

Annexure A

Average one-year transition rates for long-term ratings for the last 5-Financial year period

(April 2018 to March 2023)

Rating Category	AAA	AA	A	BBB	BB	B	C	D
AAA	98.75%	0.91%	0.08%	0.00%	0.08%	0.08%	0.00%	0.08%^
AA	1.73%	96.90%	1.00%	0.05%	0.14%	0.05%	0.00%	0.14%*
A	0.08%	4.04%	93.36%	2.39%	0.08%	0.03%	0.00%	0.03%
BBB	0.00%	0.08%	3.62%	92.09%	3.68%	0.12%	0.06%	0.35%
BB	0.00%	0.00%	0.01%	4.10%	89.91%	2.87%	0.04%	3.07%
B	0.00%	0.04%	0.04%	0.02%	10.53%	78.47%	0.29%	10.62%
C	0.00%	0.00%	0.00%	0.00%	2.63%	26.32%	42.11%	28.95%

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

**Since fiscal 2020, there have been two defaults – between fiscals 2020 and 2021. These were due to an unexpected legal event and the Covid-19 pandemic.*

Note:

CRISIL Ratings has combined structured and non-structured instruments in line with the approach for disclosure of default rates. Hence this may not be comparable with past disclosures.