

# Sportking INDIA LTD.

(Govt. Recognised Three Star Export House)

Regd. & Corporate Office : Vill. Kanech, Near Sahnewal, G.T. Road, Ludhiana-141120 Ph. (0161) 2845456 to 60 Fax : 2845458  
Admn. Office : 178, Col. Gurdial Singh Road, Civil Lines, Ludhiana-141001 Ph. (0161) 2770954 to 55 Fax : 2770953  
E-mail : sportking@sportking.co.in CIN No. L17122PB1989PLC053162  
Website : www.sportking.co.in GST No.: 03AAACS3037Q1ZA

**SIL/2023-24/SE**

**Date: 31.08.2023**

|  |   |
|--|---|
| To<br>BSE Limited<br>Phiroze Jeeheebhoy Towers,<br>Dalal Street, Mumbai-400001 | To<br>National Stock Exchange of India Ltd,<br>Exchange Plaza, Bandra Kurla Complex,<br>Bandra (East), Mumbai- 400051 |
| <b>Script Code: 539221</b>   | <b>Symbol: SPORTKING</b>  |

**Sub: Intimation for reaffirmation of Bank Loan External Credit Rating at Crisil A/Stable (Long Term) and Crisil A1 (Short Term)**

Dear Sir/ Madam,

Pursuant to the Regulation 30 read along with schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 we wish to inform that, Rating Committee of CRISIL Ratings Limited after due consideration, has reaffirmed the bank loan external credit rating of the Company for total debt of Rs. 1000 crores (enhanced from Rs. 835 crores) as per the details given below:

| <b>Sr No</b> | <b>Name of the Facility</b> | <b>Amount (Rs in Crs)</b> | <b>Rating</b>   |
|--------------|-----------------------------|---------------------------|-----------------|
| 1.           | Long Term Rating            | 935.00                    | CRISIL A/Stable |
| 2.           | Short Term Rating           | 65.00                     | CRISIL A1       |
|              | <b>Total</b>                | <b>1000.00</b>            |                 |

The copy of Rating Rational uploaded by Crisil on their website enclosed. You are requested to please take the same on your records.

Yours truly,  
**For SPORTKING INDIA LIMITED**

**LOVLESH VERMA**  
**COMPANY SECRETARY**  
**(ACS: 34171)**

## Rating Rationale

August 30, 2023 | Mumbai

### Sportking India Limited

Rated amount enhanced for Bank Debt

#### Rating Action

|   |   |
|---|---|
| <b>Total Bank Loan Facilities Rated</b> | <b>Rs.1000 Crore (Enhanced from Rs.835 Crore)</b> |
| <b>Long Term Rating</b>                 | <b>CRISIL A/Stable (Reaffirmed)</b>               |
| <b>Short Term Rating</b>                | <b>CRISIL A1 (Reaffirmed)</b>                     |

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings.

The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

#### Detailed Rationale

CRISIL Ratings has reaffirmed its 'CRISIL A/Stable/CRISIL A1' ratings on the bank facilities of Sportking India Limited (Sportking).

The ratings continue to reflect the strong position of Sportking in the compact cotton yarn industry, its large scale of operations and healthy financial risk profile. These strengths are partially offset by the large working capital requirement and susceptibility to volatility in raw material prices and foreign exchange (forex) rates.

Revenue is expected to grow by 5-6% in fiscal 2024, driven by nearly 20% rise in volume with company having clocked revenue of Rs. 539 crore in the first quarter of this fiscal. The company has expanded its current capacity by almost 35% in fiscal 2023. The first phase of the capital expenditure (capex) that entailed addition of 40,800 spindles became operational in the second half of fiscal 2023. The second phase of 63,072 spindles commenced production towards end of fiscal 2023. With total of 234 MT/day capacity, the company should reach an average utilisation of 90-95% and derive nearly 20% growth in volume. High utilisation levels will be driven by healthy downstream demand, reducing inventory with retailers and increased demand from fabric makers, with easing of raw material prices. Other conducive factors include increased demand from China with reopening of the economy, and enhanced competitiveness of domestic cotton yarn, with Pakistan experiencing a lower cotton crop yield. Prices may decline by 15% in this cotton season, owing to a higher yield in fiscal 2024 over the previous fiscal.

Operating margin may normalize from to nearly 12% in this fiscal from 12.6% in fiscal 2023 as the company reported high profit in first quarter of the previous fiscal on account of elevated cotton yarn spreads. As the differential between prices of cotton yarn and cotton (cotton yarn spreads) normalise this fiscal, the margin will reduce, but will remain healthy, at levels similar to the pre-Covid era. Operating margin is likely to improve in the medium term with cost savings from solar power projects undertaken by the company.

The financial risk profile remains healthy, backed by a comfortable gearing and satisfactory debt protection metrics. Small capex being incurred this fiscal to set up a solar plant, and higher procurement of inventory in the next cotton season may increase long and short-term debt in fiscal 2024. Resultantly, gearing may go up to 0.68 time as on March 31, 2024 from 0.57 time as on March 31, 2023, due to the buyback of shares, yet it will remain below 0.6 time in the medium term. Interest coverage ratio, though likely to normalise from 12.1 times in fiscal 2023 to 8.5-9 times in fiscal 2024, will be higher than that seen pre-Covid. Working capital requirement will remain high given the nature of business. However, higher cash accrual will reduce dependence on external working capital debt in the medium term.

#### Analytical Approach

Preference capital has been treated as an equity due to a low coupon rate and no redemption in the medium term.

#### Key Rating Drivers & Detailed Description

##### Strengths:

##### Strong position in the cotton yarn industry

Sportking has a strong market position in the compact cotton yarn industry, with total spindle capacity expanded to 3.79 lakh and revenue of over Rs 2,205 crore in fiscal 2023. The company benefits from its diversified geographic reach across several markets such as Bangladesh, China, Egypt and the US, and its longstanding relationships with garment retailers in the US and Europe. In fiscal 2024, overseas demand is expected to improve as Indian spinners have become more competitive on account of a better cotton yield over the previous fiscal, and a lower cotton yield in Pakistan. Structural changes in overseas markets, such as the China+1 strategy, will also favour players like Sportking.

##### Large scale of operations and healthy operating efficiency

Post the expansion, Sportking will consume about 6 lakhs bales of cotton every year and thus become one of the largest

buyers of cotton in India. Large scale of procurement will keep its bargaining power high over the medium term. The company is looking to de-risk its exposure to basic cotton yarn products, by focusing on value-added products such as contamination-free, sustainable and multi-twist cotton yarn, which fetch higher margin.

Healthy capacity utilisation of nearly 95%, following addition of 40,800 spindles in September 2022 and 63,072 spindles in March 2023, should strengthen the business risk profile.

Operating margin should fare better than historical trends due to improved spreads but will moderate from peak levels of fiscal 2022 owing to compression in spreads.

#### **Improving and healthy financial risk profile**

The financial risk profile remains healthy, backed by a comfortable gearing and satisfactory debt protection metrics. Small capex being incurred to set up a solar plant, and higher procurement of inventory in the next cotton season may increase long and short-term debt in fiscal 2024. Resultantly, gearing may go up to 0.68 time as on March 31, 2024, from 0.57 time as on March 31, 2023, due to the buyback of shares, yet it will remain below 0.6 time in the medium term. Interest coverage ratio, though likely to normalise from 12.1 times in fiscal 2023 to 8.5-9 times in fiscal 2024, will be higher than that seen pre-Covid. Working capital requirement will remain high given the nature of business. However, higher cash accrual will reduce dependence on external working capital debt in the medium term.

Financial flexibility is healthy, as reflected in low bank limit utilisation. This, coupled with adequate liquidity, will continue to support debt servicing. Larger-than-expected, debt-funded capex or dividend payout, resulting in a weaker capital structure, will remain a key monitorable.

#### **Weaknesses:**

##### **Susceptibility to volatility in raw material prices and forex rates**

The company derives over 90% of revenue from yarn and thus remains susceptible to volatility in prices of cotton and cotton yarn. As a result, the operating margin has fluctuated between 10% and 28% over the 10 years through fiscal 2023. Demand for cotton and yarn is driven by international demand-supply dynamics. In the past decade, the industry has seen five cycles (fiscals 2012, 2015, 2018, 2020 and 2021) where demand spiraled and then fell rapidly. Additionally, as Sportking derives close to half of its revenue from exports, it also remains exposed to fluctuations in forex rates. This risk is mitigated via foreign exchange forward contracts or working capital limits in foreign currency.

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

Gross current assets are high estimated around 131 days as on March 31, 2023, driven by large inventory and receivables. The company maintains a sizeable stock of raw cotton bales, which are procured on a seasonal basis. Hence, there is higher reliance on working capital debt.

##### **Liquidity: Strong**

Liquidity is marked by sufficient cash accrual of over Rs 200 crore and negligible bank limit utilisation. Expected cash accrual of over Rs 200 crore per annum in the next two fiscals will comfortably cover the term debt obligation of Rs 40-80 crore and the planned capital expenditure for the next two fiscals. Bank limit of around Rs 395 crore averaged 25% over the 15 months ended June 30, 2023.

##### **Outlook: Stable**

Sportking will maintain its strong market position and continue to benefit from its increased scale of operations over the medium term.

#### **Rating Sensitivity Factors**

##### **Upward factors**

- Significant improvement in scale of operations along with cash accruals sustaining above Rs. 200-250 crore
- Improved cash generation, efficient working capital management and prudent funding of capex, benefitting debt metrics – for instance, total outside liabilities to tangible network ratio remaining below one time and interest cover above 6-8 times

##### **Downward factors**

- Weak operating performance resulting in cash accrual of Rs 100-125 crore
- Weakened cash generation, along with elongation in working capital cycle and increased capex impacting debt metrics; for instance TOL/TNW increasing to over 2 times.

#### **About the Company**

Sportking, incorporated in February 1989, is a part of the Sportking group. The company manufactures cotton, synthetic and blended yarn in counts ranging from 20s to 46s. It has manufacturing units in Ludhiana and Bathinda, both in Punjab. The company has a large capacity of 3.79 lakh spindles and dyeing capacity of 20 tonne per day. It manufactures value-added yarns, such as compact, sustainable and contamination-free cotton yarn, which provide higher realisations than normal cotton yarn.

#### **Key Financial Indicators**

| As on/for the period ended March 31 |          | 2023  | 2022  |
|-------------------------------------|----------|-------|-------|
| Revenue                             | Rs crore | 2205  | 2154  |
| Profit After Tax (PAT)              | Rs crore | 132   | 409   |
| PAT Margin                          | %        | 6.0   | 19.0  |
| Adjusted debt/adjusted networkth    | Times    | 0.57  | 0.70  |
| Interest coverage                   | Times    | 12.10 | 20.84 |

**Any other information:** Not applicable

**Note on complexity levels of the rated instrument:**

CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit [www.crisilratings.com](http://www.crisilratings.com). Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

| ISIN | Name of instrument        | Date of allotment | Coupon rate (%) | Maturity date | Issue size (Rs.Crore) | Complexity level | Rating          |
|------|---------------------------|-------------------|-----------------|---------------|-----------------------|------------------|-----------------|
| NA   | Term Loan                 | NA                | NA              | 31-Mar-29     | 40                    | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 30-Sept-31    | 53.50                 | NA               | CRISIL A/Stable |
| NA   | Cash Credit*              | NA                | NA              | NA            | 460                   | NA               | CRISIL A/Stable |
| NA   | Foreign Exchange Forward^ | NA                | NA              | NA            | 24.61                 | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 30-Sept-27    | 60.11                 | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 30-Jun 27     | 30                    | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 31-Mar-31     | 42.00                 | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 30-Sept-31    | 53.50                 | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 31-Mar-28     | 11.00                 | NA               | CRISIL A/Stable |
| NA   | Term Loan                 | NA                | NA              | 31-Mar-31     | 53.72                 | NA               | CRISIL A/Stable |
| NA   | Letter of Credit          | NA                | NA              | NA            | 65                    | NA               | CRISIL A1       |
| NA   | Term Loan                 | NA                | NA              | 30-Sep-31     | 106.56                | NA               | CRISIL A/Stable |

\*Interchangeable with packing credit/packing credit in foreign currency

^Forward derivative limit

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

| Instrument                | Current |                    |                 | 2023 (History) |                 | 2022     |                             | 2021     |                               | 2020 |        | Start of 2020 |
|---------------------------|---------|--------------------|-----------------|----------------|-----------------|----------|-----------------------------|----------|-------------------------------|------|--------|---------------|
|                           | Type    | Outstanding Amount | Rating          | Date           | Rating          | Date     | Rating                      | Date     | Rating                        | Date | Rating | Rating        |
| Fund Based Facilities     | LT      | 935.0              | CRISIL A/Stable | 06-06-23       | CRISIL A/Stable | 16-09-22 | CRISIL A/Stable             | 02-08-21 | CRISIL A2+ / CRISIL A-/Stable |      | --     | --            |
|                           |         |                    |                 |                | --              | 25-04-22 | CRISIL A1 / CRISIL A/Stable |          | --                            | --   | --     |               |
| Non-Fund Based Facilities | ST      | 65.0               | CRISIL A1       | 06-06-23       | CRISIL A1       | 16-09-22 | CRISIL A1                   | 02-08-21 | CRISIL A2+                    |      | --     | --            |
|                           |         |                    |                 |                | --              | 25-04-22 | CRISIL A1                   |          | --                            | --   | --     |               |

All amounts are in Rs.Cr.

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

| Facility                  | Amount (Rs.Crore) | Name of Lender       | Rating          |
|---------------------------|-------------------|----------------------|-----------------|
| Cash Credit*              | 15.28             | YES Bank Limited     | CRISIL A/Stable |
| Cash Credit*              | 4.72              | YES Bank Limited     | CRISIL A/Stable |
| Cash Credit*              | 95                | Punjab National Bank | CRISIL A/Stable |
| Cash Credit*              | 50                | Union Bank of India  | CRISIL A/Stable |
| Cash Credit*              | 295               | State Bank of India  | CRISIL A/Stable |
| Foreign Exchange Forward^ | 24.61             | State Bank of India  | CRISIL A/Stable |
| Letter of Credit          | 10                | Union Bank of India  | CRISIL A1       |
| Letter of Credit          | 15                | Punjab National Bank | CRISIL A1       |

|                  |        |                             |                 |
|------------------|--------|-----------------------------|-----------------|
| Letter of Credit | 40     | State Bank of India         | CRISIL A1       |
| Term Loan        | 40     | Punjab National Bank        | CRISIL A/Stable |
| Term Loan        | 30     | Union Bank of India         | CRISIL A/Stable |
| Term Loan        | 42     | Union Bank of India         | CRISIL A/Stable |
| Term Loan        | 53.5   | Union Bank of India         | CRISIL A/Stable |
| Term Loan        | 11     | Central Bank Of India       | CRISIL A/Stable |
| Term Loan        | 53.5   | Export Import Bank of India | CRISIL A/Stable |
| Term Loan        | 60.11  | State Bank of India         | CRISIL A/Stable |
| Term Loan        | 106.56 | Indian Bank                 | CRISIL A/Stable |
| Term Loan        | 53.72  | Indian Bank                 | CRISIL A/Stable |

\*Interchangeable with packing credit/packing credit in foreign currency

^Forward derivative limit

## Criteria Details

|  |
|--|
| <b>Links to related criteria</b>   |
| <a href="#">CRISILs Approach to Financial Ratios</a>                               |
| <a href="#">Rating criteria for manufacturing and service sector companies</a>     |
| <a href="#">CRISILs Bank Loan Ratings - process, scale and default recognition</a> |
| <a href="#">Rating Criteria for Cotton Textile Industry</a>                        |
| <a href="#">CRISILs Criteria for rating short term debt</a>                        |

| Media Relations   | Analytical Contacts  | Customer Service Helpdesk   |
|---|--|---|
| <p><b>Aveek Datta</b><br/>Media Relations<br/><b>CRISIL Limited</b><br/>M: +91 99204 93912<br/>B: +91 22 3342 3000<br/><a href="mailto:AVEEK.DATTA@crisil.com">AVEEK.DATTA@crisil.com</a></p> <p><b>Prakruti Jani</b><br/>Media Relations<br/><b>CRISIL Limited</b><br/>M: +91 98678 68976<br/>B: +91 22 3342 3000<br/><a href="mailto:PRAKRUTI.JANI@crisil.com">PRAKRUTI.JANI@crisil.com</a></p> <p><b>Rutuja Gaikwad</b><br/>Media Relations<br/><b>CRISIL Limited</b><br/>B: +91 22 3342 3000<br/><a href="mailto:Rutuja.Gaikwad@ext-crisil.com">Rutuja.Gaikwad@ext-crisil.com</a></p> | <p>Mohit Makhija<br/>Senior Director<br/><b>CRISIL Ratings Limited</b><br/>B:+91 124 672 2000<br/><a href="mailto:mohit.makhija@crisil.com">mohit.makhija@crisil.com</a></p> <p>Gautam Shahi<br/>Director<br/><b>CRISIL Ratings Limited</b><br/>B:+91 124 672 2000<br/><a href="mailto:gautam.shahi@crisil.com">gautam.shahi@crisil.com</a></p> <p>Gauri Gupta<br/>Manager<br/><b>CRISIL Ratings Limited</b><br/>B:+91 124 672 2000<br/><a href="mailto:Gauri.Gupta@crisil.com">Gauri.Gupta@crisil.com</a></p> | <p>Timings: 10.00 am to 7.00 pm<br/>Toll free Number:1800 267 1301</p> <p>For a copy of Rationales / Rating Reports:<br/><a href="mailto:CRISILratingdesk@crisil.com">CRISILratingdesk@crisil.com</a></p> <p>For Analytical queries:<br/><a href="mailto:ratingsinvestordesk@crisil.com">ratingsinvestordesk@crisil.com</a></p> |





**Note for Media:**

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

**About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)**

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

CRISIL Ratings Limited ('CRISIL Ratings') is a wholly-owned subsidiary of CRISIL Limited ('CRISIL'). CRISIL Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit [www.crisilratings.com](http://www.crisilratings.com)

**About CRISIL Limited**

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit [www.crisil.com](http://www.crisil.com)

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

---

**CRISIL PRIVACY NOTICE**

CRISIL respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit [www.crisil.com](http://www.crisil.com).

**DISCLAIMER**

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') that is provided by CRISIL Ratings Limited ('CRISIL Ratings'). To avoid doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this report does not create a client relationship between CRISIL Ratings and the user.

We are not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing our report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).

Ratings from CRISIL Ratings are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions. Any opinions

expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL Ratings assumes no obligation to update its opinions following publication in any form or format although CRISIL Ratings may disseminate its opinions and analysis. The rating contained in the report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way. CRISIL Ratings or its associates may have other commercial transactions with the entity to which the report pertains.

Neither CRISIL Ratings nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively, 'CRISIL Ratings Parties') guarantee the accuracy, completeness or adequacy of the report, and no CRISIL Ratings Party shall have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. EACH CRISIL RATINGS PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Ratings Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors. Public ratings and analysis by CRISIL Ratings, as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any), are made available on its website, [www.crisilratings.com](http://www.crisilratings.com) (free of charge). Reports with more detail and additional information may be available for subscription at a fee - more details about ratings by CRISIL Ratings are available here: [www.crisilratings.com](http://www.crisilratings.com).

CRISIL Ratings and its affiliates do not act as a fiduciary. While CRISIL Ratings has obtained information from sources it believes to be reliable, CRISIL Ratings does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and/or relies on in its reports. CRISIL Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>.

Rating criteria by CRISIL Ratings are generally available without charge to the public on the CRISIL Ratings public website, [www.crisilratings.com](http://www.crisilratings.com). For latest rating information on any instrument of any company rated by CRISIL Ratings, you may contact the CRISIL Ratings desk at [crisilratingdesk@crisil.com](mailto:crisilratingdesk@crisil.com), or at (0091) 1800 267 1301.

This report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRISIL Ratings.

All rights reserved @ CRISIL Ratings Limited. CRISIL Ratings is a wholly owned subsidiary of CRISIL Limited.

CRISIL Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on CRISIL Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisil.com/en/home/our-businesses/ratings/credit-ratings-scale.html>