

CONFIDENTIAL

TCFSL/153695/BOND/041600875/7056

February 27, 2017

**Mr. Kiran Joshi**

Head - Treasury

**Tata Capital Financial Services Limited**

Tower A 1101, Peninsula Business Park,

Ganpatrao Kadam Marg,

Lower Parel

Mumbai - 400013

Dear Mr. Kiran Joshi,

**Re: Review of CRISIL Rating on the Rs.200 Crore Perpetual Bonds Programme of Tata Capital Financial Services Limited**

All ratings assigned by CRISIL are kept under continuous surveillance and review.

CRISIL has, after due consideration, upgraded the rating for the captioned Debt Instrument to "CRISIL AA/Stable" (pronounced "CRISIL double A rating with Stable outlook") from "CRISIL AA-/Stable" (pronounced "CRISIL double A minus rating with Stable outlook"). Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

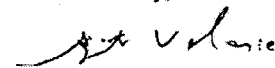
In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crisil.com](mailto:debtissue@crisil.com). This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at [debtissue@crisil.com](mailto:debtissue@crisil.com)

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

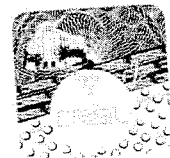
Yours sincerely,



Ajit Velonie  
Director - CRISIL Ratings



Nivedita Shibu  
Associate Director - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, [www.crisil.com](http://www.crisil.com). For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Classification: EXTERNAL

CRISIL Limited

Corporate Identity Number: L67120MH1987PLC042363

## Rating Rationale

February 22, 2017 | Mumbai

## Tata Capital Financial Services Limited

Rating Perpetual Bonds Programme upgraded to 'CRISIL AA/Stable'

## Rating Action

Rs.200 crore Perpetual Bonds Programme	CRISIL AA/Stable (Upgraded from 'CRISIL AA-/Stable')
Non Convertible Debentures Aggregating Rs.11,568.30 crore (Reduced from Rs.12,847.30 crore)	CRISIL AA+/Stable (Reaffirmed)
Rs.1000 crore Subordinated Debt	CRISIL AA+/Stable (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments &amp; Bank Facilities

## Detailed Rationale

CRISIL has upgraded its rating on the perpetual bonds of Tata Capital Financial Services Limited (TCFSL) to '**CRISIL AA/Stable**' from '**CRISIL AA-/Stable**'. The rating action follows the revision in CRISIL's criteria for rating hybrid instruments issued by non-banking financial companies (NBFCs; Please refer to CRISIL publication '**CRISIL Criteria for Rating Hybrid Instruments Issued by NBFCs/HFCs**' dated December 2016). Additionally, CRISIL has withdrawn its ratings on non-convertible debentures aggregating to Rs 1,279 crore as they have been redeemed and there is no amount outstanding against them. The rating on all the other debt instruments has been reaffirmed at '**CRISIL AA+/Stable**'.

The rating upgrade on the perpetual bonds factors in the strong financial flexibility of TCFSL derived from being a part of the Tata Capital group; the group benefits from substantial support from the ultimate parent, Tata Sons Ltd (Tata Sons; rated '**CRISIL AAA/FAAA/Stable/CRISIL A1+**'). Tata Sons has infused equity capital of around Rs 2,800 crore in Tata Capital Ltd (TCL; rated '**CRISIL AA+/Stable/CRISIL A1+**') since its inception. TCL has infused capital of Rs 160 crore and Rs 385 crore through compulsorily convertible preference shares (CCPS) in fiscal 2016 and in the second quarter of fiscal 2017, respectively, in TCFSL.

The ratings continue to be centrally based on the strong support that TCL and its subsidiaries, are expected to receive from the ultimate parent, Tata Sons. The ratings also factor in Tata Capital group's adequate capitalisation and diversified resource profile. These rating strengths are partially offset by Tata Capital group's modest asset quality and average earnings profile.

## Analytical Approach

For arriving at its ratings, CRISIL has combined the business and financial risk profiles of all Tata Capital group companies (including TCFSL, Tata Capital Housing Finance Limited [TCHFL; '**CRISIL AA+/Stable/CRISIL A1+**'], and Tata Cleantech Capital Limited [TCCL; '**CRISIL AA+/Stable/CRISIL A1+**']). The companies, collectively referred to herein as Tata Capital, have significant operational and management linkages, and operate under the Tata Capital brand. Furthermore, most of TCL's earnings (on a consolidated basis; excluding one-offs) is accounted for by its two main subsidiaries, TCHFL and TCFSL.

## Key Rating Drivers &amp; Detailed Description

## Strengths

**\* Strategic importance to, and expectation of strong support from the ultimate parent, Tata Sons Ltd**

CRISIL's ratings on debt instruments of TCFSL continue to be centrally based on the strong support that TCL and its subsidiaries are expected to receive from the ultimate parent, Tata Sons. This is because of Tata Sons' majority ownership in TCL and the importance of the financial services business to the Tata group.

Tata Sons directly owns 93.22% of TCL's equity shares and most of the remaining stake is held by other Tata group companies and trusts. Tata Sons also has personnel from its senior management on TCL's board. Tata Sons has infused equity capital of around Rs.2,800 crore in TCL since TCL's inception. Tata Capital is the Tata group's financial services arm, and remains critical to the group, given the growth opportunities in this sector over the medium to long term. Tata Capital is also strategically important to the Tata group because it caters to the funding requirements of various entities associated with the group, such as its suppliers, vendors, and dealers. The shared brand and infrastructural synergies with various Tata group companies strengthen the integration of Tata Capital with the Tata group. CRISIL believes that Tata Sons will continue to have majority ownership in, and management control of TCL and its subsidiaries, over the medium term.

**\* Adequate capitalisation to support medium-term growth plans**

Tata Capital has adequate capitalisation, with an absolute networth (on a consolidated basis and including minority interest) of Rs 4,132 crore as on March 31, 2016 (Rs 3,997 crore as on March 31, 2015). As on September 30, 2016, TCFSL and TCHFL had overall capital adequacy ratios of 16.18% and 15.61%, respectively (16.34% and 16.17%, respectively, as on March 31, 2016), and gearing of 7.1 times and 11.2 times, respectively (7.0 times and 10.7 times, respectively).

Tata Capital's consolidated gearing is expected to remain between 6 and 7 times on a steady state basis over the medium term. CRISIL believes that Tata Capital is adequately capitalised to absorb asset-side risks. CRISIL also believes that despite its significant growth plans, Tata Capital's capitalisation is expected to remain comfortable, given Tata Sons' commitment to support growth in the financial services business.

**\* Diversified resource profile**

Tata Capital also has adequate access to funding from a diverse base of lenders; the funding profile is fairly balanced with a mix of non-convertible debentures, bank borrowing, and short-term debt. TCL and its subsidiaries have the ability to mobilise debt at competitive costs, given their association with the Tata group.

**Weaknesses****\* Modest asset quality**

The asset quality in the wholesale lending segment has remained weak because of macroeconomic challenges and large exposure to relatively vulnerable segments. Furthermore, a sizeable proportion of the retail loan book remains unseasoned given the strong growth in recent years. TCFSL's gross non-performing assets (NPAs) remained high at 6.25% as on September 30, 2016 (5.34% as on March 31, 2016). Because of ongoing macroeconomic uncertainties, TCFSL's ability to maintain asset quality, especially in the wholesale lending book which has large ticket size exposures and has been under stress, will be a key monitorable. TCHFL's gross NPAs, while remaining low, also increased to 0.74% as on September 30, 2016 (0.72% as on March 31, 2016). Given TCHFL's strong growth, the impact of seasoning will be visible only over the medium term. CRISIL will monitor the ability of these companies to maintain low delinquency levels across asset classes over economic cycles.

CRISIL has also factored in potential stress in collections due to demonetisation. The government's demonetisation move, resulting in a severe contraction of cash in circulation, has led to short-term disruption in collections. CRISIL had discussions with the management and understands that the asset quality concerns have marginally increased in the commercial vehicle and rural banking space. Some dip in growth has been witnessed in the housing finance segment; however, there has been no major adverse impact on average collection efficiency.

**\* Average earnings profile**

Tata Capital's profitability remains average. Its return on assets (RoA) ratio is lower than that of its peers and was at 0.9% (on a consolidated basis, excluding profit on sale of investments) in fiscal 2016 as against 0.7% in fiscal 2015, driven by a modest net interest margin and increased credit cost. Tata Capital's earnings profile remains constrained by relatively low gross interest spreads, modest fee-based income, and high operating expenses. Furthermore, the earnings profile remains susceptible to any sharp increase in credit costs, especially in the wholesale lending business.

TCFSL's annualised RoA was 0.66% in the half year ended September 30, 2016 (0.9% in fiscal 2016 and 0.8% in fiscal 2015). In the quarter ended September 30, 2016, the company undertook one-time write-off of certain accounts through its balance sheet instead of profit and loss account. The total amount written off was Rs 543 crore and it was adjusted against the balance of share premium account. Of the total write-off, Rs 147 crore related to impairments in the value of investments, Rs 318 crore to bad debts, and the remaining Rs 78 crore to goodwill impairments. TCL infused capital of Rs 385 crore via CCPS, thereby keeping the network of TCFSL intact. In case the write-off had been routed through the profit and loss account in the regular course of business, it would have resulted in a loss for the first half of fiscal 2017.

TCHFL's annualised RoA for the half year ended September 30, 2016, was 1.08% (1.0% in fiscal 2016 and 0.9% in fiscal 2015). CRISIL will continue to monitor Tata Capital's profitability, operating efficiencies, scale of fee-based-income, and credit cost, over the medium term.

**Outlook: Stable**

CRISIL believes Tata Capital will remain strategically important to Tata Sons, and continue to benefit from the strong parental support over the medium term. The outlook may be revised to 'Positive' if earnings, asset quality, and competitive position improve significantly. The outlook may be revised to 'Negative' in case of a decline in Tata Sons' credit quality or support to Tata Capital, or significant pressure on the latter's capitalisation or asset quality.

**About the Company**

Set up in November 2010, TCFSL is a wholly owned subsidiary of TCL. Following the change in the holding structure for the financial services businesses, TCL transferred its lending business and the corresponding part of its liabilities to TCFSL with effect from March 27, 2012. TCFSL is one of the largest NBFCs in India, in terms of assets under management (AUM); it had AUM of Rs 30,110 crore as on September 30, 2016 (Rs 28,335 crore as on March 31, 2016). It has a diversified product portfolio, with a presence across both retail and wholesale finance segments. The company's principal business segments include automobile finance for non-Tata vehicles, loans against property, unsecured retail finance, construction equipment finance, project finance, and, term loan and working capital finance for companies and small and medium enterprises. As on September 30, 2016, TCFSL, on a standalone basis, had a network of Rs 3516 crore (Rs 3380 crore as on March 31, 2016) and operated from 99 branches in India.

In the first half of fiscal 2017, TCFSL had a profit after tax (PAT) of Rs 100.7 crore on a total income (net of interest expenses) of Rs 915 crore, against a PAT of Rs 113.5 crore on a total income (net of interest expenses) of Rs 719 crore in the corresponding period of the previous fiscal.

TCL is the holding company for several of the financial services businesses of the Tata group and is registered with the Reserve Bank of India as a systemically important, non-deposit-taking, core investment company. Tata Capital has a diversified product portfolio with a presence in both the wholesale and retail finance segments. It had sizeable AUM of Rs 43,881 crore as on March 31, 2016. The fund-based products and services are primarily offered by TCFSL (both wholesale and retail finance segments), TCHFL (mortgage finance), and TCCL (infrastructure finance). The non-fund-based services - distribution of mutual funds and insurance products, stock broking, and investment banking - are offered through the wholly owned subsidiary, Tata Securities Ltd. Tata Capital also offers travel and foreign exchange-related services to retail and corporate customers through two wholly owned subsidiaries, Tata Capital Forex Ltd and TC Travel and Services Ltd.

TCL (on a consolidated basis) had a PAT of Rs 413 crore on total income (net of interest expenses) of Rs 2,176 crore in fiscal 2016, against a PAT of Rs 306.6 crore on total income (net of interest expenses) of Rs 1,701 crore in the previous fiscal.

**Any other information:** Not applicable

**Note on complexity levels of the rated instrument:**

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on [www.crisil.com/complexity-levels](http://www.crisil.com/complexity-levels). Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

ISIN No.	Name of the instrument	Date of issuance	Coupon rate	Maturity Date	Size of the issue (in Crore)	Rating assigned along with Outlook
INE306N07468	Debentures	9-Nov-12	10.10%	9-Nov-17	500.00	CRISIL AA+/Stable
INE306N07476	Debentures	12-Nov-12	9.55%	10-Nov-17	30.00	CRISIL AA+/Stable
INE306N07500	Debentures	5-Dec-12	9.52%	5-Dec-17	25.00	CRISIL AA+/Stable
INE306N07559	Debentures	16-Jan-13	9.50%	16-Jan-18	65.00	CRISIL AA+/Stable
INE306N07567	Debentures	22-Jan-13	9.60%	22-Jan-18	500.00	CRISIL AA+/Stable
INE306N07575	Debentures	22-Jan-13	9.40%	22-Jan-18	25.00	CRISIL AA+/Stable
INE306N07633	Debentures	26-Mar-13	9.30%	26-Mar-18	5.00	CRISIL AA+/Stable
INE306N07666	Debentures	23-Apr-13	9.40%	23-Apr-18	85.00	CRISIL AA+/Stable
INE306N07690	Debentures	7-May-13	9.10%	7-May-18	20.00	CRISIL AA+/Stable
INE306N07708	Debentures	7-May-13	9.08%	7-May-18	50.00	CRISIL AA+/Stable
INE306N07740	Debentures	22-May-13	9.05%	22-May-18	200.00	CRISIL AA+/Stable
INE306N07732	Debentures	22-May-13	8.95%	22-May-18	25.00	CRISIL AA+/Stable
INE306N07807	Debentures	20-Aug-13	10.40%	20-Aug-18	43.00	CRISIL AA+/Stable
INE306N07815	Debentures^	22-Aug-13	11.25%	15-Feb-17	50.00	CRISIL AA+/Stable
INE306N07831	Debentures	26-Aug-13	10.75%	25-Aug-17	30.00	CRISIL AA+/Stable
INE306N07906	Debentures	16-Sep-13	10.57%	6-Mar-17	22.00	CRISIL AA+/Stable
INE306N07DQ3	Debentures	14-Nov-14	9.11%	24-Nov-17	15.00	CRISIL AA+/Stable
INE306N07DR1	Debentures	18-Nov-14	9.10%	20-Nov-17	10.00	CRISIL AA+/Stable
INE306N07DS9	Debentures	19-Nov-14	9.10%	15-Nov-17	74.00	CRISIL AA+/Stable
INE306N07DT7	Debentures	20-Nov-14	9.36%	20-Nov-24	95.00	CRISIL AA+/Stable
INE306N07DU5	Debentures	21-Nov-14	9.07%	20-Nov-17	38.00	CRISIL AA+/Stable
INE306N07DV3	Debentures	21-Nov-14	9.07%	27-Nov-17	20.00	CRISIL AA+/Stable
INE306N07DW1	Debentures	21-Nov-14	9.07%	29-Nov-17	15.00	CRISIL AA+/Stable
INE306N07EC1	Debentures	8-Dec-14	9.22%	6-Dec-24	75.00	CRISIL AA+/Stable
INE306N07EE7	Debentures	8-Dec-14	8.90%	8-Dec-17	5.00	CRISIL AA+/Stable
INE306N07EG2	Debentures	10-Dec-14	8.88%	24-Mar-17	25.00	CRISIL AA+/Stable
INE306N07EJ6	Debentures	16-Dec-14	8.90%	4-Jan-18	9.00	CRISIL AA+/Stable
INE306N07EL2	Debentures	14-Jan-15	9.05%	10-Jan-18	16.20	CRISIL AA+/Stable
INE306N07EM0	Debentures	15-Jan-15	9.10%	15-Jan-18	9.70	CRISIL AA+/Stable
INE306N07EN8	Debentures	15-Jan-15	9.10%	5-Apr-18	5.90	CRISIL AA+/Stable
INE306N07EP3	Debentures	20-Jan-15	8.92%	24-Jan-18	21.00	CRISIL AA+/Stable
INE306N07ER9	Debentures	29-Jan-15	9.00%	29-Jan-18	300.00	CRISIL AA+/Stable
INE306N07ES7	Debentures^	2-Feb-15	8.85%	2-Feb-17	50.00	CRISIL AA+/Stable
INE306N07ET5	Debentures	4-Feb-15	8.90%	2-Feb-18	50.00	CRISIL AA+/Stable
INE306N07EU3	Debentures^	4-Feb-15	8.85%	3-Feb-17	10.00	CRISIL AA+/Stable
INE306N07EW9	Debentures^	20-Feb-15	9.04%	12-Feb-18	6.00	CRISIL AA+/Stable
INE306N07EX7	Debentures^	26-Feb-15	9.01%	16-Feb-17	32.50	CRISIL AA+/Stable
INE306N07EY5	Debentures	26-Feb-15	9.01%	23-Feb-17	10.00	CRISIL AA+/Stable
INE306N07EZ2	Debentures	26-Feb-15	9.00%	24-Feb-17	25.00	CRISIL AA+/Stable
INE306N07FA2	Debentures	27-Feb-15	9.03%	27-Feb-17	10.00	CRISIL AA+/Stable
INE306N07FB0	Debentures	2-Mar-15	9.05%	2-Mar-18	65.00	CRISIL AA+/Stable
INE306N07FC8	Debentures	2-Mar-15	9.01%	27-Feb-17	17.00	CRISIL AA+/Stable
INE306N07FD6	Debentures	5-Mar-15	9.03%	10-Apr-17	11.50	CRISIL AA+/Stable
INE306N07FE4	Debentures	5-Mar-15	9.05%	2-Mar-17	12.60	CRISIL AA+/Stable
INE306N07FF1	Debentures	5-Mar-15	9.03%	2-May-17	11.00	CRISIL AA+/Stable
INE306N07FH7	Debentures	10-Mar-15	9.00%	10-Mar-17	555.00	CRISIL AA+/Stable
INE306N07FI5	Debentures	10-Mar-15	9.00%	9-Mar-18	50.00	CRISIL AA+/Stable
INE306N07FJ3	Debentures	18-Mar-15	9.05%	17-Mar-17	300.00	CRISIL AA+/Stable
INE306N07FK1	Debentures	20-Mar-15	9.00%	16-Mar-17	18.70	CRISIL AA+/Stable
INE306N07FL9	Debentures	20-Mar-15	9.00%	3-Apr-18	8.00	CRISIL AA+/Stable
INE306N07FM7	Debentures	24-Mar-15	9.10%	23-Mar-18	15.00	CRISIL AA+/Stable
INE306N07FN5	Debentures	24-Mar-15	8.97%	24-Mar-17	25.00	CRISIL AA+/Stable
INE306N07FO3	Debentures	15-Apr-15	8.85%	11-Apr-17	18.00	CRISIL AA+/Stable
INE306N07FP0	Debentures	20-Apr-15	8.80%	22-May-17	102.60	CRISIL AA+/Stable
INE306N07FQ8	Debentures	22-Apr-15	8.76%	19-Apr-17	32.60	CRISIL AA+/Stable
INE306N07FR6	Debentures	22-Apr-15	8.76%	20-Apr-17	7.00	CRISIL AA+/Stable

INE306N07FS4	Debentures	22-Apr-15	8.76%	25-Apr-17	85.00	CRISIL AA+/Stable
INE306N07FT2	Debentures	22-Apr-15	8.74%	1-Jun-17	34.00	CRISIL AA+/Stable
INE306N07FU0	Debentures	24-Apr-15	8.71%	3-Apr-17	64.00	CRISIL AA+/Stable
INE306N07FX4	Debentures	24-Apr-15	8.76%	18-Apr-17	8.80	CRISIL AA+/Stable
INE306N07FV8	Debentures	24-Apr-15	8.71%	4-Apr-17	19.00	CRISIL AA+/Stable
INE306N07FW6	Debentures	24-Apr-15	8.71%	5-Apr-17	51.00	CRISIL AA+/Stable
INE306N07FY2	Debentures	5-May-15	8.88%	5-May-20	330.00	CRISIL AA+/Stable
INE306N07GA0	Debentures	13-May-15	8.89%	24-May-17	35.00	CRISIL AA+/Stable
INE306N07GB8	Debentures	13-May-15	8.89%	27-Apr-17	9.00	CRISIL AA+/Stable
INE306N07GC6	Debentures	15-May-15	8.89%	17-Jul-17	127.00	CRISIL AA+/Stable
INE306N07GD4	Debentures	15-May-15	8.91%	22-May-17	78.00	CRISIL AA+/Stable
INE306N07GE2	Debentures	15-May-15	8.91%	12-May-17	25.00	CRISIL AA+/Stable
INE306N07GF9	Debentures	15-May-15	8.91%	24-May-17	22.00	CRISIL AA+/Stable
INE306N07GG7	Debentures	15-May-15	8.90%	20-Jun-17	18.70	CRISIL AA+/Stable
INE306N07GH5	Debentures	15-May-15	8.90%	1-Jun-17	17.50	CRISIL AA+/Stable
INE306N07GI3	Debentures	15-May-15	8.80%	11-Apr-17	12.00	CRISIL AA+/Stable
INE306N07GJ1	Debentures	15-May-15	8.91%	15-May-17	10.00	CRISIL AA+/Stable
INE306N07GL7	Debentures	22-May-15	8.91%	1-Jun-17	127.30	CRISIL AA+/Stable
INE306N07GM5	Debentures	22-May-15	8.91%	17-May-17	20.00	CRISIL AA+/Stable
INE306N07GN3	Debentures^	22-May-15	8.77%	20-Feb-17	15.00	CRISIL AA+/Stable
INE306N07GP8	Debentures	22-May-15	8.90%	20-Jun-17	6.70	CRISIL AA+/Stable
INE306N07GS2	Debentures	26-May-15	9.00%	24-May-17	525.00	CRISIL AA+/Stable
INE306N07GT0	Debentures	9-Jun-15	8.96%	9-Jun-17	500.00	CRISIL AA+/Stable
INE306N07GU8	Debentures	22-Jun-15	8.90%	22-Jun-18	380.00	CRISIL AA+/Stable
INE306N07GV6	Debentures	24-Jun-15	8.95%	23-Jun-17	100.00	CRISIL AA+/Stable
INE306N07GW4	Debentures	24-Jun-15	8.95%	23-Jun-17	75.00	CRISIL AA+/Stable
INE306N07GX2	Debentures	24-Jun-15	8.95%	23-Jun-17	75.00	CRISIL AA+/Stable
INE306N07GZ7	Debentures	7-Jul-15	8.99%	23-Jun-17	250.00	CRISIL AA+/Stable
INE306N07HA8	Debentures	7-Jul-15	8.99%	7-Jul-17	25.00	CRISIL AA+/Stable
INE306N07HB6	Debentures	9-Jul-15	8.99%	7-Jul-17	250.00	CRISIL AA+/Stable
INE306N07HC4	Debentures	13-Jul-15	8.95%	13-Jul-18	5.00	CRISIL AA+/Stable
INE306N07HE0	Debentures	31-Jul-15	8.85%	31-Jul-17	157.00	CRISIL AA+/Stable
INE306N07HV4	Debentures	24-May-16	8.67%	24-May-19	25.00	CRISIL AA+/Stable
INE306N07HW2	Debentures	30-May-16	8.70%	28-May-21	50.00	CRISIL AA+/Stable
INE306N07HX0	Debentures	7-Jun-16	8.65%	10-Aug-17	40.00	CRISIL AA+/Stable
INE306N07HY8	Debentures	10-Jun-16	8.75%	12-Jun-17	25.00	CRISIL AA+/Stable
INE306N07HZ5	Debentures	10-Jun-16	8.72%	23-Dec-19	13.00	CRISIL AA+/Stable
INE306N07IA6	Debentures	15-Jun-16	8.71%	15-Jun-17	30.00	CRISIL AA+/Stable
INE306N07IB4	Debentures	15-Jun-16	8.69%	15-Jun-17	25.00	CRISIL AA+/Stable
INE306N07IC2	Debentures	24-Jun-16	8.66%	26-Dec-17	25.00	CRISIL AA+/Stable
INE306N07ID0	Debentures	7-Jul-16	8.69%	8-Jan-18	25.00	CRISIL AA+/Stable
INE306N07IE8	Debentures	8-Jul-16	8.55%	8-Sep-17	150.00	CRISIL AA+/Stable
INE306N07IF5	Debentures	12-Jul-16	8.82%	12-Jul-19	200.00	CRISIL AA+/Stable
INE306N07IG3	Debentures	19-Jul-16	8.66%	19-Jul-19	25.00	CRISIL AA+/Stable
INE306N07IH1	Debentures	29-Jul-16	8.62%	29-Jul-19	10.00	CRISIL AA+/Stable
INE306N07I19	Debentures	2-Aug-16	8.62%	2-Aug-18	150.00	CRISIL AA+/Stable
INE306N07IJ7	Debentures	12-Aug-16	8.15%	13-Aug-18	25.00	CRISIL AA+/Stable
INE306N07IK5	Debentures	16-Aug-16	8.30%	16-Aug-18	75.00	CRISIL AA+/Stable
INE306N07IL3	Debentures	25-Aug-16	8.20%	23-Aug-19	25.00	CRISIL AA+/Stable
INE306N07IM1	Debentures	26-Aug-16	8.25%	1-Jul-20	15.00	CRISIL AA+/Stable
INE306N07IN9	Debentures	31-Aug-16	8.16%	31-Aug-18	30.00	CRISIL AA+/Stable
INE306N07IO7	Debentures	31-Aug-16	8.16%	30-Aug-19	25.00	CRISIL AA+/Stable
INE306N07IP4	Debentures	6-Sep-16	8.20%	6-Sep-18	250.00	CRISIL AA+/Stable
INE306N07IQ2	Debentures	8-Sep-16	8.20%	8-Mar-19	250.00	CRISIL AA+/Stable
INE306N07IR0	Debentures	30-Sep-16	7.88%	26-Mar-18	150.00	CRISIL AA+/Stable
INE306N07IS8	Debentures	4-Oct-16	7.88%	26-Mar-18	350.00	CRISIL AA+/Stable
INE306N07IZ3	Debentures	28-Dec-16	7.58%	28-Dec-21	272.00	CRISIL AA+/Stable
INE306N08086	Debentures	12-Aug-15	8.80%	10-Aug-18	200.00	CRISIL AA+/Stable

INE306N08094	Debentures	1-Sep-15	8.91%	1-Sep-17	150.00	CRISIL AA+/Stable
INE306N08102	Debentures	1-Sep-15	8.8655%	1-Mar-17	150.00	CRISIL AA+/Stable
INE306N08169	Debentures	25-Apr-16	8.85%	25-Apr-18	300.00	CRISIL AA+/Stable
INE306N08177	Debentures	27-Apr-16	8.85%	27-Apr-18	200.00	CRISIL AA+/Stable
NA	Debentures*	NA	NA	NA	1,000.00	CRISIL AA+/Stable
INE976I08128	Perpetual Debt	15-Nov-10	10.00%	NA	0.75	CRISIL AA/Stable
INE976I08136	Perpetual Debt	14-Jan-11	10.00%	NA	0.90	CRISIL AA/Stable
INE976I08144	Perpetual Debt	5-May-11	10.00%	NA	1.00	CRISIL AA/Stable
INE976I08151	Perpetual Debt	8-Aug-11	11.25%	NA	3.05	CRISIL AA/Stable
INE976I08169	Perpetual Debt	28-Sep-11	10.75%	NA	0.50	CRISIL AA/Stable
INE976I08177	Perpetual Debt	7-Nov-11	10.75%	NA	0.25	CRISIL AA/Stable
NA	Perpetual Debt*	NA	NA	NA	193.55	CRISIL AA/Stable
INE306N08029	Subordinated debt	26-Sep-14	10.15%	26-Sep-24	100.00	CRISIL AA+/Stable
INE306N08037	Subordinated debt	7-Jan-15	9.35%	7-Jan-25	35.00	CRISIL AA+/Stable
INE306N08045	Subordinated debt	30-Jan-15	9.32%	30-Jan-25	75.00	CRISIL AA+/Stable
INE306N08052	Subordinated debt	31-Mar-15	9.37%	31-Mar-25	200.00	CRISIL AA+/Stable
INE306N08078	Subordinated debt	22-Jul-15	9.25%	22-Jul-25	90.00	CRISIL AA+/Stable
INE306N08151	Subordinated debt	30-Mar-16	9.17%	30-Mar-26	200.00	CRISIL AA+/Stable
INE306N08193	Subordinated debt	11-Aug-16	8.92%	11-Aug-26	200.00	CRISIL AA+/Stable
INE306N08201	Subordinated debt	26-Oct-16	8.45%	26-Oct-26	15.00	CRISIL AA+/Stable
NA	Subordinated debt*	NA	NA	NA	85.00	CRISIL AA+/Stable

\*Rated but utilised

^Outstanding as of 31<sup>st</sup> jan 2017**Annexure - Rating History for last 3 Years**

Instrument	Type	Current		2017 (History)		2016		2015		2014		Start of 2014
		Quantum	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Non Convertible Debentures	LT	11568.3	CRISIL AA+/Stable		No Rating Change		No Rating Change		No Rating Change		No Rating Change	CRISIL AA+/Stable
Perpetual Bonds	LT	200	CRISIL AA/Stable		No Rating Change		No Rating Change		No Rating Change		No Rating Change	CRISIL AA-/Stable
Subordinated Debt	LT	1000	CRISIL AA+/Stable		No Rating Change		No Rating Change		No Rating Change		No Rating Change	CRISIL AA+/Stable

Table reflects instances where rating is changed or freshly assigned. 'No Rating Change' implies that there was no rating change under the release.

**Links to related criteria**[CRISILs Approach to Financial Ratios](#)[Rating Criteria for Banks and Financial Institutions](#)[Rating Criteria for Finance Companies](#)[CRISILs Criteria for Consolidation](#)[Criteria for Computing Short-Term Debt Limits for NBFCs](#)[Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support](#)**For further information contact:**

Media Relations	Analytical Contacts	Customer Service Helpdesk
<b>Saman Khan</b> Media Relations <b>CRISIL Limited</b> D: +91 22 3342 3895 B: +91 22 3342 3000 saman.khan@crisil.com	<b>Krishnan Sitaraman</b> Senior Director - CRISIL Ratings <b>CRISIL Limited</b> D:+91 22 3342 8070 krishnan.sitaraman@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
<b>Tanuja Abhinandan</b> Media Relations <b>CRISIL Limited</b> D: +91 22 3342 1818 B: +91 22 3342 3000 tanuja.abhinandan@crisil.com	<b>Ajit Velonie</b> Director - CRISIL Ratings <b>CRISIL Limited</b> D:+91 22 4097 8209 ajit.velonie@crisil.com	For Analytical queries: ratingsinvestordesk@crisil.com
<b>Jyoti Parmar</b>	<b>Shubha Bhanu</b> Rating Analyst - CRISIL Ratings <b>CRISIL Limited</b>	

Media Relations  
**CRISIL Limited**  
D: +91 22 3342 1835  
B: +91 22 3342 3000  
jyoti.parmar@crisil.com

D: +91 22 4254 4058  
Shubha.Bhanu@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. However, CRISIL alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites, portals etc.

**About CRISIL Limited**

CRISIL is a global analytical company providing ratings, research, and risk and policy advisory services. We are India's leading ratings agency. We are also the foremost provider of high-end research to the world's largest banks and leading corporations.

CRISIL 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](http://www.crisil.com)

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

**About CRISIL Ratings**

CRISIL Ratings is part of CRISIL Limited ("CRISIL"). We pioneered the concept of credit rating in India in 1987. CRISIL is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI"). With a tradition of independence, analytical rigour and innovation, CRISIL sets 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 24,500 large and mid-scale corporates and financial institutions. CRISIL has also instituted several innovations in India in the rating business, including rating municipal bonds, partially guaranteed instruments and microfinance institutions. We also pioneered a globally unique rating service for Micro, Small and Medium Enterprises (MSMEs) and significantly extended the accessibility to rating services to a wider market. Over 95,000 MSMEs have been rated by us.

**CRISIL PRIVACY NOTICE**

CRISIL respects your privacy. We use your contact information, such as your name, address, and email id, to fulfil your request and service your account and to provide you with additional information from CRISIL and other parts of S&P Global Inc. and its subsidiaries (collectively, the "Company") you may find of interest.

For further information, or to let us know your preferences with respect to receiving marketing materials, please visit [www.crisil.com/privacy](http://www.crisil.com/privacy). You can view the Company's Customer Privacy at <https://www.spglobal.com/privacy>

Last updated: April 2016

**DISCLAIMER**

This disclaimer forms part of and applies to each credit rating report and/or credit rating rationale that we provide (each a "Report"). For the avoidance of 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 providing or intending to provide any services in jurisdictions where CRISIL 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 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 or otherwise 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 Rating 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 assumes no obligation to update its opinions following publication in any form or format although CRISIL may disseminate its opinions and analysis. CRISIL 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.

Neither CRISIL nor its affiliates, third party providers, as well as their directors, officers, shareholders, employees or agents (collectively, "CRISIL Parties") guarantee the accuracy, completeness or adequacy of the Report, and no CRISIL 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 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 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. CRISIL's public ratings and analysis 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 web sites, [www.crisil.com](http://www.crisil.com) (free of charge). Reports with more detail and additional information may be available for subscription at a fee – more details about CRISIL ratings are available here: [www.crisilratings.com](http://www.crisilratings.com).

CRISIL and its affiliates do not act as a fiduciary. While CRISIL has obtained information from sources it believes to be reliable, CRISIL does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and / or relies in its Reports. CRISIL keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of CRISIL may have information that is not available to other CRISIL business units. CRISIL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL has in place a ratings code of conduct and policies for analytical firewalls and for managing conflict of interest. For details please refer to: <http://www.crisil.com/ratings/highlightedpolicy.html>

CRISIL's rating criteria are generally available without charge to the public on the CRISIL public web site, [www.crisil.com](http://www.crisil.com). For latest rating information on any instrument of any company rated by CRISIL you may contact CRISIL RATING DESK at [CRISILratingdesk@crisil.com](mailto:CRISILratingdesk@crisil.com), or at (0091) 1800 267 1301.

This Report should not be reproduced or redistributed to any other person or in any form without a prior written consent of CRISIL.

All rights reserved @ CRISIL

Stay Connected | [CRISIL Website](#) | [Twitter](#) | [LinkedIn](#) | [YouTube](#) | [Facebook](#)



CRISIL has revised its rating symbols and definitions with effect from July 11, 2011, to comply with the SEBI circular, 'Standardisation of Rating Symbols and Definitions'. The revised rating symbols carry the prefix, 'CRISIL'. The rating symbols for short-term instruments have been revised to 'CRISIL A1', 'CRISIL A2', 'CRISIL A3', 'CRISIL A4', and 'CRISIL D' from the earlier 'P1', 'P2', 'P3', 'P4', and 'P5', respectively. The revision in the rating symbols and definitions is not to be construed as a change in the ratings. For details on revised rating symbols and definitions, please refer to the document, 'Revision of Rating Symbols and Definitions', at the link, <http://www.crisil.com/ratings/credit-rating-scale.html>