YBL/CS/2023-24/089

August 22, 2023

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051
Tel.: 2659 8235/36 8458
NSE Symbol: YESBANK

BSE Limited
Corporate Relations Department
P.J. Towers, Dalal Street
Mumbai – 400 001
Tel.: 2272 8013/15/58/8307
BSE Scrip Code: 532648

Dear Sir/Madam,

Sub: Update on Credit Ratings

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to update that **CRISIL Ratings** has issued a ratings release, upgrading the ratings and reaffirming outlook at Positive. Instruments wise rating and outlook are as detailed below:

Instrument	Current Action & Outlook
Infrastructure Bonds & Basel III Tier II Bonds	**'CRISIL A'/Positive** (*Upgraded from 'CRISIL A-' and outlook reaffirmed at 'Positive'*)
Certificates Of Deposit	**CRISIL A1+** (*reaffirmed*)

We request you to kindly take the same on your record. The press release on ratings and the rational is enclosed herewith.

The same is also being hosted on the Bank's website at www.yesbank.in

Thanking you,

Yours faithfully,

For YES BANK LIMITED

SHIVANAND RAMA SHETTIGAR
Digitally signed by SHIVANAND RAMA SHETTIGAR
Date: 2023.08.22 21:46:40 +05'30'

Shivanand R. Shettigar
Company Secretary

Encl: A/a

CRISIL Ratings

Rating Rationale

August 22, 2023 | Mumbai

YES Bank Limited

Long-term rating upgraded to 'CRISIL A/Positive'; short-term rating reaffirmed

Rating Action

Rs.13941 Crore Tier II Bonds (Under Basel III)	**CRISIL A/Positive (Upgraded from 'CRISIL A-/Positive')**
Rs.3780 Crore Infrastructure Bonds	**CRISIL A/Positive (Upgraded from 'CRISIL A-/Positive')**
Rs.20000 Crore Certificate of Deposits	**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 upgraded its long-term rating on the Tier-II bonds (under Basel III) and infrastructure bonds of YES Bank Ltd (YES Bank) to **'CRISIL A/Positive'** from 'CRISIL A-/Positive'. CRISIL Ratings has also reaffirmed its short-term rating on the certificates of deposit (CD) of the bank at 'CRISIL A1+'.

The rating action is driven by strengthened capital buffers, greater granularity of the lending portfolio, and expectation of continued traction in deposits and controlled asset quality. The Bank's profitability, currently constrained by drag on their investments in priority sector lending (PSL) assets and relatively moderate CASA, is expected to gradually improve over the medium term.

The bank's capital position has been strengthened with the common equity Tier I (CET1) ratio and overall capital adequacy ratio (CAR) of 13.6% and 18.3%, respectively, as on June 30, 2023 (13.3% and 17.9%, respectively, as on March 31, 2023) following the capital raise in fiscal 2023. Yes Bank raised Rs 8,887 crore in fiscal 2023, of which Rs 6,041 crore was received during the fiscal through a mix of preferential allotment of shares and warrants, while the remaining Rs 2,846 crore is expected to flow in upon the conversion of the warrants in fiscal 2024 and fiscal 2025. This would support the bank's growth going ahead.

On the asset side, the bank has realigned its business model with a focus towards more granular lending, with the share of loans to retail and small and medium enterprises (SME) increasing. Even within the corporate book, the bank is focusing on lower sized exposures and a higher proportion of working capital loans, with term lending mainly to better rated corporates. The proportion of gross advances for retail, SME and medium corporates segments increased to 75% as on June 30, 2023 from 47% as on March 31, 2021 and 39% as on March 31, 2020. The improved granularity of the portfolio, coupled with strengthened risk management practises across asset segments, should support underlying asset quality going ahead.

The reported asset quality metrics have also benefited from lower slippages as well as the transaction with JC Flowers ARC, as asset reconstruction company (ARC), wherein the bank has sold legacy stressed assets worth nearly Rs 48,000 crore. Consequently, the GNPA levels witnessed sharp decline from 13.9% as on March 31, 2022 to 2.2% as on March 31, 2023 (2.0% as on June 30, 2023).

Under the Reserve Bank of India (RBI)'s August 2020 resolution framework for Covid-19-related stress, as on June 30, 2023, the bank's restructured advances stood at 1.2% of its gross advances. This is over and above around 1.1% of gross advances restructured under the other restructuring mechanisms such as extension of the date for commencement of commercial operations (DCCO) and restructuring for MSME scheme.

The ability of the bank to manage collections and execute the revised business model with controlled asset quality will need to be demonstrated over a longer period.

On the liabilities side, steady improvement in the deposit base seen since the reconstruction scheme in March 2020 is expected to continue and hold the bank in a good stead. Yes Bank's total deposits increased to Rs 2.19 lakh crore as on June 30, 2023 (2.17 lakh crore as on March 31, 2023) from Rs 1.63 lakh crore as on March 31, 2021 and Rs 1.05 lakh crore as on March 31, 2020. The proportion of granular and sticky, current account and savings account (CASA) deposits to overall deposits has been steady and stood at 29.4% as on June 30, 2023 (30.8% as on March 31, 2023) as against 26.1% as on March 31, 2021. On an absolute basis, CASA deposits increased to Rs 64,568 crore as on June 30, 2023 (Rs 66,903 crore as on March 31, 2023) as against Rs 42,587 crore as on March 31, 2021. Retail Business segment deposits have also witnessed steady uptick and stood at 54% of the overall deposits as on June 30, 2023 (50% as on June 30, 2022). While the CASA level may not see a sharp increase in the near term given the interest rate cycle and consequent continued shift to term deposits which carry higher rates, and well as the greater comfort of institutional depositors with the bank, the overall stability of deposits is expected to be sustained.

The profitability of the bank remains muted majorly impacted by higher one-time provisioning costs in fiscal 2023 linked to the sale of stressed assets to JC Flowers ARC and elevated level of operating expenses, however, pre-provisioning profitability remained stable.

Nevertheless, the ability of the bank to continue to build a strong retail liabilities franchise and a stable and sound operating business model with strong compliance and governance framework, needs to be demonstrated over the longer term along with the ability of the bank to enhance its profitability levels. Additionally, the impact of the shift in business model to focus on granular retail and micro, small and medium enterprises (MSME) segments and selective working capital loans in the corporate segment will need to be seen over a longer period. These will be key rating monitorables.

Analytical Approach

For arriving at the ratings, CRISIL Ratings has combined the business and financial risk profiles of Yes Bank and its subsidiaries, because of the majority shareholding, business and financial linkages, and shared brand.

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:

Adequate capitalization

Yes Bank has adequate capitalisation with CET 1, Tier 1 and overall CAR of 13.6%, 13.6% and 18.3%, respectively, as on June 30, 2023. Capital position was bolstered by the capital infusion of Rs 6,041 crore received in December 2023 of the total Rs 8,887 crore announced in July 2023. Previously, capital of Rs 10,000 crore was also infused by different financial institutions as part of its reconstruction scheme in March 2020, with a follow-on public offer (FPO) of Rs 15,000 crore in July 2020.

The bank has a sizeable networth (excluding share warrants) of Rs 40,213 crore as on June 30, 2023 (Rs 39,794 crore as on March 31, 2023) and the networth coverage for net NPAs remained adequate at 19.1 times as on June 30, 2023 (24.0 times as on March 31, 2023).

The Bank's CET I could deteriorate in case of an adverse judgement by the Honourable Supreme Court in the matter relating to the write-off of its Additional Tier- I (AT-I) bonds. The complete writeback of these bonds could adversely impact the CET I by ~310 basis points (bps), while the AT-I ratio would go up by the same extent. However, the Tier I ratio and total capital ratio of the bank should remain unaffected.

Additionally, the bank's internal accruals have also improved with the bank reporting profits in the last five quarters. While the profitability is muted, it should also support the capitalisation levels of the bank. Going ahead, the bank's ability to generate healthy internal accruals and raise timely capital for growth and any potential asset side risks, remains a key rating sensitivity factor.

Improvement in stability and granularity in the liability profile

Yes Bank witnessed a steady outflow of deposits prior to the reconstruction of the bank, till March 2020 due to heavy withdrawals of both bulk and retail deposits preceding the moratorium. As on March 31, 2020, deposits stood at Rs 105,364 crore as against Rs 227,610 crore as on March 31, 2019. CASA deposits as a proportion of overall deposits had declined to 26.6% as on March 31, 2020 from 33.1% as on March 31, 2019.

However, the deposit base has stabilised and improved after March 31, 2020. Total deposits (including certificate of deposits) as on June 30, 2023 increased to Rs 2,19,369 crore – registering a year-on-year increase of 13.5% and an absolute increase of 108% from March 31, 2020. This has been supported by the bank's increased efforts to bring in new depositors. The top priority of the management, since the reconstruction of the bank, has been to rebuild the liability franchise and the bank has taken various steps and initiatives in this regard.

Further, CASA deposits formed 29.4% of the overall deposits as on June 30, 2023, an improvement from 25.8% as on June 30, 2020 but has come down on sequential basis from 30.8% as on March 31, 2023 in line with the industry trend. Additionally, retail deposits defined as SA deposits and retail term deposits stood at 45.4% as on June 30, 2023 (49.6% as on June 30, 2022).

Depositor concentration is reducing with top 20 depositors forming 12.0% of the total deposits as on March 31, 2023, from 14.2% as on March 31, 2022. Reliance on non-deposit funding has been steadily reducing but still forms 25.4% of total funding (borrowings+deposits) as of June 30, 2023, higher than larger private banking peers. Thus, the ability of the bank to continue to build a retail liabilities franchise on a steady state basis will be a critical rating sensitivity factor.

Increased granularity of the advances book
Retail, SME and medium corporate segments formed 75% of the overall gross advances as on June 30, 2023 (39% as on March 31, 2020). Of this, retail has grown from 21% to 47% share of advances during the same period. The overall net advances grew by 7.4% year on year (y-o-y) and stood at Rs 2,00,204 as on June 30, 2023 while the retail portfolio grew by 31.3% y-o-y during the same period and stood at Rs 94,445 crore as on June 30, 2023 as against Rs 71,919 crore as on June 30, 2022 (Rs 91,036 crore as on March 31, 2023). There was growth across retail product offerings including home loans, personal loans, secured business loans and auto loans. Going forward, bank aims to grow its retail book which is expected to add further granularity to the overall loan book.

The improved granularity of the portfolio should also support fundamental asset quality going ahead.
Reported asset quality metrics have also improved significantly in fiscal 2023, primarily supported by sale of stressed assets amounting to ~Rs 48,000 crore to JC Flowers ARC, with gross NPA reducing to to 2.0% as on June 30, 2023. While corporate GNPA saw the sharpest decline to 4.9% as on March 31, 2023 (28.4% as on March 31, 2022), improvement in asset quality was also seen across other segments during the same periods with retail GNPA at 1.3% versus 1.7% and SME GNPA at 1.0% (3.1%).

Notably, the bank has stepped up its recovery efforts in the past few quarters. In fiscal 2023, it witnessed total recovery and upgrades of Rs 6120 crore (Rs 7,290 crore for fiscal 2022). Slippages were also lower in fiscal 2023 at Rs 4,775 crores as against Rs 5,795 crore in fiscal 2022.

Given the intense competition, ability to scale up the retail and SME portfolios while maintaining asset quality. Build-up of a sound operating model and strengthening of governance and compliance framework will also be critical for the long-term success of the bank and will be key rating monitorables.

Weaknesses:
Muted profitability, albeit an improvement in recent quarters
The bank reported a profit of Rs 717 crore (RoA of 0.2%) as against Rs 1066 crore (RoA of 0.4%) in the previous fiscal. Profitability was impacted by higher one-time provisioning costs in fiscal 2023 linked to the sale of stressed assets to JC Flowers ARC. Provisions increased to Rs 2,220 crore (0.7% of average assets) for fiscal 2023 as against Rs 1,480 crore (0.5% of average assets) in fiscal 2022. However, the pre-provisioning profitability remained stable at 0.9% for fiscal 2023 and 1.0% for fiscal 2022. Further, the bank reported a profit of Rs 343 crore in Q1FY24.

NIMs have improved in fiscal 2023 to 2.4% from 2.2% in fiscal 2022. However, some tempering in margins is expected in the current fiscal as the full impact of the rising interest rate cycle is absorbed in the funding costs. Cost of funds inched up to 6.2% in Q1FY24 from 5.5% in fiscal 2023 and 5.3% in fiscal 2022.

Operating expenses remained elevated at 2.6% of average assets in fiscal 2023 (2.3% in fiscal 2022) due to higher spend on IT infrastructure and business volume linked expenditure.

Provisioning coverage ratio (PCR) stood at 48.4% as on June 30, 2023 (62.3% as on March 31, 2023 and 70.7% as on March 31, 2022). The decline in PCR in first quarter of fiscal 2024 over fiscal 2023 is largely on account of technical write offs during the quarter which has resulted in reduction in GNPA and release of corresponding provisioning.

The Bank's profitability is also constrained by drag on their investments in PSL assets which impacts the RoA by 0.35% in fiscal 2023.

Sustenance of margins and normalisation of credit costs will remain to be seen to improve the bank's earnings profile, and thereby, also benefit its capital position.

<u>Liquidity: Adequate</u>
Average liquidity coverage ratio (LCR) was 127% for the quarter ended June 30, 2023, against the regulatory requirement of 100%. Liquidity also benefits from access to systemic sources of funds, such as the liquidity adjustment facility from the RBI and access to the call money market.

<u>ESG Profile</u>
CRISIL Ratings believes that Yes Bank's Environment, Social, and Governance (ESG) profile supports its already strong credit risk profile.

The ESG profile for financial sector entities typically factors in governance as a key differentiator between them. The sector has reasonable social impact because of its substantial employee and customer base and can play a key role in promoting financial inclusion. While the sector does not have a direct adverse environmental impact, the lending decisions may have a bearing on the environment.

Yes Bank has an ongoing focus on strengthening various aspects of its ESG profile.

Yes Bank's key ESG highlights:

- Yes Bank has developed interim target of reducing financed emission intensity of its electricity generation portfolio, at least by 50% over the base year of fiscal 2022, while striving for achieving 75% reduction by fiscal 2032
- The Bank has migrated all its facilities from conventional fixtures to light-emitting diode (LED) lighting, across India. In fiscal 2023, the bank replaced 21,259 conventional fixtures with LED units across 565 branches, resulting in 2,362.56 GJ in energy saving
- The bank's total workforce comprised around 21% women as on March 31, 2023, and it has taken initiatives to promote gender equality within the organisation. The bank is aiming for 25% gender diversity by fiscal 2025
- The bank has established a clearly defined risk management framework for its suppliers, based on the risk profile of the vendor and item category
- Majority of the bank's board members are independent directors. None of the independent directors have tenure of more than 10 years and there is a segregation in chairperson and executive positions. The bank has a dedicated investor grievance redressal mechanism and the disclosures put out by it are extensive

There is growing importance of ESG among investors and lenders. Yes Bank's commitment to ESG will play a key role in enhancing stakeholder confidence, given high shareholding by foreign portfolio investors and access to both domestic and foreign capital markets.

Outlook: Positive

CRISIL Ratings believes Yes Bank's profitability will improve gradually while the Bank maintains its deposit profile and asset quality.

Rating Sensitivity Factors

Upward Factors

- Improvement in profitability with ROA improving to over 0.6%
- Improvement in deposit base with higher proportion of CASA deposits
- Improvement in capital position with CET 1 capital remaining above 13%

Downward Factors

- Significant contraction in deposit base over a prolonged period
- Buffers in capital adequacy ratios over regulatory requirement remaining below 2% over an extended period of time
- Inability to improve profitability ratios
- Any adverse observations by investigative agencies or regulators

About the Company

Set up in 2004, Yes Bank is a private sector bank with total assets of Rs 3,55,754 crore, total gross advances of Rs 2,00,204 crore, and a network of 1,212 branches as on June 30, 2023.

On March 5, 2020, the central government had imposed a moratorium on the bank, based on RBI's assessment of lack of a credible revival plan by the bank, and in the interest of the public and depositors. During the moratorium that was initially slated to last till April 3, 2020, YES Bank could not, without written permission from RBI, pay any depositor or creditor a sum exceeding Rs 50,000. The bank was also restricted from lending. The moratorium on the bank was lifted on March 18, 2020.

Following equity infusion of Rs 10,000 crore by eight financial institutions under the reconstruction scheme of the bank, and with write down of Basel III ATI bonds aggregating Rs 8,415 crore (the first such instance in India), the capital position of the bank improved significantly. Post this, the bank raised Rs 15,000 crore through an FPO in July 2020 and Rs 8887 in fiscal 2023, which significantly improved the capital position of the bank. Its CET1 and overall CAR stood at 13.6% and 18.3%, respectively, as on June 30, 2023.

The bank reported a profit of Rs 343 crore and total income (net of interest expense) of Rs 3,141 crore in the quarter ended June 30, 2023, against Rs 311 crore and Rs 2,632 crore, respectively, in the corresponding quarter of the previous fiscal.

Key Financial Indicators: (Standalone)

As on/for the period ended Jun 30,	Unit	2023	2022
Total assets	Rs crore	3,55,754	3,18,475
Net advances	Rs crore	2,00,204	1,86,367
Deposits	Rs crore	21,9,369	1,93,241
Total income (net of interest expense)	Rs crore	3,141	2,591
Profit after tax	Rs crore	343	311
Gross NPAs	%	2.0	13.4
Net NPAs	%	1.0	4.2
Provision coverage ratio (PCR)	%	48.4	72.0

Tier I capital adequacy ratio	**%**	**13.6**	**11.9**
Overall capital adequacy ratio	**%**	**18.3**	**17.7**
Return on assets (annualised)	**%**	**0.4**	**0.4**

As on/for the year ended March 31,	**Unit**	**2023**	**2022**
Total assets	**Rs crore**	**3,54,786**	**3,18,220**
Net advances	**Rs crore**	**2,03,269**	**1,81,052**
Deposits	**Rs crore**	**2,17,502**	**1,97,192**
Total income (net of interest expense)	**Rs crore**	**11,844**	**9,760**
Profit after tax	**Rs crore**	**717**	**1,064**
Gross NPAs	**%**	**2.2**	**13.9**
Net NPAs	**%**	**0.8**	**4.5**
Provision coverage ratio (PCR)	**%**	**62.3**	**70.7**
Tier I capital adequacy ratio	**%**	**13.3**	**11.6**
Overall capital adequacy ratio	**%**	**17.9**	**17.4**
Return on assets (annualised)	**%**	**0.2**	**0.4**

Any other information: Not applicable

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

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

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. 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)	Comlexity level	Rating assigned with outlook
INE528G08360	Infrastructure Bonds	29-Dec-16	7.62%	29-Dec-23	330	Simple	CRISIL A/Positive
INE528G08345	Infrastructure Bonds	30-Sep-16	8.00%	30-Sep-26	2,135	Simple	CRISIL A/Positive
INE528G08295	Infrastructure Bonds	05-Aug-15	8.95%	05-Aug-25	315	Simple	CRISIL A/Positive
INE528G08279	Infrastructure Bonds	24-Feb-15	8.85%	24-Feb-25	1,000	Simple	CRISIL A/Positive
INE528G08287	Basel III Compliant Tier II Bonds	29-Jun-15	9.15%	30-Jun-25	554	Complex	CRISIL A/Positive
INE528G08303	Basel III Compliant Tier II Bonds	31-Dec-15	8.90%	31-Dec-25	1,500	Complex	CRISIL A/Positive
INE528G08311	Basel III Compliant Tier II Bonds	15-Jan-16	9.00%	15-Jan-26	800	Complex	CRISIL A/Positive
INE528G08329	Basel III Compliant Tier II Bonds	20-Jan-16	9.05%	20-Jan-26	500	Complex	CRISIL A/Positive
INE528G08337	Basel III Compliant Tier II Bonds	31-Mar-16	9.00%	31-Mar-26	545	Complex	CRISIL A/Positive
INE528G08378	Basel III Compliant Tier II Bonds	29-Sep-17	7.80%	29-Sep-27	2,500	Complex	CRISIL A/Positive
INE528G08386	Basel III Compliant	03-Oct-17	7.80%	01-Oct-27	1,500	Complex	CRISIL A/Positive

	Tier II Bonds						
INE528G08402	Basel III Compliant Tier II Bonds	22-Feb-18	8.73%	22-Feb-28	3,000	Complex	CRISIL A/Positive
INE528G08410	Basel III Compliant Tier II Bonds	17-Sep-18	9.12%	15-Sep-28	3,042	Complex	CRISIL A/Positive
NA	Certificate of Deposits Programme	NA	NA	7-365 Days	20,000	Simple	CRISIL A1+

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
YES SECURITIES (India) Ltd	Full	Subsidiary

Annexure - Rating History for last 3 Years

	Current			2023 (History)		2022		2021		2020		Start of 2020
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Certificate of Deposits	ST	20000.0	CRISIL A1+	31-01-23	CRISIL A1+	29-08-22	CRISIL A1+	31-08-21	CRISIL A1	27-08-20	CRISIL A2+	--
			--		--		--		--	29-06-20	CRISIL A2	--
			--		--		--		--	05-06-20	CRISIL A2	--
			--		--		--		--	19-03-20	CRISIL A2	--
Infrastructure Bonds	LT	3780.0	CRISIL A/Positive	31-01-23	CRISIL A-/Positive	29-08-22	CRISIL A-/Positive	31-08-21	CRISIL BBB+/Stable	27-08-20	CRISIL BBB/Stable	--
			--		--		--		--	29-06-20	CRISIL BBB/Stable	--
			--		--		--		--	05-06-20	CRISIL BBB/Stable	--
Tier II Bonds (Under Basel III)	LT	13941.0	CRISIL A/Positive	31-01-23	CRISIL A-/Positive	29-08-22	CRISIL A-/Positive	31-08-21	CRISIL BBB+/Stable	27-08-20	CRISIL BBB/Stable	--
			--		--		--		--	29-06-20	CRISIL BBB/Stable	--
			--		--		--		--	05-06-20	CRISIL BBB/Stable	--

All amounts are in Rs.Cr.

Criteria Details

Links to related criteria
[Rating Criteria for Banks and Financial Institutions]()
[CRISILs Criteria for rating short term debt]()
[CRISILs Criteria for Consolidation]()

Media Relations	Analytical Contacts	Customer Service Helpdesk
Aveek Datta Media Relations **CRISIL Limited** M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com **Prakruti Jani** Media Relations **CRISIL Limited** M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com	Ajit Velonie Senior Director **CRISIL Ratings Limited** B:+91 22 3342 3000 ajit.velonie@crisil.com Subhasri Narayanan Director **CRISIL Ratings Limited** B:+91 22 3342 3000 subhasri.narayanan@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com For Analytical queries: ratingsinvestordesk@crisil.com

Rutuja Gaikwad Media Relations **CRISIL Limited** B: +91 22 3342 3000 **Rutuja.Gaikwad@ext-crisil.com**	Shubhendra Nigam Manager **CRISIL Ratings Limited** B:+91 22 3342 3000 shubhendra.nigam@crisil.com	

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

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.

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