CRISIL Ratings

Rating Update

June 30, 2023 | Mumbai

Indo-National Ltd

Update as on June 30, 2023

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

The key rating sensitivity factors for the rating include:

Upward factors

- Higher than anticipated growth in revenues (over 8-10%) over the medium term, and operating profitability improving to 6-8%, leading to better cash generation
- Improvement in financial profile, supported by prudent capex and working capital management and better cash generation benefitting debt metrics; interest cover of over 3 times

Downward factors

- Sluggish revenue growth and operating profitability (continuing below 3-4%), impacting cash generation
- Stretched working capital cycle, or sizeable debt-funded capex leading to moderation in debt metrics (interest cover below 2-2.25 times)
- Any adverse decision on ongoing CCI case, leading to moderation in financial performance, and liquidity

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 Indo-National Ltd (INL) 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 Company
Incorporated in 1972 as a joint venture (JV) between the late Mr. P Obul Reddy and Panasonic Corporation (leading Japanese electronics company, which subsequently exited the JV in 2012), Chennai-based INL (formerly, Nippo Batteries Company Ltd) manufactures and sells dry cell batteries and trades in torches, emergency power back-up products, and LEDs.

INL is the second-largest player in the dry cell batteries industry in India, with capacity of 78.5 crore battery per annum and a market share of above 30%. INL has an established distribution network comprising exclusive distributors, 2500 exclusive stockists, 26 depots, and 17 lakh retail outlets and wholesalers. In fiscal 2016, INL acquired 44.49% stake in Kineco, which manufactures composite for Railways, aerospace, and defence. Subsequently, in fiscal 2017, INL increase its stake in Kineco to 51%. Kineco also has a 51:49 joint venture, Kineco Kaman Composites Pvt Ltd, with Kaman Aerospace Group, USA, which manufactures advanced composites for medical, aerospace, and several other industries. INL also set up 4.6 megawatt solar power plant in Polepally village, Telangana, and has entered into a power purchase agreement with Deccan Hospitals.

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

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

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

CRISIL Ratings

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.

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. 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.

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

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

CRISIL Ratings

Rating Rationale

April 25, 2023 | Mumbai

Indo-National Limited

Ratings downgraded to 'CRISIL BBB+/Negative/CRISIL A2'

Rating Action

Total Bank Loan Facilities Rated	**Rs.85 Crore**
Long Term Rating	**CRISIL BBB+/Negative (Downgraded from 'CRISIL A-/Negative')**
Short Term Rating	**CRISIL A2 (Downgraded from 'CRISIL A2+')**

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 downgraded its ratings on the bank facilities of Indo-National Limited (INL) to **'CRISIL BBB+/Negative/CRISIL A2'** from 'CRISIL A-/Negative/CRISIL A2+'

The rating action follows continued moderation in INL's business performance due to sluggish demand for dry-cell batteries, and less than estimated offtake by Indian Railways pertaining to order execution at its subsidiary, Kineco Ltd (Kineco Ltd). Besides, the company's operating profitability is estimated at 2.5-3.5% in fiscal 2023, also weaker than earlier expected, due to lower business levels, higher input prices, and stiff competitive pressures. Ergo, cash generation is expected to be lower at less than Rs.20 crores in fiscal 2023, impacting key debt metrics.

Outlook for dry cell batteries continues to remain sluggish due to availability of alternatives, narrowing price gap with alternatives, and stiff competition, including from cheap imports. CRISIL Ratings expects INL's revenue growth will continue to be modest at 7-8 % and driven by better performance of Kineco due to its healthy order book from Indian railways for supplying composite parts for Vande Bharat trains, and other turnkey projects for Garibrath and Tejas trains. Better absorption of fixed costs as a result of higher order execution, and slight softening of input costs, as well as improved product mix in battery segment, should help operating margins recover to ~4-6% over the medium term, which will still be lower compared with 10-12% registered in previous fiscals, prior to fiscal 2022. Cash accruals are expected at Rs.~20-30 crores over medium term, adequate to meet term debt repayment obligations of Rs.~7-8 crore and to fund the moderate capital expenditure (capex) and working capital requirements. Debt protection metrics, too are expected to improve, albeit gradually.

INL's revenue during 9 months of fiscal 2023 declined by 4.5% year-on year basis. This is despite 8% growth in battery and allied product revenues to partly pass on higher input prices, even as there was a 14% decline in dry cell battery volumes, due to sluggish demand and increased competitive intensity. Also, Kineco's revenues witnessed sharp contraction due to lower than estimated off take of railway rakes by Indian railways. INL's operating profitability declined by 460 basis points from 7% (9 months of fiscal 2022) to 2.3% in 9 months of fiscal 2023, despite multiple price increase in battery segment, high zinc prices, despite some moderation, weaker business levels at Kineco and due to non-availability of input pass on clauses in many of Kineco's orders. INL consequently reported a net loss of Rs.6 crore in the first 9 months of fiscal 2023, compared to a profit after tax of Rs.20 crore in the corresponding period of fiscal 2022.

The ratings continue to reflect INL's established market position and brand in the domestic dry cell batteries industry, as well as its vast distribution network, diverse revenue profile through Kineco (composites for defence, railways and aerospace), and the company's moderate financial risk profile. These strengths are partially offset by sluggish growth in the core domestic dry cell batteries business, supplier concentration risks, and susceptibility of operating profitability to volatile input prices and intense competition.

Analytical Approach

For arriving at the rating, CRISIL Ratings has consolidated the business and financial risk profile of INL and its subsidiary, Kineco Ltd and its step down subsidiaries, due to common promoters and cash flow fungibility between these entities. Bill discounting outstanding at year end has been considered as debt.

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:

Established player, with strong brand name, in dry-cell industry; revenue diversity through Kineco: With a production capacity of 80 crore batteries per annum, INL is the second-largest player in the dry-cell industry in India with a market share of around 30% (though lower compared to earlier years) and continues to benefit from its strong 'Nippo' brand. INL has diversified its product portfolio with the acquisition of Kineco in fiscal 2016 and introduction of products like LED, torches, Mosquito bats, DORCO Razor blades etc. Kineco manufacturers composites for the defence, railways and aerospace sectors and registered revenues of Rs.119 crore in 9 months of fiscal 2023. The company has an order book of Rs.150 crore, and increasing scale of operations at Kineco is expected to improve INL's revenue diversity and visibility in the medium to long term.

Wide and established distribution network: The company has an established distribution network involving exclusive distributors, 2500 stockists, 26 depots, and more than 17 lakh retail outlets and wholesalers. INL has been associated with many distributors since its inception. The distributors also assume absolute responsibility for the storage and distribution of goods. The company has also leveraged on its extensive marketing network to scale-up existing portfolio of electrical products and launch new products leveraging the strong distribution network. CRISIL Ratings believes INL will continue to capitalize on its wide distribution network and established brand image

Moderate financial risk profile: While its overall financial risk profile is moderate, INL's gearing is expected to be comfortable, at 0.57 time as on March 31, 2023. The interest coverage ratio reduced to 1.6 times in 9 months of fiscal 2023 as against 5.6 times in corresponding period of previous fiscal mainly due to steep decline in absolute operating profits to Rs.10 crore from Rs.31 crore. Going forward, only routine capex will be undertaken for modernization; albeit due to moderation in operating profitability compared with prior years, key debt metrics like interest cover will remain modest at ~2-3 times, from ~4 times in fiscal 2022. Cash generation is expected to benefit from better contribution from Kineco Ltd due to healthy order execution and better profitability from fiscal 2024, as well.

The Competition Commission of India (CCI) in its order dated April 19, 2018, imposed a penalty of Rs 42.66 Cr on INL since it has found INL, and two other companies, to have violated provisions of the Competition Act, 2002. The Company had filed an appeal against order of CCI before the National Company Law Appellate Tribunal (NCLAT) . NCLAT has granted stay on the CCI order on the condition that INL deposit 10% of the penalty amounting to Rs.4.22 crore which was deposited with the registry (through fixed deposit) within the due date as stipulated by NCLAT. While the matter is subjudice, any additional debt raised to meet obligations in the event of an adverse ruling, will exert pressure on debt metrics, and will be a rating sensitivity factor.

Weaknesses:

Sluggish revenue growth in core dry cell battery business: INL's revenue from battery and consumer product segment registered a 8% increase to Rs.310 crore in 9 months of fiscal 2023, mainly driven by price hikes. Sale volumes for dry cell batteries, biggest segment, were impacted due to decline in demand for covid related gadgets, various battery operated gadgets switching to rechargeable products and increase in competitive pressure; consequently, dry cell battery volumes declined by 14% in 9 months of fiscal 2023. Demand is expected to remain sluggish in the near to medium term as well, due to narrowing price gap with alternatives, and cheap imports.

Susceptibility of operating profitability to raw material price volatility and intense competition: Raw material accounts for ~60 % of total cost of sales. The company purchases zinc based on prices on London Metal Exchange and sources its monthly requirements both at spot and monthly average prices. Any steep increase in zinc prices will impact the company's profitability given the intense competition in the industry and limited pricing flexibility. The largest player in the industry, Eveready Industries India Ltd, has also made a strong comeback in the dry cell battery segment, under a new management, and along with the other peer, Panasonic India, has intensified competition pressures.

Kineco Ltd which is into manufacturing of composite materials for Railways, also faces pricing pressures. Fixed nature of pricing contracts with Indian Railways impacts its profitability in the event of higher input prices, impacting the overall margins. Besides, order execution can also witness volatility, depending on schedules shared by Indian Railways.

Supplier concentration risk: Zinc, which constitutes about 30% of INL's raw material is sourced entirely from Hindustan Zinc Ltd (Hindustan Zinc; rated 'CRISIL AAA/Stable/CRISL A1+').This, exposes INL to supplier concentration risk and may affect its price-negotiation capabilities. However, this is partly offset by INL's established business relationship, going back to more than a decade, with Hindustan Zinc, and long-term contract for supply of zinc.

Liquidity: Adequate

Liquidity is adequate driven by annual accruals of Rs.20-30 crore which is sufficient for meeting repayment obligations of Rs.7 crore and Rs. 8 crore per annum for fiscal 2023 & 2024 respectively. Further company does not have any major capex in medium term; routine annual capex will be funded from accruals. The company has adequate cushion in the form of bank limits of Rs.85 crores which was utilized at 38% for the 12 month period till October 2022, to meet incremental working capital needs.

Outlook: Negative

Improvement in INL's business performance will be contingent on ability to enhance product mix in the dry cell battery segment, healthy order execution by Kineco and continuing cost efficiency measures. The company's financial risk profile is also expected to remain moderate due to modest operating profitability and cash generation.

Rating Sensitivity factors

Upward factors

- Higher than anticipated growth in revenues (over 8-10%) over the medium term, and operating profitability improving to 6-8%, leading to better cash generation
- Improvement in financial profile, supported by prudent capex and working capital management and better cash generation benefitting debt metrics; interest cover of over 3 times

Downward factors

- Sluggish revenue growth and operating profitability (continuing below 3-4%), impacting cash generation
- Stretched working capital cycle, or sizeable debt-funded capex leading to moderation in debt metrics (interest cover below 2-2.25 times)
- Any adverse decision on ongoing CCI case, leading to moderation in financial performance, and liquidity

About the Company

Incorporated in 1972 as a joint venture (JV) between the late Mr. P Obul Reddy and Panasonic Corporation (leading Japanese electronics company, which subsequently exited the JV in 2012), Chennai-based INL (formerly, Nippo Batteries Company Ltd) manufactures and sells dry cell batteries and trades in torches, emergency power back-up products, and LEDs.

INL is the second-largest player in the dry cell batteries industry in India, with capacity of 78.5 crore battery per annum and a market share of above 30%. INL has an established distribution network comprising exclusive distributors, 2500 exclusive stockists, 26 depots, and 17 lakh retail outlets and wholesalers. In fiscal 2016, INL acquired 44.49% stake in Kineco, which manufactures composite for Railways, aerospace, and defence. Subsequently, in fiscal 2017, INL increase its stake in Kineco to 51%. Kineco also has a 51:49 joint venture, Kineco Kaman Composites Pvt Ltd, with Kaman Aerospace Group, USA, which manufactures advanced composites for medical, aerospace, and several other industries. INL also set up 4.6 megawatt solar power plant in Polepally village, Telangana, and has entered into a power purchase agreement with Deccan Hospitals.

Key Financial Indicators

As on / for the period ended March 31		2022	2021
Revenue	Rs crore	570	532
Profit after tax (PAT)	Rs crore	13	23
PAT margin	%	2.3	4.3
Adjusted debt/adjusted net worth	Times	0.55	0.63
Interest coverage	Times	3.95	5.7

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 assigned with outlook
NA	Cash Credit*	NA	NA	NA	65	NA	CRISIL BBB+/Negative
NA	Proposed Short Term Bank Loan Facility	NA	NA	NA	20	NA	CRISIL A2

**Interchangeable with short term debt and Bill discounting facility.*

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Kineco Limited	Fully Consolidated	Strong business and financial linkages

Annexure - Rating History for last 3 Years

	Current			2023 (History)		2022		2021		2020		Start of 2020
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT/ST	85.0	CRISIL BBB+/Negative / CRISIL A2		--	20-12-22	CRISIL A2+ / CRISIL A-/Negative		--	19-10-20	CRISIL A/Stable	CRISIL A1 / CRISIL A/Stable
			--		--	27-01-22	CRISIL A1 / CRISIL A/Stable		--	31-08-20	CRISIL A1 / CRISIL A/Stable	CRISIL A1

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit&	**30**	**HDFC Bank Limited**	**CRISIL BBB+/Negative**
Cash Credit&	**35**	**The Hongkong and Shanghai Banking Corporation Limited**	**CRISIL BBB+/Negative**
Proposed Short Term Bank Loan Facility	**20**	**Not Applicable**	**CRISIL A2**

This Annexure has been updated on 25-Apr-2023 in line with the lender-wise facility details as on 17-Aug-2021 received from the rated entity.

& - Interchangeable with short term debt and Bill discounting facility

Criteria Details

Links to related criteria
CRISILs Approach to Financial Ratios
Rating criteria for manufaturing and service sector companies
CRISILs Bank Loan Ratings - process, scale and default recognition
CRISILs Criteria for rating short term debt
CRISILs Criteria for Consolidation

Media Relations	Analytical Contacts	Customer Service Helpdesk
Aveek Datta Media Relations **CRISIL Limited** M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com **Prakruti Jani** Media Relations **CRISIL Limited** M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com **Rutuja Gaikwad** Media Relations **CRISIL Limited** B: +91 22 3342 3000 **Rutuja.Gaikwad@ext-crisil.com**	Anuj Sethi Senior Director **CRISIL Ratings Limited** B:+91 44 6656 3100 anuj.sethi@crisil.com Poonam Upadhyay Director **CRISIL Ratings Limited** B:+91 22 3342 3000 poonam.upadhyay@crisil.com ARUN KUMAR Manager **CRISIL Ratings Limited** B:+91 44 6656 3100 ARUN.KUMAR1@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com For Analytical queries: ratingsinvestordesk@crisil.com

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.

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