

Avanse Financial Services Limited

December 05, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	9,000.00 (Enhanced from 8,875.00)	CARE AA-; Stable	Reaffirmed
Long-term – Long-term instruments	25.00	CARE AA-; Stable	Reaffirmed
Long-term – Long-term instruments	25.00	CARE AA-; Stable	Reaffirmed
Market-linked debentures	300.00	CARE PP-MLD AA-; Stable	Reaffirmed
Market-linked debentures	100.00	CARE PP-MLD AA-; Stable	Reaffirmed
Market-linked debentures	400.00	CARE PP-MLD AA-; Stable	Reaffirmed
Non-convertible debentures	40.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	350.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	150.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	500.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	274.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	465.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	960.00	CARE AA-; Stable	Reaffirmed
Non-convertible debentures	1,000.00	CARE AA-; Stable	Reaffirmed
Commercial paper	300.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has reaffirmed ratings of Avanse Financial Services Limited's (Avanse's) long-term bank facilities and debt instruments at CARE AA-; Stable / CARE A1+. Ratings continue to derive strength from its established market presence in the overseas education loan segment with continuous improvement in scale of operations and comfortable asset quality. The company's capitalisation levels are comfortable with regular capital infusion from both existing and new investors. Ratings further take cognisance of improvement in profitability and other operating income related to lending business.

However, ratings are constrained by product concentration risk as the company largely focuses on specialised lending, overseas education loans, which inherently leads to asset liability mismatch arising due to relatively longer tenure of education loans. There is a possibility of asset side risks considering the moderate seasoning of loan book. Asset quality levels have been stable supported by adequate risk management systems and processes. Going forward, the ability to sustain asset quality and manage collections will be closely monitored.

Rating sensitivities: Factors likely to lead to rating actions

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

- Significant increase in scale of operations while maintaining higher share of retail portfolio along with stable asset quality on a sustained basis.

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

- Improving financial performance with return on total assets (ROTA) of 3% or above on a sustained basis.

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

- Significantly declining asset quality with gross non-performing asset (GNPA) above 3% on a sustained basis.
- Asset under management (AUM) / tangible net worth (TNW) beyond 5.5x.
- Significantly increasing proportion of non-overseas education loans and digital portfolio.
- Weakening in profitability metrics with ROTA below 1% on a sustained basis.

Analytical approach: Standalone

CARE Ratings has analysed the standalone profile of Avanse.

Outlook: Stable

The Stable outlook reflects CARE Ratings' expectation that Avanse will maintain healthy asset quality and comfortable profitability metrics while continuing to increase its scale of operations with expected capital support from existing investors.

Detailed description of key rating drivers:

Key strengths

Established market position in overseas education loans segment

Avanse primarily provides loans to students seeking overseas education and ranks as the second-largest domestic private sector non-banking finance company (NBFC) in this segment. As on March 31, 2024, its total AUM amounted to ₹13,303 crore, with ₹10,415 crore catering to overseas education loans, constituting 78% of the AUM. As on September 30, 2024, total AUM increased to ₹17,062 crore, wherein the overseas education formed 80.72% of the AUM. The growth in overseas education loan is attributed to rising demand and increased penetration in key markets such as the United States of America (forming 50.05% of the overseas book), the United Kingdom (29.98%), and Canada (13.43%). In FY24, Avanse disbursed ₹4,713 crore in the overseas education loans segment to Indian students enrolled in 1,585 universities/colleges across 49 countries.

The company's accomplishment in this sector is bolstered by a diverse range of sourcing channels spanning eight cities in India. These channels include education counsellors & aggregators, direct sales agents (DSAs), and direct acquisition through the company's sales team, website, and marketing campaigns. Avanse predominantly finances STEM courses, which constitute ~72.77% of its total overseas education loan portfolio, while other courses including MBA account for the remaining ~27.23%.

In addition to its offerings in overseas education loans, Avanse provides financing for working capital and growth capital needs of educational institutions in India, and for Indian students pursuing higher education domestically or digitally. As on September 30, 2024, these segments constitute 15.6% and ~1.9% of its overall AUM, respectively. The company has initiated cross-selling efforts to its existing borrowers, which collectively make up 1.6% of the AUM. Avanse has discontinued its business segment that previously provided loans to MSMEs and financial institutions, representing 0.2% of the AUM. This segment is currently in a gradual run-down phase.

The overseas education financing market is a niche segment largely funded by specialised NBFCs and is experiencing growth due to an increasing number of students opting to pursue higher education abroad. Avanse has sustained its ability to gain market share and maintain leadership position.

Capitalisation levels supported by regular equity infusions

As on March 31, 2024, the company's capitalisation levels are comfortable with TNW of ₹3,611.78 crore (PY: ₹2,117.51 crore) and reported capital adequacy ratio (CAR) of 27.52% (PY: 24.86%) and Tier-1 CAR of 26.94% (PY: 24.35%), well above the regulatory requirement of 15% and 10%, respectively. The debt-equity ratio improved from 3.37x as on March 31, 2023 to 2.81x as on March 31, 2024. The capitalisation levels are supported through capital infusion by Kedaara Capital (₹200 crore), Mubadala Investment Company (through its affiliate Alpha Investment Company LLC - ₹900 crore), Avendus PE Investment Advisors Private Limited (via its fund Avendus Future Leaders Fund II - ₹100 crore), and internal accruals. TNW further increased to ₹3,846.09 crore with debt-equity of 3.33x as on September 30, 2024.

CARE Ratings notes that the company has filed its draft red herring prospectus with Securities and Exchange Board of India (SEBI) on June 20, 2024, to raise ₹3,500 crore via an initial public offer (IPO). The IPO consists of a fresh issue of ₹1,000 crore and an OFS (offer for sale) by Warburg Pincus, Kedaara Capital, and IFC for ₹2,500 crore. The net proceeds from IPO are expected to be utilised for augmenting its capital base to meet its future capital requirements arising out of growth of its business and assets.

Improving profitability levels

Avanse has demonstrated a stable profitability trajectory (as a percentage of average total assets) with healthy net interest margins (NIMs) and other income, low credit costs, and rangebound operating expenses. NIMs improved by 6 bps in FY24 on the back of increase in the cost of funds leading to a corresponding increase in yields. Increase in fees & commission income and other income aided by increase in disbursements and cross selling of products resulted in an increase in fees and other income as a percentage of average total assets from 1.29% in FY23 to 2.38% in FY24. Opex as a percentage of average total assets witnessed a marginal increase by 7 bps from 2.55% in FY23 to 2.61% in FY24 owing to increase in employee costs, sourcing expenses, and IT-related expenses. The credit costs stood marginally higher at 0.66% in FY24 against 0.62% in FY23. However, the same continues to remain healthy due to low delinquency levels. Consequently, the company reported higher ROTA of 2.86% in FY24 against 2.09% in FY23.

In H1FY25, Avanse reported an improved ROTA of 3.07% (on annualised basis) led by decrease in credit cost from 0.66% in FY24 to 0.24% in H1FY25 (on annualised basis).

CARE Ratings observes, going forward, the company's ability to raise funds at competitive rates and exhibit improvement in the operational efficiency while scaling operations from current level would be key to improve earnings from current levels.

Key weaknesses

Product and geographical concentration risk

Avanse focuses primarily on financing overseas education, exposing it to sector concentration risk. Any decline in demand for overseas education loans or weakening employability could potentially impact the company's disbursement levels and hence its profitability. Moreover, these loans experience seasonal demand linked to admission cycles at various institutions. Post a change in promoters in 2019, Avanse has ceased offering loans to MSMEs and financial institutions. Subsequently, the company has been gradually diversifying into offering loans to educational institutions and Indian students for domestic education purposes. It has also diversified into extending loans to Indian students for studying digitally, particularly financing for upskilling and test preparation. However, CARE Ratings notes that the company has pro-actively dialled down lending to the digital segment in FY24, currently constituting only 1.90% of the AUM as on September 30, 2024, down from 10.82% as on March 31, 2023.

Geographically, the portfolio is concentrated with top four countries forming 94.71% of the AUM as on September 30, 2024 (March 24: 96.24%). USA forms 40.39% of the AUM as on September 30, 2024, followed by UK (24.20%), India (19.28%), and Canada (10.84%). While USA and UK's share in the mix has increased by 10.39% (from 30% as of March 2022 to 40.39% as of September 2024) and 17.45% (from 6.75% as of March 2022 to 24.20% as of September 2024) in the last two years, respectively, proportion of Canada has been on the decline (from 14% as of March 2022 to 10.84% as of September 2024) due to local or geopolitical factors. Given that the company's portfolio concentrated in overseas education funding, USA, UK, and Canada are expected to continue to form major proportion of Avanse's loan book.

Moderate portfolio seasoning and asset quality susceptible to risk inherent in unsecured loans

Avanse commenced business operations in January 2013. Majority its loan book has a contracted tenure of ~10 years, and significant growth in the loan book was achieved starting from FY22. Its AUM has reported compounded annual growth rate (CAGR) growth of ~61% in the last three fiscal years, ending FY24. In FY24, the company reported a year-on-year growth of 53.46% to ₹13,303 crore compared to ₹8,646 crore in FY23. As on September 30, 2024, total AUM increased to ₹17,062 crore reporting a growth of ~28.25%. Overseas education loans constitute 80.72% of the AUM, with ~74% of AUM currently under principal moratorium, indicating a moderate seasoning of the portfolio.

Generally, overseas education loans have a two-year principal moratorium (more or less per the study period), followed by a one-year grace period (depending on case-to-case basis) before the repayment cycle begins. However, Avanse has experienced a high level of prepayments, with the average tenure of these loans ranging from five to seven years, thus benefitting the company. This trend reflects factors such as a robust credit underwriting process that evaluates the quality of students, their employment prospects, and the credentials of co-borrowers. Although only ~24% of the overall loan book are secured, Avanse mandatorily

has a co-borrower (mostly parents) as a risk mitigant for its overseas loan business segment, which is largely unsecured. In FY24, 93.88% of disbursements under overseas education segment were to borrowers with a CIBIL score higher than 700.

Avanse's asset quality has been stable with gross stage 3 and net stage 3 assets improved to 0.43% and 0.13%, respectively, as on March 31, 2024, against 0.56% and 0.17%, respectively, as on March 31, 2023. Due to recoveries of NPAs, asset quality further improved with gross stage 3 and net stage 3 assets reported at 0.24% and 0.05%, respectively, as on September 30, 2024.

Gross stage 3 assets of the overseas education loans stood at 0.07% as on September 30, 2024, improved from 0.11% as on March 31, 2023, and 0.17% as on March 31, 2022. Overseas education loans asset quality is largely driven by the students' earnings potential. The asset quality risk is negated largely with the company adopting student-led approach in its lending practices with estimated earning potential of students derived through combination of student's academic track record, track record of university, employment opportunities of the course and the country. The company has governance structure in place with regular reviews at all levels. Detailed key risk indicators are tracked monthly and addressed. Continuous monitoring is carried out based on external environment, customer data, and bureau trends and analytics driven early warning signals, propensity to bounce models, and credit loss forecasting models, among others.

CARE Ratings observes, since the company has clocked majority growth over the last three years, sustenance of asset quality is yet to be seen and is key monitorable as assets side risks continue to exist due to uncertain global economic scenario.

Diversified resource profile albeit inherent asset liability tenure mismatch arising due to longer tenure of education loans

The company has improved diversification in its liability profile over the years. Term loans form majority of the borrowings constituting 57.29% of overall borrowings as on September 30, 2024, followed by NCDs (25.91%) and external commercial borrowings (ECBs) (13.83%). The company has an established lender base of 38 lenders as on September 30, 2024. The cost of borrowings had been relatively higher compared to some of the NBFCs having similar credit profile, as majority of on-lending is towards non-PSL and unsecured category. CARE Ratings expects the company to further reduce its cost of borrowings primarily supported by improved business and credit profiles. Though liability profile has improved over the years, inherent asset liability tenure mismatch continues due to relatively longer tenure of loans extended. Same is partially offset due to higher amounts of prepayments in overseas education loans. The company extends loans for contracted tenure of ~10 years.

Liquidity: Adequate

As on September 30, 2024, the company has free cash and cash equivalents and liquid investments of ₹776.68 crore and has undrawn sanction lines of ₹857.00. Inflow from advances for the next one-year aggregate to ₹2,179.66 crore. Against this, the company has debt obligations of ₹3,771.54 crore over the next one-year. As a prudent measure, the company maintains cash and bank balance of minimum two months of net cash outflows including disbursements.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios - Financial Sector](#)

[Short Term Instruments](#)

[Non Banking Financial Companies](#)

[Market Linked Notes](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

Avanse is a non-deposit-taking non-banking financial company (ND-NBFC) registered with the Reserve Bank of India (RBI). The company is engaged in providing education loans for students pursuing higher studies abroad and in India, provides for professional/executive courses to working professionals, and provides loans to educational institutes in India for their working capital and growth capital requirements. The company has a wholly owned subsidiary, Avanse Global Finance IFSC Private Limited, incorporated in January 2023, though its operations are limited.

Olive Vine Investment Limited, which is an affiliate of the Warbug Pincus Group, is the promoter of the company holding 59.32% stake as on March 31, 2024. Kedaara Capital (17.71%), International Finance Corporation (11.55%), Mubadala Investment Company (10.28% - via its affiliate Alpha Investment Company LLC), and Avendus PE Investment Advisors Private Limited (1.14% - through its fund Avendus Future Leaders Fund II) are the other shareholders of the organisation.

The company has a branch network of 12 across eight cities in India. AUM stood around ₹17,062 crore as on September 30, 2024.

Avanse standalone financials

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	H1FY25 (UA)
Total operating income	990.23	1,728.27	1,074.40
PAT	157.74	342.57	242.21
Total Assets	9,697.73	14,278.90	17,241.04
Net NPA (%)	0.17	0.13	0.05
ROTA (%)	2.09	2.86	3.07

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: None

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: 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
Commercial paper-Commercial paper (Standalone) (Proposed)	-	-	-	-	300	CARE A1+
Fund-based - LT-Cash credit	-	-	-	-	87	CARE AA-; Stable
Fund-based - LT-Cash credit (Proposed)	-	-	-	-	103	CARE AA-; Stable

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	-	-	-	21-Sep-30	7,501.29	CARE AA-; Stable
Fund-based - LT-Term loan (Proposed)	-	-	-	-	1,308.71	CARE AA-; Stable
Debentures-Subordinate debt	INE087P08020	30-Jun-17	9.50%	30-Jun-27	25	CARE AA-; Stable
Debentures-Subordinate debt	INE087P08038	27-Dec-17	9.35%	27-Dec-27	25	CARE AA-; Stable
Debentures-Market Linked Debentures (Proposed)	-	-	-	-	400	CARE PP-MLD AA-; Stable
Debentures-Market Linked Debentures	INE087P07279	23-Sep-22	Linked to 6.54% G-sec 2032	31-Jan-25	150	CARE PP-MLD AA-; Stable
Debentures-Market Linked Debentures	INE087P07287	04-Nov-22	Linked to 6.54% G-sec 2032	04-Apr-25	250	CARE PP-MLD AA-; Stable
Debentures-Non-convertible debentures	INE087P07022	31-Jul-15	10.10%	31-Jul-25	25	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07048	07-Aug-15	10.10%	07-Aug-25	15	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07204	24-Mar-22	10.25%	24-Mar-25	150	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07295	12-Jan-23	9.25%	12-Jan-26	250	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07303	01-Feb-23	9.25%	01-Feb-26	100	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07311	29-Mar-23	9.65%	29-Jun-26	75	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07329	30-May-23	9.50%	29-Jun-26	200	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07337	30-May-23	9.50%	29-May-26	500	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07345	21-Jul-23	9.40%	08-Jul-26	55	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07352	28-Jul-23	9.40%	28-Jul-28	25	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07345	28-Jul-23	9.40%	28-Jul-28	100	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07360	07-Aug-23	9.40%	08-Sep-26	100	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07378	29-Aug-23	9.35%	28-Nov-25	75	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07386	07-Sep-22	9.30%	07-May-25	200	CARE AA-; Stable
Debentures-Non-convertible debentures	INE087P07394	17-Sep-24	3m T-Bill	17-Nov-25	150	CARE AA-; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non-convertible debentures	INE087P07402	27-Sep-24	9.40%	27-Sep-27	500	CARE AA-; Stable
Debentures-Non-convertible debentures (Proposed)	-	-	-	-	1,219.00	CARE AA-; Stable

*PPMLD with ISIN INE087P07246 matured.

Annexure-2: Rating history for 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term loan	LT	8810.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	1)CARE A+; Stable (21-Sep-21)
2	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (07-Sep-23) 2)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	
3	Fund-based - LT-Cash Credit	LT	190.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							5)CARE A+; Positive (02-Jun-22)	
4	Debentures-Non-convertible debentures	LT	40.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	1)CARE A+; Stable (21-Sep-21)
5	Debt-Subordinate debt	LT	-	-	1)Withdrawn (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	
6	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (07-Sep-23) 2)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
7	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (07-Sep-23) 2)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	1)CARE A+; Stable (21-Sep-21)
8	Debt-Subordinate debt	LT	25.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	
9	Debt-Subordinate debt	LT	25.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	1)CARE A+; Stable (21-Sep-21)
10	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (07-Sep-23) 2)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	
11	Debentures-Non-convertible debentures	LT	350.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22)	1)CARE A+; Stable (21-Sep-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							5)CARE A+; Positive (02-Jun-22)	
12	Commercial paper- Commercial paper (Standalone)	ST	300.00	CARE A1+	1)CARE A1+ (14-Aug-24) 2)CARE A1+ (05-Jul-24)	1)CARE A1+ (29-Feb-24) 2)CARE A1+ (07-Sep-23) 3)CARE A1+ (17-May-23)	1)CARE A1+ (01-Nov-22) 2)CARE A1+ (23-Sep-22) 3)CARE A1+ (23-Aug-22) 4)CARE A1+ (01-Aug-22) 5)CARE A1+ (02-Jun-22)	1)CARE A1+ (21-Sep-21) 2)CARE A1+ (01-Jun-21)
13	Debentures-Non-convertible debentures	LT	150.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22)	1)CARE A+; Stable (21-Sep-21) 2)CARE A+; Stable (23-Aug-21)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
							4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	
14	Debentures-Non-convertible debentures	LT	500.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22) 2)CARE A+; Positive (23-Sep-22) 3)CARE A+; Positive (23-Aug-22) 4)CARE A+; Positive (01-Aug-22) 5)CARE A+; Positive (02-Jun-22)	-
15	Debentures-Market Linked Debentures	LT	-	-	1)Withdrawn (05-Jul-24)	1)CARE PP-MLD AA-; Stable (29-Feb-24) 2)CARE PP-MLD AA-; Stable	1)CARE PP-MLD A+; Positive (01-Nov-22)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
						(07-Sep-23) 3)CARE PP-MLD AA-; Stable (17-May-23)	2)CARE PP-MLD A+; Positive (23-Sep-22) 3)CARE PP-MLD A+; Positive (23-Aug-22) 4)CARE PP-MLD A+; Positive (01-Aug-22)	
16	Debentures-Market Linked Debentures	LT	-	-	1)Withdrawn (05-Jul-24)	1)CARE PP-MLD AA-; Stable (29-Feb-24) 2)CARE PP-MLD AA-; Stable (07-Sep-23) 3)CARE PP-MLD AA-; Stable (17-May-23)	1)CARE PP-MLD A+; Positive (01-Nov-22) 2)CARE PP-MLD A+; Positive (23-Sep-22) 3)CARE PP-MLD A+; Positive (23-Aug-22) 4)CARE PP-MLD A+; Positive (01-Aug-22)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
17	Debentures-Market Linked Debentures	LT	300.00	CARE PP-MLD AA-; Stable	1)CARE PP-MLD AA-; Stable (14-Aug-24) 2)CARE PP-MLD AA-; Stable (05-Jul-24)	1)CARE PP-MLD AA-; Stable (29-Feb-24) 2)CARE PP-MLD AA-; Stable (07-Sep-23) 3)CARE PP-MLD AA-; Stable (17-May-23)	1)CARE PP-MLD A+; Positive (01-Nov-22) 2)CARE PP-MLD A+; Positive (23-Sep-22) 3)CARE PP-MLD A+; Positive (23-Aug-22)	-
18	Debentures-Market Linked Debentures	LT	100.00	CARE PP-MLD AA-; Stable	1)CARE PP-MLD AA-; Stable (14-Aug-24) 2)CARE PP-MLD AA-; Stable (05-Jul-24)	1)CARE PP-MLD AA-; Stable (29-Feb-24) 2)CARE PP-MLD AA-; Stable (07-Sep-23) 3)CARE PP-MLD AA-; Stable (17-May-23)	1)CARE PP-MLD A+; Positive (01-Nov-22) 2)CARE PP-MLD A+; Positive (23-Sep-22) 3)CARE PP-MLD A+; Positive (23-Aug-22)	-
19	Debentures-Market Linked Debentures	LT	400.00	CARE PP-MLD AA-; Stable	1)CARE PP-MLD AA-; Stable (14-Aug-24) 2)CARE PP-MLD AA-; Stable	1)CARE PP-MLD AA-; Stable (29-Feb-24) 2)CARE PP-MLD AA-; Stable	1)CARE PP-MLD A+; Positive (01-Nov-22)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
					(05-Jul-24)	(07-Sep-23)	2)CARE PP-MLD A+; Positive (23-Sep-22)	
20	Debentures-Non-convertible debentures	LT	274.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	1)CARE A+; Positive (01-Nov-22)	-
21	Debentures-Non-convertible debentures	LT	465.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23) 3)CARE AA-; Stable (17-May-23)	-	-
22	Debentures-Non-convertible debentures	LT	960.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24) 2)CARE AA-; Stable (05-Jul-24)	1)CARE AA-; Stable (29-Feb-24) 2)CARE AA-; Stable (07-Sep-23)	-	-
23	Debentures-Non-convertible debentures	LT	1000.00	CARE AA-; Stable	1)CARE AA-; Stable (14-Aug-24)	-	-	-

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial paper-Commercial paper (Standalone)	Simple
2	Debentures-Market Linked Debentures	Complex
3	Debentures-Non-convertible debentures	Simple
4	Debt-Subordinate debt	Complex
5	Fund-based - LT-Cash credit	Simple
6	Fund-based - LT-Term loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

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

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Pradeep Kumar V Senior Director CARE Ratings Limited Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in</p>	<p>Analytical Contacts</p> <p>Sanjay Agarwal Senior Director CARE Ratings Limited Phone: +91 - 22 - 6754 3500 E-mail: sanjay.agarwal@careedge.in</p> <p>Vineet Jain Senior Director CARE Ratings Limited Phone: +91 - 22 - 6754 3623 E-mail: vineet.jain@careedge.in</p> <p>Jitendra Meghrajani Assistant Director CARE Ratings Limited Phone: +91 - 22 - 6754 3526 E-mail: Jitendra.Meghrajani@careedge.in</p>
---	---

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For detailed Rationale Report and subscription information,
please visit www.careedge.in**