

**Rating Update**

June 07, 2023 | Mumbai

**Aarnav Fashions Limited****Update as on June 07, 2023**

This update is provided in continuation of the rating rational below.

The key rating sensitivity factors for the rating include:

**Upward factors**

- Stable operating profitability
- Improvement in the bank limit utilisation and interest coverage ratio rising above 2 times

**Downward factors**

- Decline in the cash accrual to debt obligation ratio to below 1.4 times
- Large, debt-funded capital expenditure

CRISIL Ratings has a policy of keeping its accepted ratings under constant and ongoing monitoring and review. Accordingly, CRISIL Ratings seeks regular updates from companies on the business and financial performance. CRISIL Ratings is, however, awaiting adequate information from Aarnav Fashions Limited (AFL; a part of the Aarnav group) which will enable us to carry out the rating review. CRISIL Ratings will continue provide updates on relevant developments from time to time on this credit.

CRISIL Ratings also identifies information availability risk as a key credit factor in the rating assessment as outlined in its criteria 'Information Availability Risk in Credit Ratings'.

**About the Group**

AFL has proposed to merge Gopi Synthetics Ltd with other group companies (which are not rated by CRISIL Ratings), for which final approval from National Company Law Tribunal is pending. The company trades in fabrics.

Incorporated in 1984, GSPL is the flagship company of the Aarnav group. It processes (bleaching, dyeing, printing and finishing) fabrics such as suiting, shirting, dress material and dupattas and trades in grey fabrics. It also undertakes job work for other companies.

AIPL processes fabrics such as bedsheets and heavy suiting. The company has capacity to process cotton as well as polyester and blended fabrics and wider width cloth up to 120 inches. It was taken over by Mr Champalal Agarwal under a demerger scheme and given its current name. The demerger has been effective from April 2013 onwards.

ASPL was incorporated in February 2016 to size and weave cotton yarn; the unit was set up in two phases. Mr Champalal Agrawal and Mr Sandeep Agrawal are the promoters.

**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](http://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](http://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](http://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](http://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](http://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>.

*Please note: This advisory should not be construed as a rating reaffirmation.*

Rating criteria by CRISIL Ratings are generally available without charge to the public on the CRISIL Ratings public website, [www.crisilratings.com](http://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](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 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>

## Rating Rationale

April 11, 2023 | Mumbai

# Aarnav Fashions Limited

### Rating Action

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.155.56 Crore</b>
<b>Long Term Rating</b>	<b>CRISIL BBB-/Stable</b>
<b>Short Term Rating</b>	<b>CRISIL A3</b>

*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' ratings on the bank facilities of Aarnav Fashions Limited (AFL; a part of the Aarnav group) continue to reflect extensive experience of the promoters in the textile industry and locational benefit because of proximity to the textile-processing hub. These strengths are partially offset by large working capital requirement and exposure to intense competition.

### Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of Gopi Synthetics Private Limited (GSPL), Aarnav Industries Pvt Ltd (AIPL), AFL and Alpine Spinweave Pvt Ltd (ASPL) because of their operational and managerial linkages; the combined entity is referred as the Aarnav group.

Unsecured loan extended by the promoters and their family members has been treated as neither debt nor equity as the loan is subordinated to bank debt and is expected to remain in the business over the medium term.

*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:**

#### **Extensive experience of promoters**

The promoter, Mr Champalal G Agarwal, is the founder chairman of the entire group. He has more than four decades of experience in the textile business. Another director, Mr Sumit Agarwal, has around two decades of experience in marketing, finance and general administration. Expertise of the promoters, their strong understanding of market dynamics and healthy relations with customers and suppliers led to a well-established distribution network and strong credit risk profile of the group. Revenue group has been steady, driven by high-quality printing and finishing of cloth.

#### **Locational advantage**

The manufacturing facilities are in Ahmedabad, which is a major textile processing hub in India. This leads to competitive advantage in terms of proximity to raw material, trained workforce, and marketing.

#### **Weakness:**

#### **Large working capital requirement**

The working capital cycle is likely to remain stretched. Gross current assets (GCAs) were 265-270 days as on March 31, 2021, against historical levels of 200 days, driven by inventory and receivables of around 80 days and 155 days, respectively. The working capital is partially supported by payables of 90 days. GCAs were high due to increase in sales during the fourth quarter of fiscal 2022.

The group provides credit of around 90 days, but customers are able to stretch it on account of their long-term relationship. Inventory is usually 60-70 days owing to easy availability of raw material and strategic location of the plant.

Large working capital requirement and moderate credit from suppliers led to a moderately leveraged capital structure, as reflected in total outside liabilities to tangible networth ratio of 2 times as on March 31, 2022.

### **Exposure to intense competition**

The textile industry is largely unorganised, as indicated by the presence of several players with small capacities. Entry barriers are low because of limited capital and technology requirement and small differentiation in the end products of different players. Also, players have limited pricing and bargaining power in case of fluctuations in raw material prices. Hence, the operating margin has been at 7-9%, leading to modest debt protection metrics, indicated by interest coverage and net cash accrual to total debt ratios of 2 times and 0.10 time, respectively, in fiscal 2022.

### **Liquidity: Adequate**

Bank limit utilisation was around 88% over the 12 months through December 2022. Moderate cushion is expected between cash accrual and debt obligation. Cash accrual is expected at Rs 32-40 crore versus repayment obligation of Rs 20-22 crore. Large working capital requirement led to higher dependence on the short-term working capital limit and on suppliers, which in turn resulted in moderately leveraged capital structure, thus limiting financial flexibility. However, the timely, need-based funds extended by the promoters and their relatives and friends will continue to boost financial flexibility.

### **Outlook: Stable**

The Aarnav group will continue to benefit from extensive experience of the promoters.

### **Rating Sensitivity Factors**

#### **Upward factors**

- Stable operating profitability
- Improvement in the bank limit utilisation and interest coverage ratio rising above 2 times

#### **Downward factors**

- Decline in the cash accrual to debt obligation ratio to below 1.4 times
- Large, debt-funded capital expenditure

### **About the Group**

AFL has proposed to merge Gopi Synthetics Ltd with other group companies (which are not rated by CRISIL Ratings), for which final approval from National Company Law Tribunal is pending. The company trades in fabrics.

Incorporated in 1984, GSPL is the flagship company of the Aarnav group. It processes (bleaching, dyeing, printing and finishing) fabrics such as suiting, shirting, dress material and dupattas and trades in grey fabrics. It also undertakes job work for other companies.

AIPL processes fabrics such as bedsheets and heavy suiting. The company has capacity to process cotton as well as polyester and blended fabrics and wider width cloth up to 120 inches. It was taken over by Mr Champalal Agarwal under a demerger scheme and given its current name. The demerger has been effective from April 2013 onwards.

ASPL was incorporated in February 2016 to size and weave cotton yarn; the unit was set up in two phases. Mr Champalal Agarwal and Mr Sandeep Agrawal are the promoters.

### **Key Financial Indicators**

Particulars	Unit	2022	2021
Revenue	Rs crore	48.29	32.49
Profit After Tax (PAT)	Rs crore	3.16	3.09
PAT margin	%	6.54	9.51
Adjusted debt/adjusted networth	Times	-	-
Interest coverage	Times	-	5827

**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](http://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 level	Rating assigned and outlook
NA	Bank Guarantee	NA	NA	NA	3.5	NA	CRISIL A3
NA	Cash Credit	NA	NA	NA	84	NA	CRISIL BBB-/Stable
NA	Inland/Import Letter of Credit	NA	NA	NA	10	NA	CRISIL A3
NA	Term Loan	NA	NA	Dec-2027	44.62	NA	CRISIL BBB-/Stable
NA	Proposed Fund-Based Bank Limits	NA	NA	NA	13.44	NA	CRISIL BBB-/Stable

#### Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Alpine Spinweave Private Limited	Full	Operational and financial fungibilities
Aarnav Industries Private Limited	Full	Operational and financial fungibilities
Aarnav Fashions Limited	Full	Operational and financial fungibilities
Gopi Synthetics Private Limited	Full	Operational and financial fungibilities

#### Annexure - Rating History for last 3 Years

Instrument	Type	Current		2023 (History)		2022		2021		2020		Start of 2020
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	142.06	CRISIL BBB-/Stable	08-02-23	CRISIL BBB-/Stable	05-09-22	CRISIL BBB-/Stable		--		--	--
						27-04-22	CRISIL BBB-/Stable		--		--	--
Non-Fund Based Facilities	ST	13.5	CRISIL A3	08-02-23	CRISIL A3	05-09-22	CRISIL A3		--		--	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Bank Guarantee	2	State Bank of India	CRISIL A3
Bank Guarantee	1.5	Punjab National Bank	CRISIL A3
Cash Credit	26	State Bank of India	CRISIL BBB-/Stable
Cash Credit	47	Punjab National Bank	CRISIL BBB-/Stable
Cash Credit	11	SVC Co-Operative Bank Limited	CRISIL BBB-/Stable
Inland/Import Letter of Credit	1.5	State Bank of India	CRISIL A3
Inland/Import Letter of Credit	8.5	Punjab National Bank	CRISIL A3
Proposed Fund-Based Bank Limits	13.44	Not Applicable	CRISIL BBB-/Stable
Term Loan	13.58	State Bank of India	CRISIL BBB-/Stable
Term Loan	12.68	SVC Co-Operative Bank Limited	CRISIL BBB-/Stable
Term Loan	18.36	Punjab National Bank	CRISIL BBB-/Stable

This Annexure has been updated on 11-Apr-2023 in line with the lender-wise facility details as on 26-Apr-2022 received from the rated entity.

## Criteria Details

<b>Links to related criteria</b>
<a href="#">The Rating Process</a>
<a href="#">Rating criteria for manufacturing and service sector companies</a>
<a href="#">CRISILs Bank Loan Ratings - process, scale and default recognition</a>
<a href="#">CRISILs Criteria for Consolidation</a>

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p><b>Aveek Datta</b> Media Relations <b>CRISIL Limited</b> M: +91 99204 93912 B: +91 22 3342 3000 <a href="mailto:AVEEK.DATTA@crisil.com">AVEEK.DATTA@crisil.com</a></p> <p><b>Prakruti Jani</b> Media Relations <b>CRISIL Limited</b> M: +91 98678 68976 B: +91 22 3342 3000 <a href="mailto:PRAKRUTI.JANI@crisil.com">PRAKRUTI.JANI@crisil.com</a></p> <p><b>Rutuja Gaikwad</b> Media Relations <b>CRISIL Limited</b> B: +91 22 3342 3000 <a href="mailto:Rutuja.Gaikwad@ext-crisil.com">Rutuja.Gaikwad@ext-crisil.com</a></p>	<p>Nitin Kansal Director <b>CRISIL Ratings Limited</b> D:+91 124 672 2154 <a href="mailto:nitin.kansal@crisil.com">nitin.kansal@crisil.com</a></p> <p>Nilesh Agarwal Associate Director <b>CRISIL Ratings Limited</b> B:+91 79 4024 4500 <a href="mailto:nilesh.agarwal1@crisil.com">nilesh.agarwal1@crisil.com</a></p> <p>Vicky Modi Manager <b>CRISIL Ratings Limited</b> B:+91 79 4024 4500 <a href="mailto:vicky.modi@crisil.com">vicky.modi@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>





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](http://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](http://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](http://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](http://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](http://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](http://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](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 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>