

ANNEXURE A: Average one-year, two-year and three-year cumulative default rates (based on weighted average) each for:

- I. Last 10-financial year's period (Long-run average default rates)
- II. 24, 36 and 48 most recent cohorts, respectively (Short-run average default rates).

ANNEXURE A.1. – Long-run average default rates for long term instruments

Period: April 2010 to March 2021

Rating Category	1-Year Default Rate	2-year Cumulative Default Rate	3-year Cumulative Default Rate
AAA	0.01%^	0.07%^	0.15%
AA	0.09%*	0.25%	0.40%
A	0.18%	0.78%	1.50%
BBB	0.71%	1.91%	3.28%
BB	2.87%	5.75%	8.41%
B	6.21%	11.74%	16.03%
C	17.25%	28.27%	36.29%

[^]On account of one default in fiscal 2020 that occurred due to an unexpected legal event

^{*}Since fiscal 2020, there were two defaults due to an unexpected legal event and Covid-19 pandemic.

ANNEXURE A.2. – Long-run average default rates for short term instruments

Period: April 2010 to March 2021

Rating Category	1-Year Default Rate
A1+	0.03%
A1	0.36%
A2	0.52%
A3	0.68%
A4	4.25%

ANNEXURE A.3. – Short-run average default rates for long term instruments

Rating Category	1-Year Default Rate	2-year Cumulative Default Rate	3-year Cumulative Default Rate
Period	<i>April 2018- March 2021 (24 cohorts)</i>	<i>April 2017- March 2021 (36 cohorts)</i>	<i>April 2016- March 2021 (48 cohorts)</i>
AAA	0.07%^	0.31%^	0.55%
AA	0.18%*	0.53%	0.70%
A	0.05%	0.21%	0.53%
BBB	0.39%	1.68%	3.03%
BB	2.08%	4.07%	6.14%
B	4.46%	8.76%	12.55%
C	12.05%	20.18%	31.23%

[^]On account of one default in fiscal 2020 that occurred due to an unexpected legal event

^{*}Since fiscal 2020, there were two defaults due to an unexpected legal event and Covid-19 pandemic.

ANNEXURE A.4. – Short-run average default rates for short term instruments

Period: April 2018 to March 2021 (24 cohorts)

Rating Category	1-Year Default Rate
A1+	0.06%
A1	0.04%
A2	0.30%
A3	0.47%
A4	3.05%

Annexure A.5 - List of rated entities, where default on an unrated instrument recognized as default for default rate computation¹

Sr. No.	Name of the rated entity
1	Keen and Core Developers
2	Miraz Marine Food
3	Natural Products Export Corporation Limited
4	The Shalimar Works (1980) Limited
5	Vrep Construction and Consultants Private Limited
6	Bangalore Blues Entertainment India Private Limited
7	K N International Limited
8	Archon Powerinfra India Private Limited
9	MPL Motors Private Limited
10	Hajee A.P.Bava and Company Constructions Private Limited

¹ This is in line with June 13, 2019 SEBI Circular Clause II read together with Para 9 of the Standard Operating Procedure for monitoring and recognition of default published by all credit rating agencies as required by SEBI.