CARE Ratings
Professional Risk Opinion

CARE/CRO/RL/2021-22/1253

Shri V.G.K. Prasad
Managing Director
IKF Finance Limited
40-1-144, 3rd floor, Corporate centre,
MG Road, Vijayawada
Andhra Pradesh (New) 500010

September 28, 2021

Confidential

Dear Sir,

Credit rating for proposed Principal protected market linked debenture issue

Please refer to your request for rating of proposed Principal protected market linked debenture issue aggregating to Rs.30 crore of your company. The proposed Principal protected market linked debenture would have tenure of upto 24 months.

2. The following ratings have been assigned by our Rating Committee:

S. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1	Principal Protected Market Linked Debenture issue (Proposed)	30	**CARE PP-MLD A; Stable** (Principal Protected - Market Linked Debenture Single A; Outlook: Stable)	Assigned
	Total Instruments	**30 (Rs. Thirty crore only)**		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is September 28, 2021).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the subordinated debt issue, including the offer document and the trust deed.

7. The rationale of the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure - I**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by September 29, 2021, we will proceed on the basis that you have no any comments to offer.

8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

11. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

12. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours Faithfully,

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Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure-II
Press Release
IKF Finance Limited

Ratings

Facilities/Instruments	Amount (Rs. Crore)	Ratings[2]	Rating Action
Long-term Bank Facilities	1,200 (enhanced from 1,065)	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Total Facilities	**1,200 (Rs. One thousand two hundred crore only)**		
Non-Convertible Debenture - I	-	-	Withdrawn
Non-Convertible Debenture - V	6 (reduced from 10.50)	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Non-Convertible Debenture - VI	50 (reduced from 100)	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Non-Convertible Debenture - VII	125	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Non-Convertible Debenture - VIII	30	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Non-Convertible Debenture - IX	50	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Non-Convertible Debenture - X	50	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Subordinated Debt - I	25	**CARE A; Stable** [Single A; Outlook: Stable]	Reaffirmed
Subordinated Debt - Principal Protected Market linked debenture	30	**CARE PP-MLD A; Stable** [Principal Protected - Market Linked Debenture Single A; Outlook: Stable]	Assigned
Total Long-term Instruments	**366 (Rs. Three hundred sixty-six crore only)**		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The rating assigned to the bank facilities and various debt instruments of IKF Finance Limited (IKF) continue to derive strength from experienced promoters and management team with a balanced growth & risk policy adopted by the company, long and established track record of operations in the lending business with a strong brand image, seasoned and gradual growth in portfolio over the past several years, diversified resource & funding profile, well-defined credit and recovery policy with strong collection systems adopted, comfortable capital adequacy supported by periodic equity infusion and healthy profitability indicators.

The rating is constrained by regional concentration of the portfolio, relatively moderate scale of operations, inherent risks associated with its borrower profile mostly being self-employed in the informal segment, exposure to higher ticket SME Segment, moderate asset quality along with higher delinquencies in the softer buckets and competitive nature of industry.

CARE Ratings has withdrawn the rating assigned to the Non-Convertible debenture issue - I of IKF Finance Limited with immediate effect, as the company has repaid the aforementioned Non-Convertible debenture issue in full and there is no amount outstanding under the issue as on date.

Rating Sensitivities

Positive Factors - Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Sustainable improvement in asset quality along with improvement in delinquencies in softer buckets
- Growth in scale of operations with expansion of portfolio and networth base while maintaining profitability and capitalisation at comfortable levels

Negative Factors - Factors that could, individually or collectively, lead to negative rating action/downgrade:

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

- Deterioration in the asset equality with the GNPA above 6% and there by impacting profitability for an extended period
- Deviation of portfolio ageing from historical levels for an extended period
- Moderation of the capital structure with weakening of overall gearing ratio to more than 4.5 times on a sustainable basis
- Aggressive growth/migration of portfolio to segments which lack seasoning benefits
- Deviation in envisaged portfolio contribution from relatively riskier SME segment

Detailed description of the key rating drivers

Key Rating Strengths

Established track record and experienced management team

IKF has a long track record of about three decades in the vehicle financing segment. Mr V.G.K. Prasad (Managing Director) has established experience of more than three decades and the business operations of IKF has benefited from his long-established track record in the auto finance segment and the vast industry network developed over the years. He has also been associated with various other Industry Associations and has been the President of Federation of Indian Hire Purchase Associations (FIHPA). The second generation has taken over the business operations in a large way with Ms. K Vasumathi Devi, Executive Director (daughter of Mr V.G.K. Prasad) handling Business, Credit, Collections, HR & IT operations. They are well supported by a team of qualified and experienced management team.

Well-defined credit policy and improving MIS system

IKF has presence in commercial vehicle, construction equipment, and three-wheeler/four-wheeler segments and SME financing segment as well and has a well-defined credit policy for each of the segment. With a view to manage the growing scale of operation and exposure in each of the segment, the company has been improving its technology platform. Its loan origination and credit appraisal processes are now tab-based, resulting in improved efficiency and better underwriting process. The company has implemented a customized mobile collection module (tab-based system) software for ease of underwriting process and to ensure lower turn-around time.

IKF has strengthened its collection system by establishing stringent collection processes with early delinquency checks, establishing bucket-wise collection, and strengthening its collection team by hiring professionals with substantial experience in the domain. Also, IKF prefers to sells its repossessed vehicles to its existing customers rather than auctioning to reduce the loss on sale of repossessed Assets.

Healthy profitability profile

During FY21, IKF reported a PAT of Rs.32 crore on a total income of Rs.204 crore as against a PAT of Rs.28 crore on a total income of Rs.206 crore during FY20.

With the decline in yield on Advances from 17.17% in FY20 to 15.09% in FY21 and increased cash position maintained by the company, NIM moderated from 7.21% in FY20 to 6.12% in FY20. Owing to the lockdown because of Covid-19, opex to average total assets improved to 2.49% in FY21 from 2.78% in FY20. The improvement in opex ratio is also because of the increase in AUM per branch.

With the view of Covid-19, IKF has provided additional provision during FY20 and IKF has written back the provision amounting to Rs.4.30 crore during FY21. Because of the same, Credit cost improved from 1.26% in FY20 to 0.43% in FY21 despite higher write-off of Rs.10.74 crore in FY21 as against Rs.5.42 crore in FY20. ROTA remained at 2.12% during FY21 as against 2.14% during FY20.

During Q1FY22, IKF reported a PAT of Rs.9 crore on a total income of Rs.54 crore as against a PAT of Rs.8 crore on a total income of Rs.53 crore during Q1FY21. NIM and ROTA during Q1FY22 stood at 6.15% and 2.15% as against 6.54% and 2.36% in Q1FY21.

Moderately diversified resource profile with inclination towards banks

Bank borrowings was the key source of funding for IKF and the company has a cash credit limits of Rs.287 crore from various banks as on June 30, 2021. IKF has raised Rs.100 crore under TLTRO 2.0 and Rs.205 crore under PCG 2.0 during FY21 and because of the same, bank borrowings (TL, CC & NCD) increased significantly from 63% as on March 31, 2020 to 81% as on March 31, 2021.

Borrowings as term loan from Banks and NBFC & FI stood at 35.45% and 7.57% as on March 31, 2021 as against 42.55% and 12.33% as on March 31 2020. Share of Cash Credit from Banks stood at 21.11% as on March 31, 2021 as against 20.09% as

on March 31, 2020. Borrowings through NCD, Sub-debt and PTC stood at 26.86%, 3.59% and 5.43% as on March 31, 2021 as against 5.78%, 4.71% and 14.55% respectively.
As on June 30, 2021, Term loan from Banks and NBFC & FI stood at 35.65% and 6.47%, followed by cash credit (26.21%), NCD (23.92%), PTC (3.90%) and Sub-debt (3.85%).

Comfortable capitalization
Aided by regular capital infusion by promoters and PE investors, over the last few years, IKF has been able to maintain capital adequacy at comfortable levels.
With the equity infusion of Rs.10 crore from promoters and moderate portfolio growth in FY21, CAR and Tier I CAR has improved to 23.66% and 21.50% as on March 31, 2021 from 21.19% and 19.54% as on March 31, 2020. Further, during FY21, IKF has raised subordinated debt of Rs.25 crore and because of the same, Tier II Capital has also improved. Overall gearing as on March 31, 2021 stood at 3.71x as against 3.62% as on March 31, 2020.
With Nil growth in AUM during Q1FY22 and internal accruals, CAR and Tier I CAR improved to 26.67% and 23.10% as on June 30, 2021 with a gearing of 3.36x.

Key Rating Weaknesses
Modest scale of operations
IKF has been in the vehicle finance business since 1991, despite having a track record close to three decades, the size of operation remained moderate with an Asset Under Management (AUM) of Rs.1,489 crore as on March 31, 2021. Though being modest in size, the company has been able to register continuous growth with comfortable capitalization.
Over the last three years ended March 31, 2021, IKF has grown at a CAGR of 13% from Rs.1,032 crore as on March 31, 2018 to Rs.1,489 crore (PY: Rs.1,315 crore) as on March 31, 2021 including a reported growth of 13% during FY21.
Disbursements during FY21 moderated to Rs.595 crore from Rs.745 crore during FY20 majorly because of disruptions in business operation on account of Covid-19. It is to be noted that 75% of the FY21 disbursements was made during H2FY21.
AUM as on March 31, 2020 is mainly spread across 4 major products namely Commercial Vehicle (CV 33.00%), Construction Equipment (16.96%), CARs and MUVs (20.96%) and SME segment (13.72%) which together account for 85% of AUM. The company has largely a seasoned portfolio with long presence in CV segment. Hence, any large deviation from same to any other asset class would be a key monitorable.

Geographical concentration of portfolio
IKF expanded its operations over the last few years by setting up branches in new geographies and the company is operating in nine states covering Andhra Pradesh, Telangana, Gujarat, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, Kerala, and Rajasthan through 82 branches (as on March 31, 2021). Nevertheless, the portfolio is concentrated in South India (5 states) with 66% of the AUM as on March 31, 2021 as against 70% of AUM as on March 31, 2020. Home state of IKF, Andhra Pradesh and Telangana constituted around 50% of the AUM as on March 31, 2021 against 56% as on March 31, 2020.
IKFs portfolio is expected to remain concentrated in the South India states, especially in Andhra and Telangana in the medium term. Also, the company has added 7 new branches in FY21 majorly in Andhra Pradesh and Telangana region. The ability of the company to manage the growing scale of operations and operational efficiencies as it opens new branches/enters new geographies to grow the portfolio while maintaining good asset quality would be a key rating factor.

Exposure to SME Financing
IKF had been expanding its presence in the SME financing segment over the last few years, with the same contributing 13.72% of the AUM as on March 31, 2021 (PY: 16.73%) reduced from 21.80% as on March 31, 2019, in line with the management strategy to reduce the exposure. The management as per its strategy has been reducing the exposure which along with higher advances being given by the banks to SME segment at relatively better rates has also reduced the proportion of SME financing. For IKF, the segment is backed by high security cover of about 1.4x (primary & collateral put together).

Moderate asset quality characterized by high delinquency in softer buckets
Gross and Net Stage III slightly increased from 2.69% and 1.97% as on March 31, 2020 to 2.98% and 2.19% as on March 31, 2021 despite higher write-off of Rs.10.74 crore during FY21 (PY: Rs.5.42 crore). Provision coverage stood at 28.25% as on March 31, 2021 as against 28.78% as on March 31, 2021. 90+ of products such as Cars & MUVs, Commercial Vehicles has increased significantly during FY21 from 2.36% and 1.55% as on March 31, 2020 to 3.84% and 3.51% as on March 31, 2021.

Delinquency in the softer buckets continue to remain high and 0+ has increased to 44.99% as on March 31, 2021 from 42.91% as on March 31, 2020. Because of the same, Stage I Assets, moderated from 62.73% as on March 31, 2020 to 57.27% as on March 31, 2021 and it moderated further to 48.64% as on June 30, 2021. However, with the company's better collection efforts and repossession activities, 90+ of IKF continues to remain under control.
With the outbreak of second wave of Covid-19, Gross and Net Stage III increased further to 3.88% and 2.96% as on June 30, 2021. Provision coverage as on June 30, 2021 stood at 25.51%.

Industry Outlook and Prospects

Commercial vehicle sector was expected to face challenges as lesser movement of vehicles translated to weak earnings for fleet operators in the beginning of FY22. Construction equipment and MHCVs involved in transporting of non-essential commodities and construction are likely to face revenue losses during the lockdown period. However, in view of the GoI's push to ensure the supply of essential commodities, it is expected that vehicles involved in transporting essential commodities will be able to continue the business. Thus, a large portion of LCVs (used in intra-state movement) and some portion of MHCVs (used in inter-state movement) are expected to be functional during the lockdown. However, the impact due to lower industrial and infrastructure-related activities could be adverse on this segment.
Financiers who provide loans to MSME units generally tend to rely on assessment of the estimated (surrogate) cash flows and offer loans at high yield. Lockdowns, disruptions in supply chain and impact on large industries would increase immediate delinquencies in this segment. However, secured MSME loans with collateral security (Property, machinery, etc.) and longer tenure may have the time for eventual recovery and may be more immune to the economic shocks compared to unsecured ones. The impact could vary across sub-segments and ticket sizes.
The outlook for non-banking finance companies (NBFCs) and HFCs has turned negative due to Covid-19 outbreak. The sector which grappled with liability side disruptions could see another wave of challenges, this time in the form of asset quality. While asset quality of NBFCs has witnessed moderation in FY20 and FY21, the impact of second wave of COVID-19 on the asset quality remains to be seen.

Impact of Covid-19

During the first wave of Covid-19, collection efficiency (Total collection / Monthly demand) moderated to a low of 17% during April 2021 and it regained to 100% in September 2020. However, During the second wave of COVID-19, it moderated to a low of 87% and 90% in April and May 2021 and it regained immediately to 106% in June 2021. The complete impact on asset quality and profitability because of the second wave remains to be seen. IKF's performance post first wave in controlling 90+ and liquidity position adds comfort.

Liquidity: Adequate

IKF's ALM stood adequate with no negative cumulative mismatch in any of the time buckets upto 1 year as on June 30, 2021 due to the relatively short nature of its loans as against longer tenure of its borrowings. As on July 31, 2021, the company has unavailed lines of credit (including unutilized CC of Rs.32 crore) of Rs.207 crore and assets available for securitisation stood at Rs.150 crore.
During FY21, IKF has availed Rs.175 crore through Term Loan, Rs.305 crore through NCD (under TLTRO 2.0 & PCG) and Rs.35 crore WCDL facility from banking system, Rs.75 crore from SIDBI and Rs.25 crore through Sub-debt from a NBFC. The ability of the company to mobilize funds from the banks at a competitive rate with improved incremental cost of borrowings adds comfort.

Analytical approach: Standalone

Applicable Criteria

Criteria on assigning 'Outlook' and 'Credit Watch' to Credit Ratings
CARE's Policy on Default Recognition
Financial Ratios-Financial Sector
CARE's Rating Methodology for Non-Banking Finance Companies (NBFCs)
Rating Methodology - Market linked Notes
Policy on Withdrawal of Ratings

About the Company

Incorporated in 1991 as Indra Keela Financiers Private Limited, IKF is registered as an asset financing company and non-deposit taking NBFC with RBI, and is primarily engaged in the business of vehicle and SME segment financing. The company

also provides loan to smaller NBFCs. As on March31, 2021, IKF has presence across nine states viz. Andhra Pradesh, Telangana, Gujarat, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, Kerala, and Rajasthan through 82 branches and an employee base of 615.

The company is promoted by Mr V.G.K. Prasad (Managing Director), who has more than three decades of experience in the industry. As on March 31, 2021, Promoters hold 56.17% followed by two funds (India Business Excellence Fund II - 14.82% and IIA- 24.78%) managed by Motilal Oswal Private Equity (MOPE), the Private Equity (PE) arm of Motilal Oswal Financial Services Limited and the rest by others.

IKF has a subsidiary, IKF Home Finance Limited (IKFHF), with a shareholding of 84.31% (rest by the promoters) as on March 31, 2021. It is primarily engaged in providing home loan products/refinance solutions with an AUM of Rs.288 crore and a branch network of 23 spread across 5 states as on March 31, 2021.

Brief Financials (Rs. Crore)	FY20 (A)	FY21 (A)
Total Operating Income	206	204
PAT	28	32
Interest Coverage (Times)	1.33	1.38
Total Assets	1,380	1,623
Net NPA/stage III (%)	1.97	2.19
ROTA (%)	2.14	2.12

A - Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Complexity level of various instruments: Please refer Annexure-3

Covenants of rated instrument / facility: Please refer Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	Mar 2026	800.00	CARE A; Stable
Fund-based - LT-Cash Credit	-	-	-	-	400.00	CARE A; Stable
Debentures-Non Convertible Debentures-I	-	-	-	-	0.00	Withdrawn
Debentures-Non Convertible Debentures-V	INE859C08046	Jun 25, 2019	12.15%	Jun 24, 2022	6.00	CARE A; Stable
Debentures-Non Convertible Debentures-VI	INE859C07063	Jul 22, 2020	10.25%	Apr 21, 2023	50.00	CARE A; Stable
	INE859C07055	-	-	-	0.00	Withdrawn
Debentures-Non Convertible Debentures-VII	INE859C07071	Aug 20, 2020	9.10%	Feb 20, 2022	30.00	CARE A; Stable
	INE859C07089	Aug 27, 2020	9.25%	Feb 27, 2022	25.00	CARE A; Stable
Debentures-Non Convertible Debentures-VIII	INE859C07097	Sep 18, 2020	9.25%	Mar 18, 2022	100.00	CARE A; Stable
Debentures-Non Convertible Debentures-IX	INE859C07105	Dec 31, 2020	9.20%	Jun 30, 2022	50.00	CARE A; Stable
Debentures-Non Convertible Debentures-X	Proposed	-	-	-	50.00	CARE A; Stable
Debt-Subordinate Debt	INE859C08079	Jan 19, 2021	13.25%	Jul 20, 2026	25.00	CARE A; Stable
Debentures-Market Linked Debentures	Proposed	-	-	-	30.00	CARE PP-MLD A; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in	Date(s) & Rating(s) assigned in	Date(s) & Rating(s) assigned in	Date(s) & Rating(s) assigned in

					2021-2022	2020-2021	2019-2020	2018-2019
1	Fund-based - LT-Cash Credit	LT	400.00	CARE A; Stable	-	1)CARE A; Stable (07-Oct-20)	1)CARE A; Stable (17-Mar-20) 2)CARE A; Stable (01-Apr-19)	1)CARE A; Stable (04-Mar-19)
2	Commercial Paper	ST	-	-	-	-	1)Withdrawn (11-Mar-20) 2)CARE A1 (23-Aug-19)	1)CARE A1 (04-Mar-19)
3	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE A; Stable (07-Oct-20)	1)CARE A; Stable (17-Mar-20)	1)CARE A; Stable (04-Mar-19)
4	Fund-based - LT-Term Loan	LT	800.00	CARE A; Stable	-	1)CARE A; Stable (07-Oct-20)	1)CARE A; Stable (17-Mar-20) 2)CARE A; Stable (01-Apr-19)	1)CARE A; Stable (04-Mar-19)
5	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	-	1)Withdrawn (01-Apr-19)	1)CARE A1 (04-Mar-19)
6	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (07-Oct-20)	1)CARE PP-MLD A; Stable (17-Mar-20)	1)CARE PP-MLD A; Stable (04-Mar-19)
7	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (17-Mar-20)	1)CARE A; Stable (04-Mar-19)
8	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (17-Mar-20)	1)CARE A; Stable (04-Mar-19) 2)CARE A-; Stable (09-Jul-18)
9	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (07-Oct-20)	1)CARE A; Stable (17-Mar-20) 2)CARE A; Stable (01-Apr-19)	-
10	Debentures-Non Convertible Debentures	LT	6.00	CARE A; Stable	-	1)CARE A; Stable (07-Oct-20)	1)CARE A; Stable (17-Mar-20) 2)CARE A; Stable (26-Jun-19)	-
11	Commercial Paper	ST	-	-	-	-	1)Withdrawn (11-Mar-20)	-
12	Debentures-Non Convertible Debentures	LT	50.00	CARE A; Stable	-	1)CARE A; Stable (07-Oct-20) 2)CARE A; Stable (12-Jun-20)	-	-
13	Debentures-Non Convertible Debentures	LT	125.00	CARE A; Stable	-	1)CARE A; Stable (07-Oct-20) 2)CARE A;	-	-

						Stable (20-Jul-20)		
14	Debentures-Non Convertible Debentures	LT	30.00	CARE A; Stable	-	1)CARE A; Stable (07-Oct-20) 2)CARE A; Stable (24-Aug-20)	-	-
15	Debentures-Non Convertible Debentures	LT	50.00	CARE A; Stable	-	1)CARE A; Stable (31-Dec-20)	-	-
16	Debentures-Non Convertible Debentures	LT	50.00	CARE A; Stable	-	1)CARE A; Stable (31-Dec-20)	-	-
17	Debt-Subordinate Debt	LT	25.00	CARE A; Stable	-	1)CARE A; Stable (31-Dec-20)	-	-
18	Debentures-Market Linked Debentures	LT	-	-	1)Provisional CARE PP-MLD A; Stable (25-Jun-21)	-	-	-
19	Debentures-Market Linked Debentures	LT	30.00	CARE PP-MLD A; Stable				

Annexure-3: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Debentures-Market Linked Debentures	Complex
2	Debentures-Non Convertible Debentures	Simple
3	Debt-Subordinate Debt	Simple
4	Fund-based - LT-Cash Credit	Simple
5	Fund-based - LT-Term Loan	Simple

Annexure-4: Detailed explanation of covenants of the rated instrument / facilities

		Detailed explanation
i	The capital adequacy ratio (as defined in NBFC regulation) shall be above 18% at all point of time	-
ii	The GNPA in a financial year shall not exceed 7% of the borrower's Gross loan portfolio	-
iii	The ratio of Financial Indebtedness to Equity shall not exceed 6x	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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