TRIDENTGROUP™
Being different is normal

E-212, Kitchlu Nagar
Ludhiana – 141001
Punjab, India

Talk: +91 161 5039999
Fax: +91 161 5038800
Visit: tridentindia.com

TRIDENT/CS/2023
April 1, 2023

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code: TRIDENT

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code: 521064

Sub: Credit Rating of Trident Limited

Dear Sir/Madam,

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to inform you that Credit Ratings of the bank facilities have been reaffirmed by CARE Ratings Limited ('CARE') as under:

Facilities	Amount (INR Cr.)	Rating	Remark
Long Term Bank Facilities	480.76 (Reduced from 690.76)	**CARE AA; Stable**	Reaffirmed; Outlook revised from Positive
Long Term / Short Term Bank Facilities	1,800.00 (Enhanced from 1,590.00)	**CARE AA; Stable/ CARE A1+**	Reaffirmed; Outlook revised from Positive
Short Term Bank Facilities	200.00	**CARE A1+**	Reaffirmed

A copy of the formal rating rationale issued by CARE is enclosed herewith.

This is for your reference & record please.

Thanking you
Yours faithfully
For **Trident Limited**
HARI
KRISHAN

(Hari Krishan)
Company Secretary

Encl: As above

01/04/2023 TL/2023/032028

Trident Limited

March 31, 2023

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	480.76 (Reduced from 690.76)	**CARE AA; Stable**	**Reaffirmed; Outlook revised from Positive**
Long-term/ Short-term bank facilities	1,800.00 (Enhanced from 1,590.00)	**CARE AA; Stable/ CARE A1+**	**Reaffirmed; Outlook revised from Positive**
Short-term bank facilities	200.00	**CARE A1+**	**Reaffirmed**

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the bank facilities of Trident Limited (Trident) continue to derive strength from its experienced management, diversified and integrated nature of operations across textile, paper and chemicals with healthy utilisation of installed capacities, geographically-diversified revenue stream, long and established customer relationship with large global retailers for its home textile business, and benefits of fiscal incentives announced by the Government of India for the textile sector. The ratings also take cognizance of the healthy growth in its total operating income (TOI) along with significant improvement in its operating profitability (PBILDT) and cash accruals during FY22 (FY refers to period April 01 to March 31), backed by healthy export demand for home textile and cotton yarn, leading to improvement in debt coverage indicators and liquidity.

These rating strengths are, however, partially offset by its working capital-intensive operations, susceptibility of profitability margins to volatility in cotton and cotton yarn prices and foreign exchange rate movements, along with its presence in the inherently cyclical, fragmented and competitive textile and paper industries. The ratings also take cognizance of the company's large-size debt-funded project, which would result in some moderation in its leverage over the next two years from the present level, apart from the inherent implementation and stabilization risks associated with such a large project. Furthermore, the ratings also factor in de-growth in scale of operation and profitability during 9MFY23, on a y-o-y basis, on the back of slowdown in textile exports followed by higher domestic cotton prices and inflationary scenario in developed markets.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- The ability of the company to significantly grow its scale of operations over the medium term, aided by improved performance across each of its business segments, resulting in improvement in its PBILDT margin to over 22% and ROCE of around 20% on a sustained basis
- Improvement in its net debt/PBILDT to below unity and TOL/TNW to around 0.50x on a sustained basis
- The ability of the company to diversify its customer base by tapping newer geographies other than the US and Europe by customising its product offerings to entail higher margins
- Timely completion of its on-going capacity expansion project and envisaged benefits from the enhanced capacity

Negative factors

- Decline in PBILDT margins of the company to less than 17% on a sustained basis
- Any sizeable time and cost overruns in the planned capex and further capex undertaken by the company adversely impacting its capital structure with TOL/TNW of more than 0.90x and net debt/PBILDT of more than 2x on a sustained basis
- Any elongation in the inventory period, leading to operating cycle stretching beyond 130 days on a sustained basis

Analytical approach: Standalone

Outlook: Stable

The revision in outlook on the long-term rating of Trident from 'Positive' to 'Stable' takes into account expectation of lower than the earlier envisaged profitability and cash accruals during FY23 and FY24 due to high commodity inflation and current slowdown in export markets. The debt level of the company is also expected to remain higher than the earlier envisaged level primarily due to announcement of additional debt-funded expansion project (Phase-II) during the year. Subsequently, debt coverage indicators of the company are expected to remain lower in FY23-FY24 as compared to the earlier envisaged level. Although, Trident shall continue to benefit from strong operational performance of its the paper segment.

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

Key strengths

Experienced promoters and management team

Trident is promoted by Rajinder Gupta who has a business experience of over three decades. He had resigned as Director and Non-Executive Chairman and was appointed as 'Chairman Emeritus' of Trident with effect from August 09, 2022 and will provide mentorship and guidance to the Board. He has been conferred the prestigious Padma Shri award in 2007, in recognition of his distinguished services in the field of trade and industry. He is also the Vice-Chairman of the Punjab State Planning Board. Abhishek Gupta, son of Rajinder Gupta, the Chief of Strategic Marketing, holds a degree in International Marketing from the Harvard Business School. He spearheaded the branding initiatives of the copier paper business.

During the year, the company has introduced the new management structure. The company has divided the businesses into 4 verticals i.e. bed sheets, towel, yarn, chemical and paper. The company has employed business head for each of its business verticals. There is a vertical-wise key performance metrics which shall empower each vertical to become independently progressive and profitable which in turn catapults the overall growth of the company.

Diversified and integrated operations with captive power plant

Trident has well-diversified operations, which can be classified mainly into two segments, viz., textiles, and paper and chemicals. The textile segment further comprises the home textiles (bath and bed linen) division and the spinning (cotton yarn) division while the latter segment comprises manufacturing of paper, chemicals, and a captive co-generation power plant.

Segment-wise revenue contribution

Particulars	FY18	FY19	FY20	FY21	FY22	9MFY23
Yarn	34%	30%	26%	20%	28%	25%
Bath Linen	39%	40%	43%	45%	40%	40%
Bed Linen	8%	11%	12%	19%	17%	14%
Paper and Chemical	19%	19%	20%	16%	14%	21%

A significant proportion of the manufactured yarn is being captively consumed for the home textile business, viz., around 52% in FY22 (P.Y.: 61%), which allows the company to exercise better control over cost, apart from ensuring the quality of products. The company also undertakes weaving and processing of fabrics in-house.

Trident manufactures various kinds of agro material-based paper, including branded copier with a production capacity of 1,75,000 tonne per annum. With agro-based products being the main raw material, the company benefits from the location of its paper plant in the agricultural belt of Punjab. The raw material is therefore abundantly available, and the company is able to lower logistics costs. The company also manufactures sulphuric acid for industrial use, while the majority of the power requirements for the Punjab-based manufacturing units are met through the co-generation plant. The integration across the textile value chain, in-house power generation supporting a part of the paper and textile business of the company, along with a large manufacturing scale, increases Trident's ability to provide quality products at competitive rates to the customers. This diversification also imparts greater stability to its operating profitability margins.

Geographically-diversified revenue stream

Trident has an established presence in both, the domestic and export markets. It derived around 66% of its total revenue in FY22 (P.Y.: around 68%) and around 53% in 9MFY23 through exports. India occupies the largest market share in the total US home textile imports both, in bath and bed linen, whereby a greater preference is being witnessed recently towards the Indian home textile suppliers in line with the diversification of sourcing plans of key players in the US and European markets. Trident is the second-largest exporter from India in home textile products. Furthermore, US is the major export market of the company for home textile product contributed nearly 39% of its revenue during FY22 (P.Y.: 43%) and nearly 59% of its total export revenue during FY22 (P.Y.:64%).

Established relationship with large global retail brands as well as institutional brands

Trident's clientele comprises well-known institutional brands as well as retail brands. In the home textiles segment, the customers include Target Global Sourcing Limited, Wal-Mart Stores Inc., IKEA Supply AG, Amazon Inc, among others. Trident earned an average of around 53% of its home textile revenue from the top five customers over the last three years ended FY22. Furthermore, the company also has a diversified customer base for the yarn division as well as for the paper division. It earned an average of around 24% of its yarn revenue and an average of around 19% of its paper revenue from the top five customers over the last three years ended FY22. Across all the segments, the company has built a strong and diversified customer base, thereby reducing customer concentration risk.

Large scale of operation along-with comfortable capital structure and debt coverage indicators

Trident's TOI grew healthy by 54% on y-o-y basis and stood at ₹6,994 crore during FY22 as compared to ₹4,543 crore during FY21 backed by robust export demand for its textile products as well as demand revival in paper products. The capacity utilisation of bath linen, bed linen and yarn stood healthy at 61%, 88% and 87%, respectively, in FY22. With healthy growth in scale of operation and better absorption of fixed cost, the PBILDT margin of the company also improved by around 350 bps and stood healthy at 21.27% during FY22 and expected to remain heathy at around 17% in FY24-FY25. Furthermore, the ROCE of the company also improved and stood at around 22% during FY22 and same is likely to remain around 15% in the near to medium term.

Trident's capital structure marked by overall gearing and TOL/TNW stood comfortable at 0.42x and 0.62x respectively as on March 31, 2022. Total debt of the company stood at ₹1,596 crore as on March 31, 2022 which reduced to ₹1,247 crore as on December 31, 2022 owing to lower utilization of working capital limits, as the company is operating with low inventory level of raw material (i.e. cotton) in light of high and volatile cotton prices. Despite moderation in its profitability during 9MFY23, the debt coverage indicators of the company continued to remain comfortable marked by PBILDT interest coverage of above 12x and net debt/ PBILDT of below 1x by 9MFY23-end.

Going forward, the debt level of the company is expected to increase due to on-going large-size debt-funded capacity expansion over FY23-FY24; despite that the overall gearing is expected to remain around 0.70x times over FY23-FY25 supported by healthy net-worth base. The debt coverage indicators are also expected to remain comfortable marked by PBILDT interest coverage of above 6x and Net-debt/ PBILDT of below 2x over FY23-FY25.

Fiscal incentives are expected to support the Indian textile exporters

Over last two years, the Government of India announced the rates of rebate under the new Remission of Duties and Taxes on Exported Products (RoDTEP) scheme and extends the Rebate of State and Central Taxes and Levies (RoSCTL) until March 31, 2024. These incentives create a level-playing field and increases the competitiveness of Indian players in the global market. On an average during the last three years ended FY22, Trident received 7.5% of incentive on its export revenue.

Moreover, India is expected to sign Free Trade Agreement (FTA) with UK this year while it has already signed FTA with Australia, which is also expected to benefit textile export. Furthermore, amid the COVID-19 pandemic, global textile brands have realised the need to diversify their supply chain as a part of the 'China+1' strategy, which has resulted in an increase in exports from the textile sector. Trident, with its significant presence in the export markets, is likely to benefit.

Liquidity: Strong

Trident is expected to generate strong cash accruals of nearly ₹700-800 crore per annum over FY24 as against it has repayment obligation of around ₹60 crore due in FY24. Furthermore, the liquidity of the company is supported by unencumbered cash & liquid investment of ₹400 crore, as on December 31, 2022, apart from the undrawn fund-based working capital limits of around ₹250 crore as on even date. Trident has also been generating healthy cash flow from operations on a consistent basis. The average utilization of fund-based working capital limits stood at around 77% during trailing 12 months ended December 31, 2022. Moreover, the company's future cash accruals and undrawn working capital limits are sufficient to fund its on-going expansion capex and incremental working capital requirements. The company has already achieved the financial closure for its debt-funded capex with a door-to-door tenure of 10 years. The repayment obligations for these loans are back ended which shall support the liquidity initially till the time company generate sufficient cash accruals from project.

Key weaknesses

Moderation in the operational and financial performance during FY23 owning to near-term headwinds facing by home textile industry

Trident's total operating income (TOI) de-grew by 8% on y-o-y basis during 9MFY23 primarily due to decline in the sales volume of its textile products in light of weak export demand. Indian textile industry is witnessing slowdown in the demand primarily due to all time high cotton prices in the domestic market coupled with inflationary scenario in the developed markets which are the major export markets for India. Trident's capacity utilization also got adversely impacted during 9MFY23 as compared to 9MFY22. Although, the company has witnessed a gradual recovery in demand from Q3FY23. Trident's capacity utilization (for textile segment) improved during Q3FY23 as compared to Q2FY23 supported by improvement in the demand.

Quarterly trend of capacity utilization:

Capacity Utilization (%)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Cotton yarn	83%	90%	92%	83%	74%	51%	64%
Towel (Bath Linen)	62%	66%	69%	46%	43%	44%	57%
Bed sheet (Bed Linen)	85%	87%	100%	80%	71%	50%	65%
Paper	85%	98%	90%	89%	91%	86%	82%

Furthermore, the PBILDT margin of the company also declined and stood modest at 14.52% during 9MFY22 as compared to 23.50% during 9MFY22 primarily due to significant contraction in profitability in its home textile segment in light of lower demand from its key export market apart from significant reduction in spread between cotton yarn and raw cotton. Though, the improvement in the profitability of its paper segment during 9MFY23 as compared to 9MFY22 supported the overall profitability of the company to some extent. CARE Ratings expects the PBILDT margin to remain at around 15% during FY23 and in the range of 17-18% on a sustain basis as compared to the earlier envisaged level of 20-22%. The debt coverage indicators of the company also expected to remain lower as compared to earlier envisaged level owing to lower profitability and cash accruals and higher debt level over FY23-FY24 as compared to earlier envisaged level.

Implementation and stabilisation risk associated with large-size debt-funded expansion plan; albeit fiscal incentive associated with the project provides some comfort

Earlier in FY22, the company had announced capex (phase-I) of around ₹.1,200 crore towards the expansion of its spinning, sheeting and power generation capacity. During FY23, the company has announced additional capex (phase-II) of around ₹900 crore for capacity expansion of its spinning, bath-linen, paper and chemical capacity. On an aggregate level, the company is implementing capex of around ₹2,000-2,100 crore to be spread over FY23-FY24 which would be funded with a mix of debt and equity in ration of 3:1 respectively. The capacity addition is helpful to meet increasing demand, widening of product portfolio and to bring cost competitiveness by having economies of sales. The company has already achieved the financial closure. As on December 31, 2022, the company has already incurred cost of around ₹543 crore towards the aforesaid capex which has funded through term loan of Rs.365 crore and remaining through internal accruals.

As articulated by the management, the rationale behind the higher debt for the capex is the availability of an interest subsidy of 5-7% for five years from the M.P. Government under the state textile policy. This apart, the capex will also be eligible for capital subsidy. The successful commissioning of the projects within the time and cost estimates and generating envisaged returns therefrom will remain a key rating sensitivity. The inability to maintain its healthy profitability and cash flows in the backdrop of such large-size debt-funded capex can lead to moderation in its leverage and debt coverage indicators, which would remain a key rating sensitivity.

Working capital intensive nature of operations

The company's operations remain working capital-intensive, primarily on account of its significant inventory holding requirements, besides the shorter credit period availed from the suppliers. The primary raw materials for the company are raw cotton and agro residues, the availability of which remains seasonal in nature, and the company procures primarily in bulk on small credit periods to avail discounts. The operating cycle of the company improved albeit remained slightly elongated, at 87 days in FY22 (P.Y. 110 days), on account of inventory holding period of 82 days. The period of October to March being the main cotton season leads to an accumulation of raw material inventory at the end of each financial year. The raw material inventory holding period stood at 82 days (P.Y.: 110 days) and finished goods inventory period stood at 12 days (P.Y.: 16 days) in FY22. The company usually sells on cash or extends small credit periods in the paper and yarn segments, while in the domestic home textile segment, the average credit period is of around a month. Furthermore, in order to reduce the cash realisation cycle from its debtors, the company has initiated several measures over the last three years ended FY22, including non-recourse bills discounting of its export receivables and arranging channel finance facility to its domestic customers. This led to a faster collection for the company, leading to a reduced collection period at 28 days in FY22 as compared to 31 days in FY21 and 38 days in FY20. The company supports its working capital operations through sanctioned fund-based limits apart from the issuance of commercial paper from time-to-time.

Susceptibility of profitability to volatile raw material prices

Material cost formed around 48% of the TOI of Trident during FY22. These primarily include cotton (around72% of the total material costs), cotton yarn (around 10%), dyes and chemicals (around 12%) and agro-based raw materials (around 6%). The key raw materials of the company are cotton and cotton yarn, the prices of which have remained volatile in the past. This exposes the profitability margins of the company to raw material price volatility risk. The company's presence in the value-added segments like bed and bath linen has allowed it to pass on raw material costs to the customers to some extent. However, the overall demand scenario, inventory holding policies, competition, among other factors, determines the ability of the company to pass on cotton prices in the yarn prices. Furthermore, the global demand for home textiles determines the extent to which raw material prices can be passed on to the customers. The operating margin of the company was adversely impacted during 9MFY23, primarily due to higher cotton prices and weak demand scenario. The cotton prices declined to ₹60,000 to 65,000 per candy as compared to peak price of ₹1,00,000-1,10,000 per candy. Gradually improvement in the demand and normalization of cotton prices will benefit the company in near to medium term.

In the paper segment, the company primarily (around 85-90%) uses agro-based materials like wheat straw while the remaining is wood pulp. The availability of these materials is also seasonal in nature and dependent on factors such as the monsoon, government regulations, area under cultivation, crop yields, among others.

Foreign exchange fluctuation risk

Trident derived around 66% of its total revenue in FY22 from exports. During FY22, the foreign exchange earning stood at ₹4,546 crore (P.Y.: ₹3,059 crore), against which the foreign exchange outgo stood at ₹29 crore (P.Y. ₹27 crore). In the absence of major imports, the company does not enjoy a natural hedge. The primary currency of dealing is the US dollar along with Euro, Pound Sterling, Swiss Franc, among others.

For hedging export receivables, Trident takes forward cover for maturity up to 6-12 months. In the home textiles division (the major contributor to the exports), it hedges around 50% of its sales orders on a monthly rolling basis. In the paper and yarn segment (minimal exports), the company hedges on an order-to-order basis using plain forward contracts as soon as the order is confirmed.

Presence in the cyclical, competitive and fragmented industry

The Indian textile industry is inherently cyclical in nature. Any adverse changes in the global economic outlook as well as demand-supply scenario in the domestic market directly impacts the demand of players like Trident. Textile industry as a whole remains vulnerable to various factors, such as fluctuations in prices of inputs, mobilisation of the adequate workforce, and changes in government policies for the overall development of the textile industry, marked by the highly fragmented structure having a high level of competition and intense pricing pressures. The risk is partly mitigated as Trident has diversified operations as well as an established presence. This apart, Trident derives the majority of its sales from the export market, which is insulated from vagaries of the domestic market to a large extent. The global home textile market is mainly driven by demand from the US and Europe. This demand is catered to by countries like China, India, Vietnam, and Pakistan. The Indian export home textile market is dominated by a few large players. These organised and larger players mainly cater to export demand from large global retailers and face competition from countries like China, Pakistan, Vietnam, etc. While the domestic market has a limited number of established players, Trident faces competition from players of other geographies as well.

The paper industry is highly fragmented in nature, with stiff competition from a large number of organised as well as unorganised players and threat from imports. This limits the pricing power of the manufacturers, in terms of flexibility to pass on the raw material price fluctuation to its customers. Furthermore, it is inherently cyclical, with the demand for paper being directly correlated to the level of economic activity, as higher industrial output leads to increased demand for industrial paper for packaging; increased marketing spend benefits the newsprint and value-added segments; and greater education and office activities raises the demand for writing and printing paper.

Environmental, Social and Governance Risk assessment:

Parameter	Compliance and action by the company
Environmental	▪ The company regularly reviews its environmental risks and undertakes initiatives to mitigate them. Periodic audits are conducted to identify the potential risks following the ISO 14001 guidelines are undertaken during the last financial year. ▪ The company is having mechanism to recycle its products. Trident maintains a zero liquid discharge facility for management of waste water generated from towel and sheeting processing. Around 95% Water Recovery, 15% less water consumption than benchmark of 50 meter/cubic per ton and recovery of 2,822 million liters of water annually. ▪ Trident's decision to manufacture Paper from wheat straw was one of the most important initiatives taken by the company. 8100+ trees are saved on daily basis by using agro waste (wheat straw & sugarcane waste). Certified by Carbon Footprint for releasing approximately 58% less emission of Co2/kg with use of wheat straw paper vs wood pulp.
Social	▪ Trident provides training and motivation, as well as provide solid safety measures to its employees. ▪ The company undertakes various projects under corporate social responsibilities (CSR) activities to contribute to a more secure and sustainable future. Impacted 11k+ women through health & hygiene initiatives. Established sewing centers in five villages providing handicraft training and impacting 200+ families through Hastkala initiative. ▪ Motivated farmers to sell wheat straw waste and prevented it from burning in open fields.
Governance	▪ Trident has an adequate governance structure, with most of its board comprising independent directors and presence of an investor grievance redressal mechanism, whistle-blower policy and extensive disclosures.

Applicable criteria

Policy on default recognition
Financial Ratios – Non-financial Sector
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Credit Watch
Short Term Instruments
Cotton Textile
Manufacturing Companies
Policy on Withdrawal of Ratings

About the company and industry

Incorporated in 1990, Trident is the flagship company of the Punjab-based Trident group. Trident's business operations can be classified into two broad business segments, viz, the textiles segment comprising the cotton yarn, bath linen and bed linen division, and the paper and chemical segment. As per the company management, Trident is the one of the largest manufacturers of terry towels globally.

The company has its manufacturing facilities located at Barnala, Punjab, and Budni, Madhya Pradesh. The company had an installed capacity of 589,248 spindles and 7,624 rotors producing 142,000 metric tonnes per annum (MTPA) of yarn, 672 looms producing 90,000 MTPA terry towels, 500 looms producing 43.2 million metres per annum (MMPA) bed sheets, 175,000 MTPA of paper, and 100,000 MTPA of sulphuric acid, along with a captive power plant of 49.4 megawatt (MW), as on December 31, 2022.

In India, Trident has marketing offices in Mumbai, Gurugram, New Delhi, Chandigarh, and Bhopal. It also has international marketing offices, one each in New York (the US) and Cheshire (the UK). Moreover, Trident has two wholly-owned subsidiaries, namely, Trident Global Corp Limited (India) and Trident Europe Limited (the UK), both of which are engaged in the marketing of products for Trident.

Industry Classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Textiles	Textiles & Apparels	Other Textile Products

Brief Financials (₹ crore)	FY21 (A)	FY22 (A)	9MFY23 (UA)
Total operating income	4,543	6,994	4,720
PBILDT	807	1,488	686
PAT	346	815	306
Overall gearing (times)	0.48	0.42	NA
Interest coverage (times)	8.67	15.97	12.31

A: Audited UA: Unaudited; NA: Not available; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	December 2028	245.00	CARE AA; Stable
Term Loan-Long Term	-	-	-	September 2031	235.76	CARE AA; Stable
Fund-based - LT/ ST-CC/PC/Bill Discounting	-	-	-	-	1,800.00	CARE AA; Stable / CARE A1+
Non-fund-based - ST-BG/LC	-	-	-	-	200.00	CARE A1+

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	245.00	CARE AA; Stable	1)CARE AA; Positive (01-Apr-22)	-	1)CARE AA; Stable (18-Mar-21) 2)CARE AA-; Stable (03-Apr-20)	-
2	Non-fund-based - ST-BG/LC	ST	200.00	CARE A1+	1)CARE A1+ (01-Apr-22)	-	1)CARE A1+ (18-Mar-21) 2)CARE A1+ (03-Apr-20)	-
3	Fund-based - LT/ ST-CC/PC/Bill Discounting	LT/ST*	1800.00	CARE AA; Stable / CARE A1+	1)CARE AA; Positive / CARE A1+ (01-Apr-22)	-	1)CARE AA; Stable / CARE A1+ (18-Mar-21) 2)CARE AA-; Stable / CARE A1+ (03-Apr-20)	-
4	Term Loan-Long Term	LT	235.76	CARE AA; Stable	1)CARE AA; Positive (01-Apr-22)	-	1)CARE AA; Stable (18-Mar-21) 2)CARE AA-; Stable (03-Apr-20)	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-CC/PC/Bill Discounting	Simple
3	Non-fund-based - ST-BG/LC	Simple
4	Term Loan-Long Term	Simple

Annexure-5: Lender details

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

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

Contact us

Media Contact	Analytical Contacts
Name: Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Name: P. S. Bhagavath Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3407 E-mail: PS.Bhagavath@careedge.in
Relationship Contact Name: Dinesh Sharma Director **CARE Ratings Limited** Phone: +91-11-4533 3200 E-mail: dinesh.sharma@careedge.in	Name: Hardik Shah Director **CARE Ratings Limited** Phone: +91-79-4026 5620 E-mail: hardik.shah@careedge.in Name: Krunal Pankajkumar Modi Associate Director **CARE Ratings Limited** Phone: +91-79-4026 5614 E-mail: krunal.modi@careedge.in

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.

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