	--	--	--	
			--	23-03-23	CRISIL A1+	--	--	--	--	--	--	
			--	08-02-23	CRISIL A1+	--	--	--	--	--	--	
Non Convertible Debentures	LT	922.87	CRISIL A+/Stable	17-11-23	CRISIL A+/Stable	25-11-22	CRISIL A+/Stable	18-11-21	CRISIL AA/Watch Negative	13-07-20	CRISIL AA/Stable	CRISIL AA/Stable
			--	29-09-23	CRISIL A+/Stable	25-08-22	CRISIL A+/Stable	20-08-21	CRISIL AA/Watch Negative	30-03-20	CRISIL AA/Stable	--
			--	21-09-23	CRISIL A+/Stable	15-02-22	CRISIL AA/Watch Negative	12-02-21	CRISIL AA/Stable	--	--	
			--	14-09-23	CRISIL A+/Stable	--	--	--	--	--	--	
			--	07-08-23	CRISIL A+/Stable	--	--	--	--	--	--	
			--	23-03-23	CRISIL A+/Stable	--	--	--	--	--	--	
			--	08-02-23	CRISIL A+/Stable	--	--	--	--	--	--	
Long Term Principal Protected Market	LT	411.5	CRISIL PPMLD	17-11-23	CRISIL PPMLD	25-11-22	CRISIL PPMLD A+	--	--	--	--	--

Linked Debentures			A+/Stable		A+/Stable		r/Stable					
			--	29-09-23	CRISIL PPMLD A+/Stable	25-08-22	CRISIL PPMLD A+ r/Stable		--		--	--
			--	21-09-23	CRISIL PPMLD A+/Stable		--		--		--	--
			--	14-09-23	CRISIL PPMLD A+/Stable		--		--		--	--
			--	07-08-23	CRISIL PPMLD A+/Stable		--		--		--	--
			--	23-03-23	CRISIL PPMLD A+/Stable		--		--		--	--
			--	08-02-23	CRISIL PPMLD A+/Stable		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	10	The Karnataka Bank Limited	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	25	RBL Bank Limited	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	50	IDFC FIRST Bank Limited	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	50	RBL Bank Limited	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	60	YES Bank Limited	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	225	State Bank of India	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	10	Kotak Mahindra Bank Limited	CRISIL A+/Stable
Cash Credit & Working Capital Demand Loan	5	IndusInd Bank Limited	CRISIL A+/Stable
Proposed Long Term Bank Loan Facility	500	Not Applicable	CRISIL A+/Stable
Proposed Long Term Bank Loan Facility	45.87	Not Applicable	CRISIL A+/Stable
Term Loan	62.11	Hinduja Leyland Finance Limited	CRISIL A+/Stable
Term Loan	363.33	IDFC FIRST Bank Limited	CRISIL A+/Stable
Term Loan	50	Poonawalla Fincorp Limited	CRISIL A+/Stable
Term Loan	25	Bajaj Finance Limited	CRISIL A+/Stable
Term Loan	422	Small Industries Development Bank of India	CRISIL A+/Stable
Term Loan	256.25	Bank of Baroda	CRISIL A+/Stable
Term Loan	291.37	Bank of Maharashtra	CRISIL A+/Stable
Term Loan	86.39	Indian Bank	CRISIL A+/Stable
Term Loan	51.82	The Federal Bank Limited	CRISIL A+/Stable
Term Loan	26.7	Tata Capital Financial Services Limited	CRISIL A+/Stable
Term Loan	26.25	Axis Bank Limited	CRISIL A+/Stable
Term Loan	74.58	Kisetsu Saison Finance India Private Limited	CRISIL A+/Stable
Term Loan	10.89	ESAF Small Finance Bank Limited	CRISIL A+/Stable
Term Loan	46.67	RBL Bank Limited	CRISIL A+/Stable
Term Loan	297.04	State Bank of India	CRISIL A+/Stable
Term Loan	2.28	Maanaveeya Development & Finance Private Limited	CRISIL A+/Stable
Term Loan	58.33	IndusInd Bank Limited	CRISIL A+/Stable
Term Loan	38.89	Indian Overseas Bank	CRISIL A+/Stable
Term Loan	65	IndusInd Bank Limited	CRISIL A+/Stable

Term Loan	70	YES Bank Limited	CRISIL A+/Stable
Term Loan	113.86	Bank of India	CRISIL A+/Stable
Term Loan	48.7	Utkarsh Small Finance Bank Limited	CRISIL A+/Stable
Term Loan	300	State Bank of India	CRISIL A+/Stable
Term Loan	50.83	Nabkisan Finance Limited	CRISIL A+/Stable
Term Loan	29.98	Jana Small Finance Bank Limited	CRISIL A+/Stable
Term Loan	137.22	Canara Bank	CRISIL A+/Stable
Term Loan	66.67	Kotak Mahindra Bank Limited	CRISIL A+/Stable
Term Loan	24.27	Nabsamruddhi Finance Limited	CRISIL A+/Stable
Term Loan	113.82	Union Bank of India	CRISIL A+/Stable
Term Loan	87.5	Central Bank Of India	CRISIL A+/Stable
Term Loan	47.22	Punjab and Sind Bank	CRISIL A+/Stable
Term Loan	29.17	HDFC Bank Limited	CRISIL A+/Stable
Term Loan	50.87	The Karnataka Bank Limited	CRISIL A+/Stable
Term Loan	62.96	Aditya Birla Finance Limited	CRISIL A+/Stable
Term Loan	96.15	Sundaram Finance Limited	CRISIL A+/Stable
Term Loan	35.01	Mahindra and Mahindra Financial Services Limited	CRISIL A+/Stable

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Finance Companies
Mapping global scale ratings onto CRISIL scale
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p>Aveek Datta Media Relations CRISIL Limited M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com</p> <p>Prakruti Jani Media Relations CRISIL Limited M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com</p> <p>Rutuja Gaikwad Media Relations CRISIL Limited B: +91 22 3342 3000 Rutuja.Gaikwad@ext-crisil.com</p>	<p>Ajit Velonie Senior Director CRISIL Ratings Limited B: +91 22 3342 3000 ajit.velonie@crisil.com</p> <p>Malvika Bhotika Director CRISIL Ratings Limited B: +91 22 3342 3000 malvika.bhotika@crisil.com</p> <p>AKSHAY DILIP JEEVNANI Senior Rating Analyst CRISIL Ratings Limited B: +91 22 3342 3000 AKSHAY.JEEVNANI@crisil.com</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: CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestordesk@crisil.com</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 Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set 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 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

CRISIL Ratings Limited ('CRISIL Ratings') is a wholly-owned subsidiary of CRISIL Limited ('CRISIL'). CRISIL Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com

About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is 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

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

CRISIL PRIVACY NOTICE

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.

DISCLAIMER

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') that is provided by CRISIL Ratings Limited ('CRISIL Ratings'). To avoid 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 Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings 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 Ratings 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 to 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 Ratings 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 Ratings assumes no obligation to update its opinions following publication in any form or format although CRISIL Ratings may disseminate its opinions and analysis. The 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 Ratings or its associates may have other commercial transactions with the entity to which the report pertains.

Neither CRISIL Ratings nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or

agents (collectively, 'CRISIL Ratings Parties') guarantee the accuracy, completeness or adequacy of the report, and no CRISIL Ratings 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 RATINGS 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 Ratings 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. Public ratings and analysis by CRISIL Ratings, 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 website, www.crisilratings.com (free of charge). Reports with more detail and additional information may be available for subscription at a fee - more details about ratings by CRISIL Ratings are available here: www.crisilratings.com.

CRISIL Ratings and its affiliates do not act as a fiduciary. While CRISIL Ratings has obtained information from sources it believes to be reliable, CRISIL Ratings does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and/or relies on in its reports. CRISIL Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>.

Rating criteria by CRISIL Ratings are generally available without charge to the public on the CRISIL Ratings public website, www.crisilratings.com. For latest rating information on any instrument of any company rated by CRISIL Ratings, you may contact the CRISIL Ratings desk at 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 prior written consent from CRISIL Ratings.

All rights reserved @ CRISIL Ratings Limited. CRISIL Ratings is a wholly owned subsidiary of CRISIL Limited.

CRISIL Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on CRISIL Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisil.com/en/home/our-businesses/ratings/credit-ratings-scale.html>