



HEIL/SE-40/2022-23

March 29, 2023

To,  
The Manager (Listing),  
**The BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Script Code No. : **543600**

To,  
The Manager (Listing),  
**National Stock Exchange of India Limited**  
"Exchange Plaza", C-1, Block - G,  
Bandra - Kurla Complex, Bandra (E)  
Mumbai – 400 051  
Symbol : **HARSHA**

Dear Sir / Madam,

**Sub: Intimation of Revision in Credit Rating of the Company**  
**Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

With reference to above mentioned subject matter and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find below the details of revision in credit ratings of the Company –

| Credit rating agency | Facilities/Instruments                      | Existing Ratings                | Revised Ratings                   |
|----------------------|---|---------------------------------|-----------------------------------|
| CARE Ratings Limited | Long term /Short term Bank Facilities       | CARE A+;<br>Stable/ CARE<br>A1+ | CARE AA-;<br>Stable /<br>CARE A1+ |
| CARE Ratings Limited | Long Term Bank Facilities<br>(terms loans)# | CARE A+; Stable                 | Withdrawn                         |

# The company has fully prepaid its term debt and taking cognizance of it, CARE Ratings has withdrawn the rating assigned to term debt facilities of the company.

The report from the credit rating agency covering the rationale for revision in credit rating is enclosed.

Kindly take the above information in your record.

Thanking You,

Yours faithfully,

**FOR HARSHA ENGINEERS INTERNATIONAL LIMITED** (Formerly Known as Harsha Engineers International Private Limited and Harsha Abakus Solar Private Limited)

**Kiran Mohanty**  
**Company Secretary and Chief Compliance Officer**  
MEM NO. : F9907

**Harsha Engineers International Limited**  
(formerly known as Harsha Engineers International Private Limited and Harsha Abakus Solar Private Limited)  
CIN : U29307GJ2010PLC063233

Corporate & Registered Office: NH-8A, Sarkhej - Bavla Highway, Changodar, Ahmedabad - 382213, Gujarat (INDIA)  
Tel.: +91-2717-618200 Fax: +91-2717-618259 E-mail: harsha@harshaengineers.com URL: www.harshaengineers.com

## Harsha Engineers International Limited

March 28, 2023

| Facilities/Instruments                   | Amount (₹ crore)                 | Rating <sup>1</sup>            | Rating Action                             |
|--|----------------------------------|--------------------------------|---|
| Long-term / Short-term Bank Facilities   | 447.87<br>(Enhanced from 369.87) | CARE AA-; Stable /<br>CARE A1+ | Revised from<br>CARE A+; Stable/ CARE A1+ |
| Long-term bank facilities (term loans) # | -                                | -                              | Withdrawn                                 |

Details of instruments/facilities in Annexure-1.

#The company has fully prepaid its term debt and taking cognizance of it, CARE Ratings has withdrawn the rating assigned to term debt facilities of the company.

### Rationale and key rating drivers

The revision in the long-term rating assigned to the bank facilities of Harsha Engineers International Limited (HEIL) takes into account significant improvement in capital structure, debt coverage and liquidity indicator of the company consequent to the infusion of equity through Initial Public Offer (IPO). HEIL has raised fresh equity of ₹455 crore in H1FY23 (FY; refers to period April 01 to March 31) and repaid its long term loans entirely while it has also reduced the utilisation of working capital limits. HEIL also holds unencumbered cash and liquid investment of over Rs.250 crore as on December 31, 2022 aiding its liquidity.

The ratings assigned to the bank facilities of HEIL continue to derive strength from its established operations in bearing cage business with state-of-the-art manufacturing facilities which ensures high quality standards, its status as the largest manufacturer of bearing cages in India, geographically-diversified manufacturing facilities and its long-standing relationship with reputed clientele in the bearing industry. The ratings further draw comfort from growth in its scale of operation and improvement in profitability during FY22 and 9MFY23 supported by turnaround in solar power engineering, procurement, and construction (EPC) business and, gradually increasing presence in industrial bearing cage segment which is a high-margin product.

The long-term rating is, however, constrained on account of its concentrated clientele dominated by three large players in the global bearing industry resulting in limited bargaining power for HEIL, susceptibility of its profitability to volatility associated with raw material prices and foreign exchange fluctuation risk, inherent cyclicity due to its linkages with the end-user automobile industry and subdued performance of its European subsidiary with near-term demand impact of high inflation and recessionary scenario in European region. Its long-term rating is further constrained by its presence in the competitive and fragmented solar EPC business which has low entry barriers along with the long pending receivables associated with its solar power EPC business.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Volume-backed increase in its scale of operations through greater client and product profile diversification with total operating income (TOI) of more than ₹2,000 crore along with improvement in its PBILDT margin to more than 18% and ROCE of more than 20% on a sustained basis.
- Significantly improved performance of its overseas subsidiaries on a sustained basis aiding its consolidated performance

#### Negative factors

- Volume based decline in its scale of operations marked by TOI of less than ₹1,200 crore on a sustained basis
- Reduction in its PBILDT margin to less than 12% on a sustained basis along with major adverse impact on its debt coverage indicators
- Elongation in its operating cycle to beyond 150 days affecting its liquidity
- Significant deterioration in capital structure and debt coverage indicators

**Analytical approach: Consolidated**, as HEIL has extended stand-by letter of credit for the bank facilities raised in its overseas subsidiaries which are also engaged in the similar line of business. The companies considered in HEIL's consolidation are given in **Annexure 3**.

### Outlook: Stable

CARE Ratings Limited (CARE Ratings) believes that HEIL shall continue to benefit from its established operations in bearing cage business and its comfortable financial risk profile. Financial risk profile is expected to remain comfortable due to its steady cash accruals and strong liquidity which shall be available for funding of capex and working capital requirements in near to medium term.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

## Key strengths

### Significant improvement in capital structure and debt coverage indicators

During September 2022, HEIL came out with an IPO and raised ₹455 crore by the way of fresh issue, out of which ₹270 crore was utilized for part repayment/pre-payment of loans thereby improving company's overall debt profile. Total debt/ PBILDT improved to 0.76 times as on December 31, 2022 & is expected to remain below unity in foreseeable future. The overall gearing too has improved to 0.16 times as on December 31, 2022 and is expected to remain below 0.50 times in future. Furthermore, with sharp reduction in term debt repayment obligations, DSCR is envisaged to remain very comfortable.

### One of the largest domestic bearing cage manufacturers with state-of-the-art manufacturing facilities

HEIL has experience of more than three decades in the bearing cage industry. Since its inception in 1986, HEIL is the largest manufacturer of precision bearing cages in organized sector in India in terms of capacity. It is amongst the leading manufacturers of precision bearing cages in the world with a market share of approximately 6.5% in the organized segment of the global brass, steel, polyamide bearing cages in terms of revenue while it enjoys dominant market share of over 50% in the domestic market, as informed by the company management.

The company is planning to undertake annual capex of ₹100 crore in the next 2-3 years which shall be majorly funded through IPO proceeds & internal accruals with minimum reliance on term debt. Recently, the company has formed a wholly owned subsidiary company, Harsha Engineers Advantek Limited, to set-up a green-field project with an investment outlay of ₹250 crore spread over the next 2-3 years for the next phase of growth in its business.

### Geographically diversified manufacturing facilities along with advance in-house tooling design setup

The company has its principal production facilities at Changodar and Moraiya, near Ahmedabad in Gujarat. It also has production facility through subsidiary in Changshu, China and Ghimbav Brasov in Romania. Having 4 geographically diversified manufacturing facilities enables it to cater to the requirements of its existing multinational clientele in those geographies more efficiently. It supplies its products to over 25 countries across 5 continents.

HEIL is a technology-driven company with a focus on research and development, which has allowed it to develop products suited to its customers' requirements. It has the expertise to design and develop advance tooling in-house which enables it to manufacture complex products. HEIL has a capability to produce bearing cages with diameters between 20mm to 2,000mm. HEIL is a Total Productive Maintenance (TPM) certified company, issued by the Japan Equipment Maintenance Association. Furthermore, since 2009, HEIL has also undertaken six-sigma initiatives to achieve higher efficiency and reduce operational costs.

### Long-standing relationship with the world's three largest bearing manufacturers; albeit concentrated clientele

HEIL supplies bearing cages to leading global bearing manufacturers like Timken, Schaeffler (including FAG) and SKF at their various worldwide locations (including India). It has long-term sales contracts with some of its customers; albeit given the dominant position of these bearing companies, HEIL's bargaining power with them is relatively lower. Sales to the above-mentioned three customers constituted around 75% of the standalone net sales of HEIL during FY22.

### Growth in scale of operation along with improvement in profitability during FY22 and 9MFY23 supported by turnaround in Solar EPC business

HEIL operates two business segments mainly bearing cages manufacturing and end-to-end solar power EPC. Over last three years ended FY22, share of solar EPC remains low at around 5-7%.

The scale of operation marked by TOI grew significantly by 51% to ₹1,337 crore during FY22 supported by increase in the demand of both automotive and industrial bearings with the normalization of economic activity post recovery from pandemic, along with higher average sales realization on account of increase in steel prices which was subsequently passed on to the customer. CARE Ratings expects TOI of the company to remain in the range of ₹1,350-1,400 crore in FY23.

The operating profit (PBILDT) has also increased by 51% to ₹184 crore in FY22 (FY21: ₹122 crore) due to the significant increase in sales volume coupled with benefit of relatively higher share of high-margin larger-diameter cages in overall product mix. The operating profitability of the company was also supported by improvement/ curtailment of losses in solar EPC business.

Solar EPC segment had operating loss of ₹23 crore in FY20, ₹15 crore in FY21 which has reduced to just ₹2 crore in FY22. During 9MFY23, the company earned operating profit of Rs.1 crore from solar EPC segment. Historically, PBILDT margin of the company remained at around 14-15% due to cost plus or pass through nature of business. Going forward, CARE Ratings expects PBILDT margins of HEIL to remain around 15-16% during FY23-FY25 with growth in scale of operations leading to better absorption of fixed overheads and turnaround in solar EPC business.

**Liquidity: Strong**

Post infusion of equity through IPO, the liquidity of the company improved significantly. Apart from equity infusion, the liquidity of the company is also supported by steady cash accruals and positive cash flow from operations. Moreover, with prepayment of term debt through proceeds of IPO, the future repayment obligation reduced significantly which also supports its liquidity. Apart from prepayment of term debt, part of the IPO proceeds was also utilised towards the reduction in working capital limits utilisation. HEIL's average utilization of its fund-based working capital limits remained low at around 40% for the trailing 12 months ended December 2022 and the same has remained around 25-30% for the period October-December 2022 (post IPO). Sizable unutilized limits provide sufficient cushion for additional working capital requirements to support the future growth in its operations. In addition, HEIL has healthy free cash and bank balance of over ₹250 crore as on December 31, 2022.

With an overall gearing of 0.16 times as on December 31, 2022, the issuer has adequate gearing headroom to raise additional debt for its capex. Operating cycle of HEIL stood high at 127 days in FY22 mainly on the back of long pending receivables related to its solar EPC business

**Key weaknesses****Near term impact of high inflation and recessionary scenario in European region**

The operations of HEIL is diversified geographically as it derives nearly 35-40% of its revenue from India and balance from overseas markets. Further, European region and China contributes majority to consolidated income of 38-40% and 13-15% respectively. Present higher inflation and recessionary trend in Europe and America may impacts the sales volumes in the near term while Indian business continue to grow. CARE Ratings expects Indian revenue to grow at more than 15% in FY23 while income from outside India is expected to decline by 5%.

On the back of lower demand for bearing cages from windmill segment and increased power & fuel cost, the performance of its European operations impacted in FY22 and 9MFY23. European operations earned a total income of ₹266 crore and ₹171 crore and reported a loss before tax of ₹15 crore and ₹2 crore in FY22 and 9MFY23 respectively.

**Long pending receivables under Solar EPC business**

As HEIL (erstwhile Harsha Abakus Solar Private Limited) had executed a large solar power EPC project of NLC India Ltd (100 MW) in FY18, its solar EPC business segment reported huge increase in its TOI to ₹449 crore during the year from TOI of ₹102 crore in FY17. The project was successfully commissioned by it on May 05, 2018, however (as articulated by the management) due to absence of power evacuation infrastructure (which wasn't under the scope of HEIL) the project commissioning was delayed by around two months, hence NLC blocked the balance payment. As on March 31, 2022, HEIL had ₹39.80 crore of debtors outstanding for more than three years related to solar EPC business whereby there is lack of clarity about the quantum and timelines for its actual collection.

**Competitive and fragmented solar power EPC business with low entry barriers**

As EPC business does not require any significant investment or gestation period, unlike manufacturing facilities, it entails high competition. These low entry barriers have resulted in large number of organized and unorganized players entering the Solar EPC industry which has led to increased competition and pressure on profitability. However, HEIL has now decided to restrict itself to smaller-size ground-mounted projects with capacity up to 4-5 MW and solar rooftop projects which is expected to restrict its working capital requirement.

**Inherent cyclicity in its operations due to significant linkages of its prospects with that of the automobile industry**

HEIL's bearing cages have major application in the bearings manufactured for the automobile sector and hence its fortunes are susceptible to slowdown in the demand of automobile industry which is inherently cyclical in nature. However, over the years, HEIL has gradually increased its exposure to industrial bearing and segments other than automobile in its sales mix to around 50% which is expected to mitigate this risk to some extent.

**Risk associated with volatile raw material prices**

The main raw materials used in the bearing cage manufacturing process are cold rolled and cold annealed steel strips and brass tubes, castings, strips and scrap. All these raw materials are mostly procured from domestic sources. High degree of volatility is associated with the price of its key raw materials which results in susceptibility of its profitability to the risk of volatility in commodity prices. However, HEIL has price-escalation clause in its sales contracts with three key customers, mitigating the risk of increase in price of raw material to some extent; albeit it takes effect with some time lag.

### Inherent risk associated with foreign exchange rate fluctuations

On a standalone basis, HEIL's export sales constitute around 50% of its total sales, qualifying as a net exporting entity. Although HEIL hedges its foreign exchange exposure through currency options, forward cover, use of packing credit in foreign currency and in-built clause in some of the contracts entered with its customers, it continues to remain susceptible to inherent foreign exchange fluctuation risk.

### Environmental, Social and Governance (ESG) Risk assessment:

| Factors              | Compliance and action adopted by company   |
|----------------------|--|
| <b>Environmental</b> | Being engineering product company, the company does not have significant emission or waste generation. Further, company already has a captive solar power plant to meet part of its power requirement. Furthermore, company is setting-up hybrid wind and solar power plant for captive use. Post commissioning of hybrid power plant, it is expected that company shall meet nearly 40% of its power requirement through renewable sources. |
| <b>Social</b>        | Board of Directors have constituted Corporate Social Responsibility (CSR) Committee, which has developed a CSR policy by way of which company strive to assist underprivileged children with multiple challenges to have a better quality of life and promote education including special education and employment enhancing vocation skills among differently able.   |
| <b>Governance</b>    | HEIL has diversified board, and its Board of Directors consists of 50% independent directors (5 out of 10). Various policies, including whistle blower policy, is in place in line with the requirement.   |

### Applicable criteria

[Policy on default recognition](#)

[Consolidation](#)

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Auto Ancillary Companies](#)

[Manufacturing Companies](#)

[Policy on Withdrawal of Ratings](#)

### About the company and industry

#### Industry Classification

| Macro-Economic Indicator | Sector                         | Industry        | Basic Industry               |
|--------------------------|--------------------------------|-----------------|------------------------------|
| Consumer Discretionary   | Automobile and Auto Components | Auto Components | Auto Components & Equipments |

HEIL, formerly known as Harsha Abakus Solar Private Limited (HASPL) was initially incorporated in December 2010 to undertake solar EPC business by way of a joint venture (JV) between Harsha Engineers Limited (HEL; which housed the bearing cage manufacturing business since 1972) and Abakus Solar AG (of Germany) with initial equity participation in the ratio of 76% and 24% respectively. Post that HEL had gradually increased its stake in HASPL to 96.87% which it later divested to the promoters of HEL (Rajendra Shah and Harish Rangwala families) who increased their equity stake in HASPL to 99.99% by March 31, 2017. Post the scheme of corporate restructuring with an appointed date of April 01, 2020, the group has merged HEL (bearing cage manufacturing business) in to HASPL and subsequently renamed HASPL as HEIL. Consequently, HEIL houses both businesses i.e. manufacturing of bearing cages and solar EPC business.

(₹ crore)

| Brief Financials – HEIL Consolidated | FY21 (A) | FY22 (A) | 9MFY23 (UA) |
|--------------------------------------|----------|----------|-------------|
| Total operating income               | 878      | 1,337    | 1,020       |
| PBILDT                               | 122      | 184      | 162         |
| PAT                                  | 45       | 92       | 91          |
| Overall gearing (times)              | 1.01     | 0.86     | 0.17        |
| Interest coverage (times)            | 4.06     | 7.50     | 12.23       |

A: Audited; UA: Unaudited

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-4

**Complexity level of the various instruments rated:** Annexure-5

**Lender details:** Annexure-6

#### Annexure-1: Details of instruments/facilities

| Name of the Instrument          | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|---------------------------------|------|------------------|-------------|---------------|-----------------------------|---|
| Fund-based - LT-Term Loan       | -    | -                | -           | -             | 0.00                        | Withdrawn                                 |
| Fund-based - LT/ ST-Cash Credit | -    | -                | -           | -             | 307.00                      | CARE AA-; Stable / CARE A1+               |
| Non-fund-based - LT/ ST-BG/LC   | -    | -                | -           | -             | 140.87                      | CARE AA-; Stable / 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       | Non-fund-based - LT/ ST-BG/LC  | LT/ST*          | 140.87                       | CARE AA-; Stable/ CARE A1+ | -   | 1)CARE A+; Stable/ CARE A1+ (07-Mar-22)     | 1)CARE BB / CARE A4 (CW with Positive Implications) (26-Mar-21)<br>2)CARE BB; Stable / CARE A4 (08-Sep-20) | 1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (31-Mar-20) |
| 2       | Fund-based - LT-Term Loan  | LT              | Withdrawn                    | -                          | -   | 1)CARE A+; Stable (07-Mar-22)               | 1)CARE BB (CW with Positive Implications) (26-Mar-21)  | -  |
| 3       | Fund-based - LT/ ST-Cash Credit  | LT/ST*          | 307.00                       | CARE AA-; Stable/ CARE A1+ | -   | 1)CARE A+; Stable/ CARE A1+ (07-Mar-22)     | -  | -  |
| 4       | LT/ST Fund-based/Non-fund-based-EPC / PCFC / FBP / FBD / WCDL / OD / BG / SBLC | LT/ST*          | -                            | -                          | -   | -   | 1)Withdrawn (08-Sep-20)  | 1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (31-Mar-20) |
| 5       | Fund-based/Non-fund-based-LT/ST  | LT/ST*          | -                            | -                          | -   | -   | 1)Withdrawn (08-Sep-20)  | 1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*             |

| 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             |
|         |  |                 |                              |        |   |   |  | (31-Mar-20)   |
| 6       | Non-fund-based - LT-Bank Guarantee     | LT              | -                            | -      | -   | -   | 1)Withdrawn (08-Sep-20)                                  | 1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-20) |
| 7       | Fund-based - LT-Term Loan              | LT              | -                            | -      | -   | -   | 1)Withdrawn (26-Mar-21)<br>2)CARE BB; Stable (08-Sep-20) | 1)CARE BB+; Stable; ISSUER NOT COOPERATING* (31-Mar-20) |

\*Long term/Short term.

**Note:** Part of the above bank facilities of HEIL were last rated at 'CARE A+ / CARE A1+'; under Credit watch with developing implications' in Harsha Engineers Limited (HEL) before it was withdrawn following the merger of HEL with HEIL and consequent transfer of these facilities to HEIL.

### Annexure 3: List of entities consolidated:

| Name of the company  | Relationship         | % Holding of HEIL |
|--|----------------------|-------------------|
| Harsha Precision Bearings Components China Company Limited (HPBCL) | Subsidiary           | 100%              |
| Harsha Engineers B.V (HEBV) ^                                      | Subsidiary           | 100%              |
| HASPL Americas Corporation (HAC)                                   | Subsidiary           | 100%              |
| Harsha Engineers Europe SRL (HESSL)                                | Step down Subsidiary | 99.99%            |
| Cleanmax Harsha Solar LLP  | Joint Venture        | 50%               |
| Harsha Engineers Advantek Limited @                                | Subsidiary           | 100%              |

^ HEIL has filed for the scheme of amalgamation of its European subsidiary HEBV into HEIL, which was approved during Q3FY23 by NCLT.

@ With effect from March 14, 2023

### Annexure-4: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

### Annexure-5: 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-Cash Credit | Simple           |
| 3       | Non-fund-based - LT/ ST-BG/LC   | Simple           |

### Annexure-6: 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

|  |  |
|--|--|
| <p><b>Media contact</b></p> <p>Name: Mradul Mishra<br/>Director<br/><b>CARE Ratings Limited</b><br/>Phone: +91-22-6754 3596<br/>E-mail: mradul.mishra@careedge.in</p> <p><b>Relationship Contact</b></p> <p>Name: Deepak Purshottambhai Prajapati<br/>Senior Director<br/><b>CARE Ratings Limited</b><br/>Phone: +91-79-4026 5656<br/>E-mail: deepak.prajapati@careedge.in</p> | <p><b>Analytical contacts</b></p> <p>Name: PS Bhagavath<br/>Senior Director<br/><b>CARE Ratings Limited</b><br/>Phone: +91-22-6754 3407<br/>E-mail: ps.bhagavath@careedge.in</p> <p>Name: Hardik Shah<br/>Director<br/><b>CARE Ratings Limited</b><br/>Phone: +91-79-4026 5620<br/>E-mail: hardik.shah@careedge.in</p> <p>Name: Krunal Pankajkumar Modi<br/>Associate Director<br/><b>CARE Ratings Limited</b><br/>Phone: +91-79-4026 5614<br/>E-mail: krunal.modi@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 the detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**