

Satin Housing Finance Limited

September 30, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long term Bank Facilities	8.85 (reduced from 13.73)	CARE BBB+ (CE); Stable [#] [Triple B Plus (Credit Enhancement); Outlook: Stable]	Reaffirmed
Long term Bank Facilities (Proposed)	41.15 (enhanced from 36.27)	Provisional CARE BBB+ (CE); Stable [@] Provisional Triple B Plus (Credit Enhancement); Outlook: Stable]	Reaffirmed
Total Facilities	50.00 (Rs. Fifty crore only)		
Subordinate Debt	20.00 (Rs. Twenty crore only)	CARE BBB; Stable (Triple B; Outlook: Stable)	Reaffirmed

Details of instruments/facilities in Annexure-1

[#]Based on credit enhancement in the form of Letter of Comfort issued by Satin Creditcare Network Limited (SCNL)

[@]Based on the proposed credit enhancement in the form of Letter of Comfort to be provided by SCNL

Unsupported Rating ²	CARE BBB; Stable (Triple B; Outlook: Stable)
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Note : Unsupported Rating does not factor in the explicit credit enhancement

Detailed Rationale & Key Rating Drivers for the credit enhanced debt

The rating assigned to the bank facilities of Satin Housing Finance Limited (SHFL), wholly owned subsidiary of Satin Creditcare Network Limited (SCNL; rated CARE A-; Stable, BBB+ [RPS]; Stable/CARE A1) is supported by credit enhancement in the form of existing/ proposed Letter of Comfort (LoC) by its parent. SCNL has shown commitment towards SHFL's operations in the form of Letter of Comfort for honouring debt obligations of SHFL on due date. The LoC, though irrevocable, valid and binding on SCNL cannot be constructed as a guarantee and has no legal binding on the parent to make good of the liabilities. However, given the written articulation of support coupled with name sharing, strong financial and management backing from the parent, there is a strong moral obligation on SCNL to honour the terms of LoC.

Detailed Rationale & Key Rating Drivers of Satin Creditcare Network Limited

The ratings assigned to the bank facilities and instruments of Satin Creditcare Network Limited (SCNL; rated CARE A-; Stable/ CARE BBB+ (RPS); Stable/ CARE A1) draws comfort from the long-standing experience of the promoter, demonstrated ability to raise capital, company's stated intent to maintain adequate capitalization levels well above the regulatory requirement, diversified resource base and comfortable liquidity position. The ratings also take into consideration the established track record of operations and risk management systems in place which allow real time monitoring of operations. The ratings also factor in the profitable operations in FY20, restoration of asset quality post demonetization to a large extent and reducing geographical concentration risk with expansion into new territories/regions.

The ratings are however constrained by relatively weak asset quality with GNPA / Stage 3 assets to AUM of 2.40% as on June-20 and reduction in ECL provisioning against the same from 62% as on Mar-18 to 29% as on June-20, increase in delinquencies in Q2FY20 following floods / excessive rainfall in few states, impact on repayments of MFIs including SCNL in few districts of Assam since Sept-19 following protests by the local unions, increase in first cycle loans in the overall loan book following expansion into new territories as against the traditional Hindi speaking belt where SCNL has long standing experience of operations. Also, concentration in Uttar Pradesh (single largest state and region most impacted post demonetization) was 25.05% as on June-20. The ratings of SCNL also continue to account for the inherent risk involved in the microfinance industry including unsecured lending; cash based operations and socio-political intervention risk. Additionally, CARE takes note unprecedented situation of COVID-19 outbreak that has led to elevated risk aversion in general and particularly with respect to microfinance sector owing to uncertainty arising from unsecured lending to customers with weaker credit profiles.

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

² As stipulated vide SEBI circular no SEBI/ HO/ MIRSD/ DOS3/ CIR/ P/ 2019/ 70 dated June 13, 2019. As per this circular, the suffix 'CE' (Credit Enhancement) is assigned to the ratings with explicit external credit enhancement, against the earlier used suffix 'SO' (Structured Obligation).

The ability of the company to improve its asset quality and limit the credit losses while maintaining comfortable capital structure and gearing levels, grow its portfolio while continuing to diversify its presence and maintaining consistent profitability are key rating sensitivities.

Key Rating Drivers of Satin Housing Finance Limited

Satin Housing Finance Limited (SHFL) incorporated in April 2017, is a wholly owned subsidiary of Satin Creditcare Network Limited and draws comfort from the strong promoters in SCNL having long track record of operations and strong investor base. The rating of SHFL is also supported by the comfortable capitalization levels backed by regular capital infusion by SCNL, good asset quality, underwriting systems and processes and comfortable liquidity position. SHFL's profile is however constrained by the short track record of operations, small albeit growing loan book, loss making operations due to lack of scale and growing operations, unseasoned loan with exposure to vulnerable borrower segment.

The ability of the company to maintain comfortable capital structure and gearing levels, improve its asset quality, limit the credit losses and maintain consistent profitability while geographically diversifying and increasing its scale of operations are key rating sensitivities.

Rating Sensitivities (SCNL)

Positive factors - Factors that could lead to positive rating action/upgrade:

- Growth in loan book with geographical diversification of operations
- Improvement in profitability indicators with Adj. ROTA being 2.5% on sustained basis
- Maintain adequate capitalization levels well above the regulatory requirement of 15% while maintaining net adjusted gearing at less than 4 times on a sustained basis

Negative factors - Factors that could lead to negative rating action/downgrade:

- Deterioration in asset quality leading to substantial increase in credit losses thereby impacting the profitability and capitalization levels
- Increase in adjusted net gearing levels beyond 5 times
- Decline in cash surplus and liquidity buffers beyond a threshold which could impact the risk absorption ability

Detailed description of the key rating drivers

Key Rating Strengths

Long track record of the company, strong investor base and experienced promoter and management

Based out of Delhi, SCNL is the leading microfinance institution (NBFC-MFIs) that has been carrying out individual lending activities since 1990. The company entered into microfinance lending in 2008 and has gained reasonable experience in the group lending business emerging as the 2nd largest NBFC-MFI in the country in terms of Assets under Management (AUM). As on June 30, 2020, SCNL's standalone AUM stood at Rs 7181 crore, up 11% Y-o-Y while the consolidated AUM (including that of its subsidiaries) stood at Rs 8,119 crore, up 14% Y-o-Y.

SCNL has an eleven-member Board of Directors comprising of two promoter directors, three directors nominated by investors and six independent directors. The operations of the company are headed by the promoter, Mr H P Singh, the Chairman and Managing Director of the company who is supported by a management team having rich experience in the financial services and microfinance sector. As on September 01, 2020, the promoter shareholding stood at 37.89%, up from 30.19% as on June 30, 2020. This increase in promoter shareholding has been after the rights issue of Rs. 120 crore completed in August 2020. Additionally, SCNL has a diversified investor base consisting of banks, mutual funds and Foreign Portfolio Investors/Financial Institutions viz. Asian Development Bank, Kora Investments, NMI Fund, SBI FMO Emerging Asia Financial Sector Fund Pte Ltd, Morgan Stanley Mauritius Company Ltd, Morgan Stanley (Investments) Mauritius Ltd, IndusInd Bank and IDFC First Bank.

Demonstrated ability to raise equity capital and comfortable regulatory capital levels

There has been improvement in capital structure of SCNL with the company having raised capital in seven rounds of equity infusion from marquee investors. The company raised Rs 250 crore from QIP in October 2016 and Rs 150 crore from large domestic mutual funds in October 2017. This along with positive internal accruals led to networth base of SCNL increasing by 30% Y-o-Y from Rs.1,118 crore as on Mar-19 to Rs.1449 crore as on March-20. The capitalization profile of SCNL is comfortable with CAR and Tier-I CAR of 31.09% and 23.67% as on June-20 as against 28.49% and 19.94% respectively as on Mar-19. On August 12, 2020, SCNL launched its maiden rights issue of Rs 120 crore for eligible equity shareholders of the company in the ratio 48:125. The issue size was up to Rs. 120 Crores at Rs. 60 per fully paid-up Equity Share of face value of Rs. 10 each including a premium of Rs. 50 per Equity Share to be paid in multiple calls. This will further augment company's capital base and provide more headroom to support loan growth.

Also, with company reducing its on-book debt (down Rs.560 crore) owing to significant assignment of loans and buildup of BC book during the year (36% of the AUM as on Dec-19 as against 30% as on March-19), the adjusted overall gearing (*i.e. ratio of debt including securitized portfolio and preference share capital and credit enhancement for its subsidiaries to net worth reduced by DTA, Intangible assets, investments in subsidiaries and 7.5% FLDG on the BC portfolio*) has reduced from 6.95x as on Sept-18 to 4.67x as on March 31, 2020. The net adjusted gearing (adjusted for the cash and bank balance and liquid investments and accounting for assigned book as debt similar to BC portfolio) stands at 3.41x as on March-20 as against 4.10x as on Mar-19. Management has stated its intent to maintain capitalization levels well above the regulatory requirement. Going forward, the ability of SCNL to maintain healthy capital adequacy to provide headroom for growth while maintain its gearing levels would be one of the key monitorables.

Diversified resource base supporting liquidity

SCNL has a diversified resource base with association with over 80 lenders as on June 30, 2020. SCNL has demonstrated its ability to raise funding from diverse sources viz. Banks, Domestic Financial Institutions, NBFCs, Overseas and Domestic Funds etc. As on June 30, 2020, SCNL had total borrowings of Rs.7269.5 crore. The major source of funding for SCNL has been term loan from banks/FIs/NBFCs (~51% of the borrowings as on June-20). SCNL has also raised substantial borrowings in the form of NCDs and Sub-debt (largely from overseas funds and NBFCs) accounting for nearly ~19% of the overall borrowings along with a share of external commercial borrowings (ECBs) at 3% of the overall borrowings as on June-20. SCNL has also accessed assignment/securitization route to raise funds. The company has also received moratorium on principal repayments from about 63% of its lenders and expects to receive funding support from NABARD, SIDBI and from various lenders under TLTRO 2.0 funds of RBI relief package.

Profitable operations of SCNL during FY20

End FY 2020, SCNL reported net profit of Rs. 156 crore on total income of Rs. 1401 crore as against net profit of Rs 195 crore on total income of Rs. 1373 crore previous year. While the total income increased by a marginal 2% Y-o-Y, the bottom line was impacted by margin contraction and elevated provisioning costs. End fiscal 2020, the CARE adjusted net interest margin (NIM on average total assets) of company stood at 8.43% as against 9.4% a year ago due to reduction in gross yields. For Q1FY21, SCNL reported total income of Rs.289 crore, down 13% Y-o-Y. The company's opex costs have remained steady during the year however the management has stated that it has undertaken several cost reduction mechanisms such as branch/office rationalization to further bring down costs. The overall profitability was also impacted by sharp rise in CARE adjusted credit costs (loan loss provisions and write offs as a percentage of average total assets) that stood at 2.8% as against 0.92% a year ago. The company provided an additional Rs. 83 crore on account of covid impact thereby taking the total provisioning expenses to about Rs. 200 crore as against Rs 55 crore a year ago. Adj. ROTA of SCNL was 1.70% during FY20 (as against 2.64% during FY19).

Management information and IT systems in place

SCNL has established an efficient monitoring structure for overseeing its operations at various levels, including area level, regional level and state level. It has put in place risk management systems, viz, defined credit appraisal, collection and monitoring systems including profile of the clients and outer limit of loan size. Specialized software and user-level restrictions are in place to ensure a speedy access to the information with data security. The company has also implemented systems wherein the field staff operate through TABs connected to the internet. SCNL has put in place systems for real time monitoring of on-field data such as collections, meeting details, geo tagging of field agents etc. thereby allowing monitoring of the operations by the management across various levels of hierarchy on real time basis. It has also resulted in reduction in operational expenses by bringing down the disbursement TATs. SCNL has already moved to cashless disbursements (100% branches being cashless enabled as on Mar-20 with over 95% incremental disbursements and 37% collections (up from 27% in Dec-19) being cashless. During the times of covid, the company has also launched a customer service application to connect with their clients and allow them to pay through digital platforms.

Incrementally, SCNL in FY19, has improved its credit risk management and data quality maintenance systems by shifting to Centralized Credit Management System (Loan Application, KYC and Bank Account verification and Loan Sanctions), thus putting in an additional level of independent check as against a branch / field driven system earlier. SCNL has also implemented a credit scoring model for individual borrowers and groups and psychometric analysis tool which are being testing to improve the client identification process. SCNL is also testing pilots for cashless collections going forward.

Geographically diversified operations

SCNL has spread its operations and grown its portfolio in new states and currently has a presence in 23 States / UTs and 378 districts across the country with a borrower base of 29.57 Lakh active borrowers (Individual & JLG) and standalone AUM of Rs.7,181 crore as on June 30, 2020. In the last quarter of FY20, the company has also set its footprints in a new state, i.e. Sikkim. SCNL has been traditionally a North Indian Player with presence mostly in the Hindi speaking states where it has long

standing experience of operating. However, post demonetization, i.e. during FY18 and FY19 the company has expanded its footprint and grown in Eastern, North Eastern and Southern States viz. Assam, Orissa, West Bengal, Meghalaya, Tripura, Tamil Nadu, Pondicherry and Karnataka which together constituted 21.98% of the portfolio of SCNL as on March 31, 2020 as against just 13.61% at the end of Mar-18 and 1% as on Mar-17. Consequently, the regional concentration risk of SCNL has reduced as reflected by reduction in the top 5 states portfolio from 75% as on March 31, 2018 (Top 5 states being UP, Bihar, Punjab, Assam and West Bengal) to 65.67% as on March 31, 2020 (viz. Uttar Pradesh, Bihar, Punjab, MP and West Bengal) albeit increased from 59.42% as on Mar-19. Uttar Pradesh remains the largest state constituting 25.5% of gross loans, followed by Bihar constituting another 16.5%. The Top State (Uttar Pradesh) concentration and top state concentration as a % of Net Worth stood at 25.05% and 124% respectively as on June 30, 2020.

Key Rating Weaknesses

Increase in delinquencies following to floods in few states and unrest in Assam; albeit sufficient cushion available to absorb the risk

SCNL reported Stage 3 assets (PAR 90) and Net PAR 90 of 2.93% (PY: 2.89%) and 2.02% (PY: 1.77%) respectively as on March-20. Gross NPA stood at 2.42% on June 30, 2020. On account of covid 19 outbreak, the company has made provisioning of 130% for on-book portfolio, which brings Net NPA down to -0.8%. Although, SCNL has been able to largely restore its asset quality following demonetization, its NPA levels of SCNL still remain higher than industry. This is due to predominant presence of SCNL in Uttar Pradesh, which was the area most impacted post demonetization and disbursements undertaken in the affected pockets to bring back the borrowers into the system, a lower provision cover of 31% being maintained against the PAR 90 as on March-20.

The asset quality of SCNL was however impacted to some extent in Q2FY20 following flooding in few states viz. MP, Assam, Bihar and Orissa as also reflected by increase in PAR 1 from 3.88% as on June-19 to 5.02% as on March-20. Also, the delinquencies have increased in Assam (which contributed to 5.3% of AUM of SCNL as on March-20), following unrest in certain North Eastern districts of Assam. The company has taken various measures along with SROs viz. MFIN and Sadhan to address the concern on the ground level and are encouraging the borrowers to repay.

Additionally, CARE takes note unprecedented situation of COVID-19 outbreak that has led to elevated risk aversion in general and particularly with respect to microfinance sector owing to uncertainty arising from unsecured lending to customers with weaker credit profiles. Satin has provided moratorium to all their borrowers for the period starting from March-20. Subsequently the company also availed moratorium from 63% of its lenders for the principal payments while it continued to serve interest payment during the said period. While the company's liquidity profile remains adequate in the near term, the challenges with respect to lower than expected scheduled inflows coupled with scheduled liability related outflows, if prevailed over longer term due to prolonged challenging conditions, could lead to moderation in liquidity profile of the company

Going forward, however, the ability of the company to improve its asset quality and limit the net credit losses would be crucial for the credit profile of SCNL.

Majority of portfolio in UP and increase in first cycle loan borrowers

Expansion and growth in loan book in the newer territories, has meant reduction in geographical concentration, however this has also resulted in increase in first time borrowers for SCNL in new territories wherein it has limited experience of operations. Even with expansion into newer territories, the first cycle loans have declined from 51.5% as on March-19 to 42.8% on June-20. Also, SCNL's exposure in the state of Uttar Pradesh (U.P.; single largest state exposure and area most impacted post demonetization) continues to be high at 25.05% on June 30, 2020.

Inherent industry risks

The microfinance sector continues to be impacted by the inherent risk involved viz. socio-political intervention risk and risks emanating from unsecured lending and marginal profile of borrowers who are vulnerable to economic downturns besides operational risks related to cash based transaction.

Liquidity (SCNL) : Strong

The company has a favorable liquidity position given shorter tenure of loans and advances (upto 2 years) as against long tenure of borrowings (2-7 years) and a large equity base as also reflected by a well matched ALM profile as on June 30, 2020. As on June 30, 2020, company's expected inflows in up to next one year bucket (including bank balance and liquid investments) were 1.6 times of its expected outflows. SCNL also has an established practice of maintaining adequate buffer in the form of free cash and bank balance/ liquid investments at all times to cushion its liquidity profile. As on September 21, 2020, SCNL was maintaining free cash and bank balance and liquid investments of about Rs 1,556 crore.

SCNL has also accessed assignment route to raise funds (Rs.2056 crore constituting 28% of its AUM as on March-20). The liquidity position of SCNL is also supported by availability of on-tap funding for disbursements upon commencement of Business Correspondent (BC) operations for IndusInd Bank since Apr-18. The partnership with IndusInd Bank for undertaking BC activity (which can go upto 40% of the incremental disbursements per management) is expected to augment the resources profile and liquidity of the company. BC portfolio for IndusInd stood at Rs.519 crore as on June-20, constituting 7.2% of the overall AUM as on June-20. Additionally, SCNL also had sanctioned un-availed funding lines of Rs.1036 crore as on September 21, 2020.

Liquidity (SHFL) : Adequate

The liquidity position of SHFL is comfortable given the largely equity funded book and low overall borrowings. There are intrinsic mismatches in inflow and outflows for SHFL given the longer tenure of its assets upto 20 years and shorter tenure of its borrowings of upto 5 years. However, there were no negative cumulative mismatches upto 1 year maturity buckets in company's asset liability maturity profile as on June-20. SHFL's liquidity is supported by cash and bank balance of ~Rs.16.61 and liquid investments of Rs.23.16 crore as on June 30, 2020. SHFL also had unutilized lines of credit aggregating Rs.10 crore from SCNL which supports its liquidity profile.

Covid-19 impact

In line with RBI's notification, SCNL has granted moratorium on the payment of interest and/or principal on loans falling due between 1st March 2020 and 31st May 2020 that was extended to further 31st August 2020. For all accounts where the moratorium has been availed by the borrowers, the moratorium period has been excluded from the number of days past-due for asset classification. About 11% of SCNL's borrowers had opted for complete moratorium. For July and August, collection efficiency stood at 85% of the monthly demand.

For SHFL, about 16% of the borrowers had availed moratorium and the collection efficiency touched ~86%. The company had availed moratorium for its principal repayments for April and May 2020 only.

Analytical approach:

SCNL: Standalone

SHFL:

Bank Facilities: The ratings to the bank facilities of SHFL are based on the existing/proposed credit enhancement in the form of Letter of Comfort form from parent company; i.e. Satin Creditcare Network Limited to support its debt servicing

Sub-ordinated Debt: Standalone; factoring in support from the parent entity SCNL

Applicable Criteria

[Criteria on assigning 'Outlook' and 'Credit watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Rating Methodology: Consolidation and Factoring Linkages in Ratings](#)

[Criteria for Rating Credit Enhanced Debt](#)

[Financial ratios –Financial Sector](#)

[Rating Methodology for Housing Finance Companies](#)

[Rating Methodology for Non-Banking Financial Companies](#)

[Criteria for Short-term Instruments](#)

About the Company – Satin Creditcare Network Limited

SCNL is a leading microfinance company based out of Delhi. The company is registered with Reserve Bank of India (RBI) as a non-deposit accepting, systemically important non-banking financial company (NBFC) and had been granted NBFC-MFI status on November 6, 2013, by RBI. SCNL is also listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

Incorporated in 1990, the company was initially engaged in providing loans to individuals including shopkeepers etc. in the urban areas. In 2008, the company started group lending business with joint liability group (JLG) model which constituted 96% of the portfolio of SCNL as on June 30, 2020 with MSME loans constituting the balance 4% of AUM as on June-20.

MSME Loans include unsecured loans of ticket size of Rs.1-10 Lacs for a period of 1-10 years and corporate loans to other MFIs of Rs.3-10 crore. The operations of SCNL are spread across 23 states/ UTs i.e. Uttar Pradesh, Madhya Pradesh, Bihar, Punjab, Delhi/ NCR, Uttarakhand, Rajasthan, Haryana, Chandigarh, Jammu & Kashmir, Maharashtra, Chhattisgarh, Jharkhand, Himachal Pradesh, West Bengal, Gujarat, Orissa, Assam, Karnataka, Meghalaya, Tripura, Sikkim and Pondicherry. As on June-20, SCNL was operating in 378 districts managed through 1117 branches with 29.57 Lakh active borrowers (Individual & JLG)

with total assets under management (AUM) being Rs.7,181 crores (including BC book for IndusInd of Rs.519 crore and assigned portfolio of Rs.2,009 crore).

SCNL also has three subsidiaries viz. Taraashna Financial Services Limited (TSL), Satin Housing Finance Limited (SHFL) and Satin Finserv Ltd. TSL acts as a business correspondent for 4 Banks/FIs. The company has spread its presence in 8 states (Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Chattisgarh, Bihar, Punjab and UP) with 213 branches and AUM of Rs.704 crore as on March-20. SHFL is a HFC registered with NHB which undertakes extension of home loans and Loan Against property. Currently, SHFL sources its business in Delhi/NCR, Uttar Pradesh and Rajasthan region. It commenced lending operations in February 2018 and has built a loan portfolio of Rs.139 crores as on March-20. Satin Finserv Limited is the newest subsidiary of the group formed to foray into the MSME segment which commenced operations in March 2019. The AUM of SFL as on March 31, 2020 was Rs.111 crore.

About the Company – Satin Housing Finance Limited

Incorporated in April 2017, Satin Housing Finance Limited is a wholly owned subsidiary of Satin Creditcare Network Limited. SHFL obtained license to commence operations on November 14, 2017 upon receipt of certificate of registration from NHB to operate as a non-deposit accepting HFC and commenced lending operations in February 2018. SHFL currently operates through its Head Office at Gurgaon and currently sources its business in Delhi/NCR, Haryana, UP and Rajasthan. SHFL is currently focused on providing affordable housing finance for construction, purchase, repair and upgradation of houses and mortgage business loans to individuals in the lower and middle income segment consisting of salaried and self-employed individuals. End June 2020, SHFL's loan portfolio stood at Rs.143.52 crore which comprised primarily housing loans (87% of the loan book) and balance 13% being LAP book.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	7.07	20.99
PAT	-1.23	-0.95
Interest coverage (times)	-0.37	0.85
Total Assets	82.79	177.09
Net NPA (%)	0	0
ROTA (%)	-2.53	-0.73

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

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	-	-	-	-	8.85	CARE BBB+ (CE); Stable
Fund-based - LT-Term Loan	-	-	-	-	41.15	Provisional CARE BBB+ (CE); Stable
Un Supported Rating- Un Supported Rating (Long Term)	-	-	-	-	0.00	CARE BBB; Stable
Debt-Subordinate Debt	INE02YC08016	December 17, 2019	14%	31-Dec-2026	20.00	CARE BBB; 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 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	8.85	CARE BBB+ (CE); Stable	-	1)CARE BBB+ (CE); Stable (09-Sep-19)	1)CARE BBB+ (SO); Stable (30-Nov-18)	-
2.	Fund-based - LT-Term Loan	LT	41.15	Provisional CARE BBB+ (CE); Stable	-	1)Provisional CARE BBB+ (CE); Stable (09-Sep-19)	1)Provisional CARE BBB+ (SO); Stable (30-Nov-18)	-
3.	Un Supported Rating- Un Supported Rating (Long Term)	LT	0.00	CARE BBB; Stable	-	1)CARE BBB; Stable (09-Sep-19)	-	-
4.	Debt-Subordinate Debt	LT	20.00	CARE BBB; Stable	-	1)CARE BBB; Stable (02-Dec-19)	-	-

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Debt-Subordinate Debt	Complex
2.	Fund-based - LT-Term Loan	Simple
3.	Un Supported Rating- Un Supported Rating (Long Term)	Simple

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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About CARE Ratings:

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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.

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