Visage Holdings and Finance Private Limited

June 27, 2022

Ratings

Instrument	Amount (₹ crore)	Ratings[1]	Rating Action
Long-term bank facilities	500.00 (Enhanced from 339.00)	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Total facilities	**500.00 (₹ Five hundred crore only)**		
Non-convertible debenture-III	32.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-VI	60.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-VII	0.89 (Reduced from 6.22)	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-VIII	37.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-IX	16.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-X	150.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-XI	191.58 (Reduced from 200.00)	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Non-convertible debenture-XII	50.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Assigned
Subordinate debt-I	12.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Subordinate debt-II	7.50	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Subordinate debt-III	15.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Subordinate debt-IV	10.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Subordinate debt-V	5.00	**CARE BBB; Stable** (Triple B; Outlook: Stable)	Reaffirmed; Outlook revised from Negative
Total long-term instruments	**586.97 (₹ Five hundred eighty-six crore and ninety-seven lakh only)**		

Details of instruments/facilities in Annexure-1

Detailed rationale and key rating drivers

The ratings assigned to the bank facilities and various debt instruments of Visage Holdings and Finance Private Limited (Visage) continue to factor-in the experience of the management team in the lending business, adequate loan appraisal, risk management and MIS system, and adequate liquidity profile. The ratings also take note of the comfortable capital adequacy level, further supported by an equity infusion of ₹208 crore from new investors during April 2022.

The ratings are, however, constrained by the company's presence in the micro, small and medium enterprises (MSME) segment, which is relatively risky; the unsecured nature of exposure; moderate seasoning of the loan portfolio; geographical concentration amid the efforts taken for diversification; the moderately-diversified resource profile; moderate asset quality; and the moderate profitability levels.

Rating sensitivities

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

- Improvement in the scale of operations and profitability on a sustained basis.
- Significant equity raise along with improvement in asset quality parameters.

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

- Weakening of asset quality and profitability impacting capital adequacy levels, resulting in Tier-1 capital adequacy ratio (CAR) falling below 20%.
- Significant moderation in the liquidity profile.

Outlook: Stable

CARE Ratings Limited (CARE Ratings) had earlier revised the outlook of Visage from 'Stable' to 'Negative' in August 2020, considering the expectation that the lockdown due to the outbreak of the COVID-19 pandemic would likely impact the borrower segments of

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

Visage and could result in an increase in delinquency levels and limit the possibility of improvement in the asset quality in the medium term.
That said, in trend with the industry, the asset quality parameters of Visage have moderated post the outbreak of the second wave of COVID-19, wherein, 90+ days past due (dpd) on assets under management (AUM) basis peaked at 9.26% as on August 31, 2021. Collection Efficiency of the company has improved on a m-o-m basis from 81% during April 2021 to 91% during March 2022. Also, various schemes such as the restructuring and the Emergency Credit Line Guarantee Scheme (ECLGS) loan (COVID-19 relief loan) helped in improving the delinquencies during FY21 and FY22. In addition, write-offs of ₹31.24 crore during FY22 and significant growth in the off-book portfolio, 90+dpd (on an AUM basis) have improved to 4.73% as on March 31, 2022. The gross and net stage III assets, as on March 31, 2022, stood at 8.6% and 5.9%, respectively, as against 10.4% and 8.2%, respectively, as on March 31, 2021. The net stage III assets/net worth has also shown improvement from 33.33% as on March 31, 2021, to 24.30% as on March 31, 2022.
In April 2022, the company mobilised fresh equity of ₹208 crore, which resulted in a sharp improvement in the net stage III assets/net worth to 13.00% as on April 30, 2022 (as per CARE Ratings' estimates). While the stage III assets showed moderate improvement in FY22, the recent equity infusion has strengthened the capitalisation significantly and the net worth of the company improved to ₹448 crore as against ₹240 crore as on March 31, 2022. The improvement in capitalisation level is credit positive and provides adequate cushion to its capitalisation level post absorbing credit costs related to outstanding stressed assets. In view of the same, the outlook of the company has been revised from 'Negative' to 'Stable'.

Detailed description of the key rating drivers

Key Rating Strengths

Experienced board and senior management team: Visage is promoted by Hardika Shah, who is currently the Chief Executive Officer (CEO) of the company and has more than 20 years of management consulting experience across various industries, such as financial services, insurance and technology, among others, in diverse geographies like the US, Australia, Singapore, Japan, India, etc. The day-to-day operations are looked after by the senior management team, who have considerable experience in the financial sector, especially in the retail lending segment, which is overseen by the board. The board consists of nine directors, including four nominee directors, one each from Gaja Capital, Gawa Capital, Michael & Susan Dell Foundation, and Patamar Capital, and three independent directors. Along with Hardika Shah, Thirunavukkarasu, who is the Chief Operating Officer (COO), represents the management team on the board. He has an experience of around 20 years in the Indian microfinance industry.

Established customer selection, credit appraisal, risk monitoring and collection process: Visage has a defined structure to monitor the operations at different levels. The current branch structure of Visage has a branch manager, loan officers, risk officers, collection officers and recovery or legal officers.
Lead generation was made mainly through direct field sourcing by loan officers, customer referrals, and channel partners. Visage has also started digital sourcing, wherein, a customer can request a loan through their website and app. To support the same, the company has initiated various digital marketing, both organic and paid advertising.
The selection of customers runs through several levels of checks, including initial screening by checking the customers' KYC data, nature of the business, credit bureau checks, and verification of the business track record. Post the initial screening, the sales team conducts personal visits and discussions, and verification of business-related documents and references from existing customers. The loan is sanctioned by the credit decision engine, which is developed internally, to weigh the financial strength of the customer and his business and it will determine approval, loan amount and risk-adjusted interest rate.
Once loan terms and amounts are accepted by the client, the client receives digital confirmation of disbursement to the bank account of the customers. The majority of the collection is done through digital modes such as wallet, UPI, banking, and payment apps and the rest through cash. The company uses an algorithm model to suggest action plan for each to prioritize and plan collections. The entire workflow, from onboarding and through the entire life-cycle of the loan, is online, through a cloud-based loan origination and management software.

Established MIS system customised to internal policies and processes: Visage uses third-party software comprising loan management systems, customer management systems, audit management systems, and business intelligence systems, which act as technology solutions for various business segments. The system is customised in accordance with the company's internal policies and processes, and the same has been integrated completely with MIS, starting from customer-lead generation, loan origination, credit appraisal, collection management, overdue management, and closure of accounts. The system is also enabled with risk-scoring, appraisal, document scanning, legal and technical evaluation, collateral management, appraisal, credit check, risk check, credit committee and sanction process. The system is integrated with the accounting module, which enables the company to track disbursement and collection modules and manage multilevel general ledger accounting, trial balance, profit and loss (P&L), and balance sheet. The system is equipped to generate various reports for people in different hierarchy to monitor various processes, such as credit appraisal, disbursements and collections, and can be generated at any time to track the performance of the business. The Risk and Data Science teams regularly update the customer data requirement and risk evaluation to enable rapid and consistent underwriting decisions. Higher growth has also enabled to generate a risk based score based on customer demographics factors and business financials. This system has also enabled to reduce the TAT.
Comfortable capitalisation profile with equity raise of ₹208 crore during April 2022: During the period from FY18 to FY21, Visage has been continuously raising equity to the tune of ₹192.56 crore on a need basis from new and existing investors. With moderate internal accruals, the net worth improved to ₹240 crore as on March 31, 2022. In April 2022, the company raised equity to the tune of ₹208 crore from new investors, namely, Nuveen Global Impact Fund India S.À R.L and Pettelaar Effectenbewaarbedrijf N.V. (Triple Jump) as part of Tranche-1. Tranche-2, amounting to around ₹140 crore, is in pipeline from the same investors and is expected to be drawn down in Q2FY23.

Considering the capital raising plans, the company has grown its loan portfolio significantly during Q4FY22, and so, the total CAR and Tier-I CAR moderated to 18.5% and 16.7%, respectively, as on March 31, 2022, from 29.2% and 25.7%, respectively, as on March 31, 2021. With the increase in cash position, the overall gearing increased to 4.74x as on March 31, 2022 from 3.76x as on March 31, 2021. With the infusion of equity of Rs.208 crore during April 2022, Overall gearing has improved to 2.60x as on April 30, 2022.

Improvement in scale of operations during FY22 with geographical concentration of loan portfolio: Over the three-year period ended March 31, 2019, Visage reported a CAGR growth in AUM of 101%, from ₹73 crore as on March 31, 2016 to ₹672 crore as on March 31, 2019, and the same was supported by growth in disbursements from ₹70 crore during FY16 to ₹520 crore during FY19. With the outbreak of the COVID-19 pandemic and the related lockdown during April 2020, the company had moderated disbursements and reported a modest growth in AUM of 27% and 6% during FY20 and FY21, respectively.
Despite outbreak of the second wave of the pandemic, the company restarted focus on disbursements, and the AUM grew 40% to ₹1,268 crore as on March 31, 2022, with the majority of the growth being aided by disbursement through the co-lending model. Also, there was a notable increase in the average ticket size in disbursements from ₹3.89 lakh during FY21 to ₹8.02 lakh during FY22.

As on March 31, 2022, Visage continues to operate in six states and one Union Territory, with an employee base of 1,313 (PY: 1,125) and 110 branches (PY: 110), which include 32 in Tamil Nadu, 24 in Karnataka, 21 in Maharashtra, 17 in Andhra Pradesh, eight in Gujarat, seven in Telangana, and one in Pondicherry.
The share of the top state (Tamil Nadu) has significantly declined in the past, from 62.35% as on March 31, 2016, to 32.65% as on March 31, 2020. However, it increased marginally over the last two years (FY21 and FY22) to 34.88% as on March 31, 2022. The share of the top three states continue to remain concentrated and stood at 73.75% as on March 31, 2022 (PY: 73.32%).

Key Rating Weaknesses
Moderate profitability levels: During FY22, Visage reported a profit after tax (PAT) of ₹15 crore on a total income of ₹289 crore, as against a PAT of ₹7 crore on a total income of ₹236 crore during FY21. Notably, the total income has grown 23% during FY22, mainly because of the significant increase in net gain on fair value changes on the servicing portfolio (co-lending portfolio) amounting to ₹61.23 crore (PY: ₹10.29 crore). The interest income has remained at ₹208 crore (PY: ₹210 crore) as the loan portfolio reported growth only during Q4FY22.
The yield on advances moderated to 21.87% during FY22, from 24.22% during FY21, as the majority of the growth in the loan portfolio came during Q4FY22. The company has provided an ELCGS loan (around 4% of the loan portfolio) with an interest rate ceiling of 14%, which has also contributed to the same.
With the moderation in yield and higher cash position maintained by the company, the net interest margin (NIM) moderated to 7.45% during FY22, from 10.73% during FY21. However, with the significant increase in net gain on fair value changes on the servicing portfolio, the other income/average total assets have improved to 5.69% during FY22, from 1.87% during FY21.
With operations bouncing back to pre-COVID-19 levels, the opex increased to 8.45% during FY22, from 7.54% during FY21. During FY22, Visage had written-off a loan portfolio amounting to ₹31 crore (PY: ₹43 crore), and as a result, the credit cost stood at 3.20% during FY22, as against 4.02% during FY21. Despite the moderation in yield and increase in opex, the return on total assets (ROTA) improved to 1.11% during FY22 (PY: 0.69%) with an increase in other income.

Moderately-diversified resource profile: As on March 31, 2022, the proportion of term loans, non-convertible debentures (NCDs) and sub debts, commercial papers (CPs), and pass through certificates (PTCs) stood at 35.14%, 57.51%, 0.87%, and 0.44%, respectively, as against 48.75%, 43.85%, 1.77%, and 5.63% respectively, as on March 31, 2021. Visage has raised external commercial borrowings (ECBs) to the tune of ₹69.20 crore and stood at 6.04% of the total borrowings as on March 31, 2022.
The share of the term loan from NBFCs and financial institutions (FI) improved over the years, from 41.98% as on March 31, 2018, to 23.20% as on March 31, 2022. While the majority of the borrowed funds during FY22 were from NBFCs and through NCDs, bank borrowings moderated from 23.43% as on March 31, 2021 to 11.94% as on March 31, 2022. The weighted average cost of debt (WACD) has been improving on a y-o-y basis, from 13.03% as on March 31, 2019 to 12.53% (PY: 12.70%) as on March 31, 2022.
Visage continues to maintain co-lending relationships with NBFCs, onboarding four new partners over the last two years taking the total relationships to six as on March 31, 2022. In line with the same, the total co-lending portfolio (including own-book) has significantly increased, from ₹29 crore as on March 31, 2020, to ₹92 crore as on March 31, 2021, and further to ₹381 crore as on March 31, 2022.

Presence in the MSME segment, which is relatively riskier, and unsecured nature of exposure: Visage is primarily lending towards the business finance needs of the unorganised MSME segment in the urban and semi-urban areas, which is characterised by a marginal credit profile of the borrowers and is not serviced by the banking sector. Since this segment is highly susceptible to the impact of any economic shock, asset quality is a key monitorable parameter. However, the management team's experience on this target customer segment, largely provides comfort. The company will remain focused on this segment, as there is significant potential to grow its business. Visage provides loans only through hypothecation of the assets (machinery, stocks, non-machinery assets) and does not take any collateral for the loans, which may result in higher probability of losses at the time of recovery.

Moderate asset quality parameters, despite slight improvement seen in FY22: Despite the outbreak of the second wave of COVID-19, gross stage III assets improved to 8.6% as on March 31, 2022 from 10.4% as on March 31, 2021. The improvement is partly because of the significant increase in loan portfolio during Q4FY22 and partly because of standard restructured portfolio being included as stage III in FY21. The company has written-off a portfolio amounting to ₹31 crore during FY22 as against ₹43 crore during FY21. Adjusted gross stage III assets (Gross Stage III Assets + write-offs) improved to 11.6% as on March 31, 2022

from 15.3% as on March 31, 2021. Notably, the slippage has reduced during FY22 in consideration with the last three fiscals (FY19-FY21), to 8.23%.
Stage III provision coverage has improved to 34% as on March 31, 2022 from 23% as on March 31, 2021, and owing to the same, net stage III assets have significantly improved to 5.9% as on March 31, 2022 from 8.2% as on March 31, 2021.
Notably, the company has covered 66% of the delinquent AUM (0+) under the Credit Guarantee Fund Scheme for Micro and Small Enterprises (CGTMSE), as on March 31, 2022. For the accounts which became NPA during the prior periods, the company had received claims amounting to ₹16 crore during FY22.
With the outbreak of COVID-19, the company has provided measures such as one-time restructuring (OTR) benefits provided to the customers under resolution framework 1.0 and 2.0 and ECLGS loans. The standard OTR outstanding and standard ECLGS outstanding, as on March 31, 2022, stood at ₹48 crore and ₹35 crore, respectively. Including the same, gross stressed assets (Gross Stage III Assets + Standard OTR Outstanding + Standard ECLGS Outstanding) stood at 16.74% as on March 31, 2022.
During FY22, delinquency in the softer buckets (on AUM basis) has improved and 0+ and 30+ stood at 10.49% and 7.93%, respectively, as on March 31, 2022, as against 17.06% and 11.08%, respectively, as on March 31, 2021. On a y-o-y basis, 90+ has increased from 4.90% as on March 31, 2021 to 4.73% as on March 31, 2022. However, it has improved on a m-o-m basis after the outbreak of the second wave of COVID-19 from August 2021.

Industry outlook and prospects

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 the impact on large industries increased 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 of the COVID-19-induced pandemic for NBFCs and housing finance companies (HFCs) has turned negative. The sector, which grappled with liability side disruptions, could see another wave of challenges, this time in the form of asset quality. Amid these, credit challenges could mount again, as banks become more selective in extending credit. While the asset quality of NBFCs has witnessed moderation in FY21 and FY22, the performance of restructured book remains to be seen.

Impact of COVID-19

With the outbreak of the second wave of COVID-19, disbursement and asset quality parameters started to moderate. With the lower disbursements during May and June 2022, the AUM moderated to a low of ₹879 crore as on June 30, 2021. However, with the increased disbursement level, the AUM started to improve on a m-o-m basis to ₹1,268 crore as on March 31, 2022.
Collection efficiency moderated during Q1FY22 but it started to bounce back from August 2021 and remained between 87% and 91% in all of the remaining months during FY22.
Post the outbreak of COVID-19, 0+ increased to a maximum of 22.58% as on June 30, 2021 and 30+ to 19.54% as on July 31, 2021, which witnessed gradual improvement on a m-o-m basis to 10.49% and 7.93%, respectively, as on March 31, 2022. The improvement is mainly because of the increase in AUM during H2FY22, collection efforts made by the company, and write-offs done during FY22. The complete impact on asset quality and profitability because of the second wave remains to be seen.

Liquidity: Adequate

Visage's asset and liability management (ALM) profile remains adequate, with no cumulative mismatches in any of the time buckets as on March 31, 2022, and debt obligation (principal alone) in less than the one-year bucket stood at ₹432 crore as on March 31, 2022. With a cash and bank balance of ₹327 crore as on March 31, 2022, and funds in the pipeline, liquidity remains adequate.
During FY22, Visage raised long-term borrowings to the tune of ₹689 crore (PY: ₹378 crore), majorly through term loans from NBFCs and NCDs.

Analytical approach

Standalone

Applicable criteria

Criteria on assigning 'Outlook' and 'Credit Watch' to credit ratings
CARE Ratings' policy on Default Recognition
Financial ratios – Financial sector
CARE Ratings' rating methodology for NBFCs

About the company

Visage was incorporated in New Delhi in 1996 and registered as an NBFC, and obtained the Certificate of Registration from the Reserve Bank of India (RBI) on March 23, 2000. Visage was taken over by the current promoter, Hardika Shah, in 2011, and subsequently, the registered office was moved to Bengaluru in 2013, and it obtained a fresh Certificate of Registration from the RBI on August 27, 2013.
Visage provides collateral free loans under the brand name 'Kinara Capital' in the range of ₹1 lakh to ₹30 lakh to micro and small businesses in manufacturing, trading and services for asset purchase, business development or working capital need, at a rate of 22-31% for a tenure of 12-60 months.
As on March 31, 2022, Visage operates from 110 branches spread across six states and one Union Territory, with an employee base of 1,313, and of the AUM of ₹1,268 crore, 35% is concentrated towards Tamil Nadu.
As on April 19, 2022, on a fully dilutive basis, 11.26% is held by the promoter, Ms Hardika Shah, including compulsory convertible debentures (CCDs). Other major shareholders were Nuveen Global Impact Fund India S.À R.L, Gaja Capital and Affiliates,

Gawa Capital and Affiliates, Patamar Capital and Affiliates, Michael & Susan Dell Foundation, Pettelaar Effectenbewaarbedrijf N.V., Visage Trust, Sorenson Impact Foundation, Mesoloan LLC, John Ayliffe, and Kinara Capital holdings Pte Limited.

Brief Financials (Rs. Crore)	FY21 (A)	FY22 (A)
Total Operating Income	236	289
PAT	7	15
Interest Coverage (Times)	1.11	1.16
Total Assets	1,148	1,490
Net NPA/stage III (%)	8.25	5.95
ROTA (%)	0.69	1.11

A - Audited;

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

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

Covenants of the rated instruments/facilities: Please refer Annexure-4

Bank lender details: Please refer Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term loan		-	-	Mar-26	500.00	CARE BBB; Stable
Debentures-Non-convertible debentures-III	INE200W07159	22-Feb-18	12.50%	22-Feb-23	32.00	CARE BBB; Stable
Debentures-Non-convertible debentures-VI	INE200W07092	18-Mar-19	12.67%	18-Mar-24	60.00	CARE BBB; Stable
Debentures-Non-convertible debentures-VII	INE200W08082	27-Jun-19	13.09%	04-Jul-22	0.89	CARE BBB; Stable
Debentures-Non-convertible debentures-VIII	INE200W07167	12-Mar-21	11.63%	12-Mar-26	37.00	CARE BBB; Stable
Debentures-Non-convertible debentures-IX	INE200W07191	29-Jul-21	11.70%	29-Jul-25	16.00	CARE BBB; Stable
Debentures-Non-convertible debentures-X	INE200W07209	31-Dec-21	14.00%	31-Dec-24	20.00	CARE BBB; Stable
	INE200W07217	04-Feb-22	11.75%	15-Feb-25	100.00	CARE BBB; Stable
	INE200W07241	15-Mar-22	14.00%	25-Jan-25	30.00	CARE BBB; Stable
Debentures-Non-convertible debentures-XI					7.00	
	INE200W07233	14-Mar-22	13.30%	08-Dec-25	53.08	CARE BBB; Stable
	INE200W07225	11-Mar-22	11.86%	11-Mar-25	47.50	CARE BBB; Stable
	INE200W07258	25-Mar-22	12.55%	25-Mar-26	60.00	CARE BBB; Stable
	INE200W07274	20-May-22	11.86%	20-May-25	24.00	CARE BBB; Stable
Debentures-Non-convertible debentures-XII	INE200W07266	25-Apr-22	13.00%	08-Dec-25	30.56	CARE BBB; Stable
	Proposed	-	-	-	19.44	CARE BBB; Stable
Debt-Subordinate debt-I	INE200W08017	21-Sep-16	16.90%	21-Sep-22	12.00	CARE BBB; Stable
Debt-Subordinate debt-II	INE200W08033	28-Dec-18	15.60%	28-Dec-24	7.50	CARE BBB; Stable
Debt-Subordinate debt-III	INE200W08041	24-Jan-19	15.20%	24-Jan-25	7.50	CARE BBB; Stable
	INE200W08066	25-Feb-19	15.20%	25-Feb-25	7.50	CARE BBB; Stable
Debt-Subordinate debt-IV	INE200W08058	30-Jan-19	14.10%	31-Jan-25	10.00	CARE BBB; Stable
Debt-Subordinate debt-V	INE200W08074	20-Mar-19	14.10%	20-Mar-25	5.00	CARE BBB; Stable

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	500.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
2	Debt-Subordinate Debt	LT	12.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
3	Fund-based - LT-Cash Credit	LT	-	-	-	-	1)Withdrawn (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
4	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
5	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (11-Sep-19)
6	Debentures-Non Convertible Debentures	LT	32.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
7	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
8	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
9	Debt-Subordinate Debt	LT	7.50	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
10	Debt-Subordinate Debt	LT	15.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
11	Debt-Subordinate Debt	LT	10.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21)	1)CARE BBB; Stable (11-Sep-19)

							2)CARE BBB; Negative (26-Aug-20)	
12	Debentures-Non Convertible Debentures	LT	60.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
13	Debt-Subordinate Debt	LT	5.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19)
14	Debentures-Non Convertible Debentures	LT	0.89	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21) 2)CARE BBB; Negative (26-Aug-20)	1)CARE BBB; Stable (11-Sep-19) 2)CARE BBB; Stable (27-Jun-19)
15	Debentures-Non Convertible Debentures	LT	37.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22)	1)CARE BBB; Negative (24-Feb-21)	-
16	Debentures-Non Convertible Debentures	LT	16.00	CARE BBB; Stable	-	1)CARE BBB; Negative (05-Jan-22) 2)CARE BBB; Negative (25-Jun-21)	-	-
17	Debentures-Non Convertible Debentures	LT	150.00	CARE BBB; Stable	-	1)CARE BBB; Negative (13-Jan-22)	-	-
18	Debentures-Non Convertible Debentures	LT	191.58	CARE BBB; Stable	-	1)CARE BBB; Negative (28-Feb-22)	-	-
19	Debentures-Non Convertible Debentures	LT	50.00	CARE BBB; Stable	-	-	-	-

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

Sr. No.	Name of Instrument	Complexity Level
1.	Debentures-Non convertible debentures	Simple
2.	Debt-Subordinate debt	Simple
3.	Fund-based - LT-Term loan	Simple

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

		Detailed Explanation
1.	Capital adequacy above 17%	-
2.	Maintain the maturity mismatch for any three-month period, cumulative, below 100% of borrower's equity.	-
3.	The issuer will maintain the return on assets (ROA) ratio greater than 0% over a period comprising the preceding 12 months.	-

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please click here

Note on complexity levels of the rated instrument: CARE Ratings Limited has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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