

Rating Rationale

February 16, 2024 | Mumbai

Coromandel International Limited

Ratings Reaffirmed
A

Rating Action

Total Bank Loan Facilities Rated	Rs.9500 Crore
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)

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 ratings on the bank facilities of Coromandel International Limited (Coromandel) at CRISIL AAA/Stable/CRISIL A1+.

The ratings continue to reflect its robust market position in India's phosphatic-fertiliser market and strong operating efficiency supporting a healthy business risk profile. Coromandel continues to remain the largest single super phosphate player in the domestic market, with a share of ~15% in fiscal 2023; and the second-largest player in other complex phosphatic (DAP+NPK) fertilisers with a primary share of ~15%. Financial risk profile remains robust, with a continued net debt-free position.

Revenue was Rs 18,146 crore and Ebitda (earnings before interest, taxes, depreciation, and amortization) Rs 2,126 crore for the nine months through December 2023, against Rs 24,152 and Rs 2,523, respectively, in the corresponding period previous fiscal. Revenue and operating profitability weakened on account of the nutrient segment (contributes >80% to the overall earnings before interest and tax [EBIT]) due to a sharp downward revision in NBS (nutrient based subsidy) rates by the government for the second-half of fiscal 2024. However, backward integration measures undertaken, and favourable supply agreements have cushioned the impact on profitability. The annual Ebitda per tonne is likely to be maintained at around Rs 5,000 in the near term on the expectation of revision of NBS rates, in line with raw material prices. Any significant revision in NBS rates and resultant impact on operating profitability will remain monitorable over the medium term.

Furthermore, the company has announced capital expenditure (capex) to increase the backward integration capacity of both its key raw materials, phosphoric acid and sulphuric acid, at the Kakinada (Andhra Pradesh) plant, which was the company's only non-integrated plant. This will further help improve availability of raw material and cushion profitability over the medium term.

The government has also demonstrated its financial support to the fertiliser sector via additional subsidies in the past two fiscals. The announced subsidy of ~Rs 1.64 lakh crore for fiscal 2025 should be sufficient to meet the requirement. This, combined with healthy accrual and surplus liquidity, should be sufficient to fund working capital requirement, thus enabling it to maintain its net debt-free position over the medium term. Since timely disbursement of the entitled subsidy is crucial for the company to maintain its robust financial risk profile, any change in policy support or sustained delays in payouts would remain monitorable.

The ratings continue to reflect the strong position of Coromandel in India's phosphatic-fertiliser market, strong operating efficiency supported by backward-integration facilities, and robust financial risk profile. These strengths are partially offset by exposure to risks related to the regulated nature of the fertiliser industry in India.

CRISIL Ratings notes that there was a gas leak in the ammonia pipeline of the Ennore plant (Tamil Nadu) in December 2023, and is currently not operational. It contributes ~8% to the overall production of DAP (di-ammonium phosphate) /NPK. However, the production loss should be compensated via debottlenecking of capacities in the other plants. Also, the company has taken the necessary safety measures and is complying with the concerned authorities. Any negative impact arising out of this issue on the credit risk profile will be monitorable.

Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of Coromandel and its associate and subsidiary companies, considering the operational, managerial, and financial linkages among them.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation

Key Rating Drivers & Detailed Description

Strengths:

Strong position in India's phosphatic-fertiliser market

Coromandel is the second-largest player in the phosphatic-fertiliser industry in India with a primary market share of ~15% in DAP/NPK; and the largest share of ~15% in SSP for fiscal 2023. Its market position is underpinned by an entrenched and leading position in Andhra Pradesh and Telangana - India's largest complex-fertiliser market - and a wide product portfolio. The company has also been gradually increasing the sale of non-subsidy-based products, including crop protection, speciality nutrients (secondary and micro-nutrients [sulphur, zinc, calcium, and boron], water-soluble fertilisers and compost), and bio products (non-fertiliser segments contributed ~10% to the overall revenue in the nine months through fiscal 2024). It operates around 750 retail outlets and has tied up with over 14,000 dealers, through which it sells fertilisers, crop protection chemicals, speciality nutrient products, seeds, sprayers, veterinary products, among others.

A

Strong operating efficiency

Operations benefit from economies of scale, better raw material procurement due to established relationships with suppliers, captive production of phosphoric acid, superior plant infrastructure, and low handling and transportation costs. Captive phosphoric acid meets close to 50% of the company's total requirement while captive sulfuric acid meets ~60%. There are further plans to improve the backward integration in the near term. Operating efficiency is also supported by ability to adjust the product mix (between DAP and other complex fertilisers).

À

Scale of operations of the agrochemicals business has also improved, with healthy Ebitda of Rs 408 crore in fiscal 2023 compared with Rs 413 crore in the previous fiscal. Over the medium term, focus on increasing the share of non-subsidy-based products will reduce the vulnerability of profits to changes in the government subsidy policies.

À

Robust financial risk profile

Coromandel continued to maintain a net debt-free position as on December 31, 2023. Moderate annual capex plans of Rs 600-800 crore and incremental working capital requirement over the medium term will be met through yearly cash accrual of Rs 1,500-1,700 crore. Accordingly, the company is expected to remain net debt-free over the medium term. Any larger-than-expected debt-funded capex or acquisitions that could materially alter capital structure would remain monitorable.

À

Weaknesses:

Exposure to regulated nature of the fertiliser industry and volatility in raw material prices

The fertiliser industry is strategic, but highly controlled, with fertiliser subsidy being an important component of profitability. The phosphatic-fertiliser industry was brought under the NBS regime from April 1, 2010. Under this scheme, the Government of India fixes the subsidy payable on nutrients for the entire fiscal (with an option to review this every six months), while retail prices are market driven. Manufacturers of phosphatic fertilisers are dependent on imports for their key raw materials, such as rock phosphate and phosphoric acid. Cost of raw materials accounts for about 75% of the operating income. The regulated nature of the industry and susceptibility of complex fertiliser players (including Coromandel) to raw material price volatility under the NBS regime continues to be key rating sensitivity factors.

À

Fertiliser companies are also exposed to subsidy payments from the government, which may get delayed, leading to reliance on short-term working capital borrowings.

Liquidity: Superior

Cash and equivalent stood at ~Rs 2,900 crore and unutilised fund-based limit was around Rs 2,400 crore, as on September 30, 2023. Annual cash accrual of Rs 1,500-1,700 crore with no term debt repayment, and moderate annual capex of Rs 600-800 crore over the medium term further support liquidity.

Outlook: Stable

Business risk profile will remain comfortable over the medium term, with continued focus on improving operating efficiency and diversification of operations into the agrochemicals segment. Continued and timely release of subsidies by the government will remain key to maintaining strong financial risk profile.

Rating Sensitivity Factors

Downward Factors

- Significant and sustained weakening of operating performance, with unfavourable change in government policies
- Sizeable rise in subsidy receivables or any large, unexpected debt-funded capex or acquisitions weakening financial risk profile; resulting in net debt to Ebitda ratio increasing to beyond 1 time on a sustained basis

About the Company

Coromandel, one of the flagship companies of the Murugappa group, was established as a private company in 1961. At present, E.I.D. Parry (India) Ltd, a Murugappa group company, owns 56.20% of Coromandel as on December 31, 2023.

À

The company's business structure is bifurcated into two segments: nutrient and other allied businesses, and crop protection business. The nutrient and other allied segment includes the manufacturing and marketing of phosphatic fertilisers, speciality nutrients, organic fertilisers and retail. The crop protection business includes manufacturing of bio-based and chemical pesticides.

À

The company has the capacity to manufacture over 3.6 million tonne (MT) of fertilisers and pesticides and 1.0 million MT of single super phosphate per annum. Besides this, the company manufactures water soluble fertiliser, biopesticides and agrochemical technicals and formulations.

À

For the first nine months of fiscal 2024, profit after tax (PAT) was Rs 1,477 crore on total income of Rs 18,146 crore, against Rs 1,766 crore and Rs 24,152 crore, respectively, during the corresponding period previous fiscal.

Key Financial Indicators

Particulars	Unit	2023	2022
Operating income	Rs.Crore	29,628	19,111
Profit After Tax (PAT)	Rs.Crore	2,013	1,528
PAT Margin	%	6.8	8.0
Adjusted debt/adjusted networth	Times	0.0	0.0
Adjusted interest coverage	Times	15.46	29.9

As per the CRISIL Ratings analytical adjustment;

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 -À Details of Instrument'À in this Rating Rationale.

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

For more details on the CRISIL Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity level	Rating assigned with outlook
NA	Cash credit^	NA	NA	NA	0.27	NA	CRISIL AAA/Stable
NA	Cash credit**	NA	NA	NA	1000.00	NA	CRISIL AAA/Stable
NA	Cash credit\$	NA	NA	NA	50.00	NA	CRISIL AAA/Stable
NA	Cash credit@@	NA	NA	NA	200.00	NA	CRISIL AAA/Stable
NA	Cash credit%%	NA	NA	NA	57.40	NA	CRISIL AAA/Stable
NA	Short-term loan^^	NA	NA	NA	200.00	NA	CRISIL A1+
NA	Short-term loan^^	NA	NA	NA	500.00	NA	CRISIL A1+
NA	Cash credit#	NA	NA	NA	120.00	NA	CRISIL AAA/Stable
NA	Short-term loan%	NA	NA	NA	20.00	NA	CRISIL A1+
NA	Cash credit	NA	NA	NA	350.00	NA	CRISIL AAA/Stable
NA	Proposed fund-based bank limits	NA	NA	NA	35.73	NA	CRISIL AAA/Stable
NA	Letter of credit and bank guarantee	NA	NA	NA	2846.6	NA	CRISIL A1+
NA	Letter of credit and bank guarantee*	NA	NA	NA	300.00	NA	CRISIL A1+
NA	Letter of credit and bank guarantee!	NA	NA	NA	1450.00	NA	CRISIL A1+
NA	Letter of credit and bank guarantee&	NA	NA	NA	2300.00	NA	CRISIL AAA/Stable
NA	Credit Exposure Limits / Loan Exposure Risk Limits	NA	NA	NA	70.0	NA	CRISIL AAA/Stable

^Sanctioned OD facilities against FD

**Fund-based limit can be utilised for non-fund utilisation, but not vice versa

\$Fully interchangeable with letter of credit (LC) limit

@@Fully interchangeable with short-term debt and non-letter of credit reimbursement finance (NLR) limit up to Rs 200 crore.

%Limit sanctioned USD 70 million. Fully interchangeable with letter of credit, bank guarantee, short-term loan and buyer's credit

^^Fund-based limit can be utilised for non-fund utilisation and vice versa

#Limits sanctioned Rs 120 crore under corporate commercial card

%Fully interchangeable with LC, standby letter of credit (SBL)

*Interchangeable with SBL. One-way interchangeability from LC to CC limit up to Rs 300 crore

!Interchangeable with stand-by letter of credit (SBL) up to Rs 1,450 crore

&Fully interchangeable with SBL up to Rs 2,300 crore and interchangeable with bank guarantee limit up to Rs 400 crore and OD up to Rs 50 crore

Annexure - List of Entities Consolidated

Names of entities consolidated	Extent of consolidation	Rationale for consolidation
Sabero Organics America S.A.	Fully consolidated	Strong financial and business linkages
Coromandel Australia Pty Ltd	Fully consolidated	Strong financial and business linkages
Sabero Argentina S.A.	Fully consolidated	Strong financial and business linkages
Coromandel Agronegocios de Mexico, S.A de C.V	Fully consolidated	Strong financial and business linkages
Coromandel Chemicals Ltd	Fully consolidated	Strong financial and business linkages
Dare Ventures Limited	Fully consolidated	Strong financial and business linkages
CFL Mauritius Ltd	Fully consolidated	Strong financial and business linkages
Coromandel Brasil Ltda	Fully consolidated	Strong financial and business linkages
Parry America Inc	Fully consolidated	Strong financial and business linkages
Coromandel International (Nigeria) Limited	Fully consolidated	Strong financial and business linkages
Coromandel Mali SASU	Fully consolidated	Strong financial and business linkages
Coromandel Technology Limited	Fully consolidated	Strong financial and business linkages
Dhaksha Unmanned Systems P Ltd	Fully consolidated	Strong financial and business linkages
Coromandel Solutions Limited	Fully consolidated	Strong financial and business linkages
Yanmar Coromandel Agrisolutions Pvt Ltd	Equity method	Proportionate consolidation
Sabero Organics Philippines Asia Inc	Equity method	Proportionate consolidation
Baobab Mining & Chemicals Corporation S.A.	Equity method	Proportionate consolidation

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2024 (History)		2023		2022		2021		Start of 2021
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	

Fund Based Facilities	LT/ST	2603.4	CRISIL A1+ / CRISIL AAA/Stable	Â	--	17-02-23	CRISIL A1+ / CRISIL AAA/Stable	05-07-22	CRISIL AA+/Positive / CRISIL A1+	12-07-21	CRISIL AA+/Positive / CRISIL A1+	CRISIL AA+/Stable / CRISIL A1+
Â	Â	Â	--	Â	--	Â	--	Â	--	29-01-21	CRISIL AA+/Stable / CRISIL A1+	--
Non-Fund Based Facilities	ST/LT	6896.6	CRISIL A1+ / CRISIL AAA/Stable	Â	--	17-02-23	CRISIL A1+ / CRISIL AAA/Stable	05-07-22	CRISIL AA+/Positive / CRISIL A1+	12-07-21	CRISIL AA+/Positive / CRISIL A1+	CRISIL AA+/Stable / CRISIL A1+
Â	Â	Â	--	Â	--	Â	--	Â	--	29-01-21	CRISIL AA+/Stable / CRISIL A1+	--
Commercial Paper	ST	Â	--	Â	--	17-02-23	Withdrawn	05-07-22	CRISIL A1+	12-07-21	CRISIL A1+	CRISIL A1+
Â	Â	Â	--	Â	--	Â	--	Â	--	29-01-21	CRISIL A1+	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit^	0.01	Indian Overseas Bank	CRISIL AAA/Stable
Cash Credit%%	57.4	Citibank N. A.	CRISIL AAA/Stable
Cash Credit^	0.01	Indian Bank	CRISIL AAA/Stable
Cash Credit**	1000	HDFC Bank Limited	CRISIL AAA/Stable
Cash Credit\$	50	ICICI Bank Limited	CRISIL AAA/Stable
Cash Credit^	0.01	Telangana Grameena Bank	CRISIL AAA/Stable
Cash Credit	350	ICICI Bank Limited	CRISIL AAA/Stable
Cash Credit^	0.01	Bank of Maharashtra	CRISIL AAA/Stable
Cash Credit^	0.14	Union Bank of India	CRISIL AAA/Stable
Cash Credit^	0.01	Andhra Pradesh Grameena Vikas Bank	CRISIL AAA/Stable
Cash Credit^	0.02	Punjab National Bank	CRISIL AAA/Stable
Cash Credit^	0.01	Andhra Pragathi Grameena Bank	CRISIL AAA/Stable
Cash Credit^	0.04	Canara Bank	CRISIL AAA/Stable
Cash Credit^	0.01	Central Bank Of India	CRISIL AAA/Stable
Cash Credit#	120	Axis Bank Limited	CRISIL AAA/Stable
Cash Credit@@	200	State Bank of India	CRISIL AAA/Stable
Credit Exposure Limits / Loan Exposure Risk Limits	70	State Bank of India	CRISIL AAA/Stable
Letter of credit & Bank Guarantee	1850	ICICI Bank Limited	CRISIL A1+
Letter of credit & Bank Guarantee	100	ICICI Bank Limited	CRISIL A1+
Letter of credit & Bank Guarantee!	700	HDFC Bank Limited	CRISIL A1+
Letter of credit & Bank Guarantee*	300	State Bank of India	CRISIL A1+
Letter of credit & Bank Guarantee	380	Kotak Mahindra Bank Limited	CRISIL A1+
Letter of credit & Bank Guarantee	516.6	Citibank N. A.	CRISIL A1+
Letter of credit & Bank Guarantee!	750	HDFC Bank Limited	CRISIL A1+
Letter of credit & Bank Guarantee&	2300	Axis Bank Limited	CRISIL AAA/Stable
Proposed Fund-Based Bank Limits	35.73	Not Applicable	CRISIL AAA/Stable
Short Term Loan^^	500	Sumitomo Mitsui Banking Corporation	CRISIL A1+
Short Term Loan%	20	Kotak Mahindra Bank Limited	CRISIL A1+
Short Term Loan^^	200	MUFG Bank Limited	CRISIL A1+

^Sanctioned OD facilities against FD

**Fund-based limit can be utilised for non-fund utilisation, but not vice versa

\$Fully interchangeable with letter of credit (LC) limit

@@Fully interchangeable with short-term debt and non-letter of credit reimbursement finance (NLRFF) limit up to Rs 200 crore.

%Limit sanctioned USD 70 million. Fully interchangeable with letter of credit, bank guarantee, short-term loan and buyer's credit

^^Fund-based limit can be utilised for non-fund utilisation and vice versa

#Limits sanctioned Rs 120 crore under corporate commercial card

%Fully interchangeable with LC, standby letter of credit (SBLC)

*Interchangeable with SBLC. One-way interchangeability from LC to CC limit up to Rs 300 crore

!Interchangeable with stand-by letter of credit (SBLC) up to Rs 1,450 crore

&Fully interchangeable with SBLC up to Rs 2,300 crore and interchangeable with bank guarantee limit up to Rs 400 crore and OD up to Rs 50 crore

Criteria Details

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

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p>Aveek Datta Media Relations CRISIL Limited M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com</p> <p>Prakruti Jani Media Relations CRISIL Limited M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com</p> <p>Rutuja Gaikwad Media Relations CRISIL Limited B: +91 22 3342 3000 Rutuja.Gaikwad@ext-crisil.com</p>	<p>Manish Kumar Gupta Senior Director CRISIL Ratings Limited B: +91 124 672 2000 manish.gupta@crisil.com</p> <p>Naveen Vaidyanathan Director CRISIL Ratings Limited B: +91 22 3342 3000 naveen.vaidyanathan@crisil.com</p> <p>Shubham Aggarwal Manager CRISIL Ratings Limited B: +91 124 672 2000 shubham.aggarwal@crisil.com</p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestordesk@crisil.com</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

About CRISIL Limited

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

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

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

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

For more information, visit www.crisil.com

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

CRISIL PRIVACY NOTICE

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

DISCLAIMER

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

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

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

Neither CRISIL Ratings nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively, 'CRISIL Ratings Parties') guarantee the accuracy,

completeness or adequacy of the report, and no CRISIL Ratings Party shall have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. EACH CRISIL RATINGS PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Ratings Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

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

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

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

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.

Â

Â

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>