

## Rating Rationale

September 07, 2022 | Mumbai

# Highways Infrastructure Trust

Rating Reaffirmed

### Rating Action

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.1000 Crore</b>
<b>Long Term Rating</b>	<b>Provisional CRISIL AAA/Stable<sup>^</sup> (Reaffirmed)</b>

<b>Rs.900 Crore Non Convertible Debentures</b>	<b>Provisional CRISIL AAA/Stable<sup>^</sup> (Reaffirmed)</b>
--	---

<sup>1</sup> crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

<sup>^</sup>A prefix of 'Provisional' indicates that the rating centrally factors in the strength of specific structures and is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable, without which the rating would either have been different or not assigned ab initio. This is in compliance with a May 6, 2015 directive 'Standardising the term, rating symbol, and manner of disclosure with regards to conditional/provisional/in-principle ratings assigned by credit rating agencies' by Securities and Exchange Board of India (SEBI) and April 27, 2021 circular 'Standardising and Strengthening Policies on Provisional Rating by Credit Rating Agencies (CRAs) for Debt Instruments' by SEBI.

### Detailed Rationale

CRISIL Ratings has reaffirmed its '**Provisional CRISIL AAA/Stable**' rating to the proposed long-term bank facilities and proposed non-convertible debentures (NCDs) of Highways Infrastructure Trust (HIT) and extended the validity of the provisional rating by 60 days. HIT is an infrastructure investment trust (InvIT) of road sector assets sponsored by Galaxy Investments II Pte. Ltd, (Galaxy or sponsor, rated CRISIL AA/Stable), which is invested in by funds, vehicles and/or entities managed and/or advised by Kohlberg Kravis Roberts & Co. LP and/or its affiliates (collectively 'KKR'), with Virescent Infrastructure Investment Manager Pvt. Ltd (VIIMPL) as its investment manager, Virescent Renewable Energy Project Manager Pvt. Ltd (VREPMPL) acting as project manager and Axis Trustee Services Ltd acting as trustee.

HIT filed the final placement memorandum (PM) with SEBI on August 22, 2022, and subsequently listed on August 25, 2022. Additionally, Galaxy has also transferred its existing assets (Project SPVs) to HIT. The refinancing of existing debt with proposed rated debt is underway and is expected to be completed in around a month's time. All terms and conditions highlighted in the PM are in line with details provided to CRISIL Ratings at the time of assignment of rating, except quantum of debt to be raised; the amount is expected to remain in line or below the rated quantum. The debt terms may be updated upon completion of drawdown process / issuance of Debt Securities and will remain a key monitorable.

The rating continues to reflect favourable location and geographic diversity of the stretches being acquired, and healthy revenue visibility given strong track record of toll collection and annuity receipt. The proposed assets have strong operational track record of 7 to 13 years as well as strong counterparties with 4 out of 6 concessions from National Highways Authority of India (NHAI, rated 'CRISIL AAA/Stable'). These coupled with adequate leverage will result in strong debt protection metrics. As per the proposed terms, the debt is expected to be capped at 49% of the trust's valuation. Additionally, terms in the proposed financing will require maintenance of a three-month debt service reserve account (DSRA), six-month major maintenance reserve account (MMRA), cash trap if DSCR falls below 1.35 times and a cash sweep if the debt service coverage ratio (DSCR) falls below 1.3 times for two consecutive tests or debt exceeds 49% of trust value, providing liquidity cushion. The rating also derives strength from the experience of KKR and services provided by, Highway Concessions One (HC1) to VREPMPL and the assets.

These strengths are partially offset by susceptibility of toll revenue to volatility in traffic volume, development or improvement of alternative routes or modes of transportation that could impact revenue and in turn DSCR. The DSCR will also remain susceptible to volatility in operations and maintenance (O&M) costs and interest rates.

### Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of HIT with its underlying SPVs. This is because the trust is expected to have direct control over these SPVs and will infuse funds in them (in the form of shareholder loans [SHLs]) to repay outstanding debt. Furthermore, the SPVs will distribute their surplus cash to the InvIT, in the form of interest and repayment (on SHLs) and dividend, leading to highly fungible cash flows. Also, as per the financing terms, the cap on borrowings has been defined at a consolidated level; aggregate consolidated borrowings for the InvIT and its SPVs is restricted at 49% of the valuation.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

### Key Rating Drivers & Detailed Description Strengths:

- **Healthy operational track record of assets with geographic diversification**

The portfolio comprising of six projects in different states benefits from asset and geographical diversification. Additionally, the projects have strong counter parties - NHAI for four projects and Ministry of Road Transport and Highways (MoRTH) and Madhya Pradesh Road Development Corporation Ltd (MPRDC) for one each. The toll road

projects have long tolling track record between 7 to 13 years, while the annuity projects have track record of receiving 24 and 18 semi-annual annuities without any material deduction. Around 84% of revenue is contributed from 4 toll projects, while the remaining comes from 2 annuity projects.

The toll stretches are situated along major industrial and tourist hubs and connect important cities such as Godhra, Jodhpur, Indore, Bhopal and Chennai to major ports on the western (Kandla and Mundra) and eastern (Chennai and Pondicherry Port) seaboards. The revenue is moderately concentrated across 3 stretches, each contributing 20-25% of overall revenue. Nevertheless, the stretches are spread across six key states that contribute substantially to the total gross state domestic product (GSDP). The trust is, thus, expected to benefit from healthy traffic potential. Balance concession period of the projects ranges from 4 to 22 years. While the concession for three of the stretches is expected to be over in next 4-6 years, their contribution to the initial portfolio is expected to be 35-40%. Hence, long term revenue visibility is driven by other three assets having larger share of revenue. Furthermore, the trust is expected to continue to look for new opportunities of adding assets and hence further diversifying the portfolio over the medium term.

2 of the 4 toll projects have an annual toll rate escalation with a fixed increase of 3% and a variable portion equal to only 40% change in wholesale price index (WPI), limiting dependence on WPI, thereby supporting revenue, while one project has a fixed toll rate hike of 7% and the remaining one is linked directly to the WPI. Toll revenue for all toll assets except Godhra Expressways Pvt. Ltd (GEPL) grew at a compound annual growth rate (CAGR) of 10-16% over fiscals 2017 to 2022 and was only 3.5% for GEPL.

While the long-term traffic growth on the portfolio assets is adequate, the traffic experienced de-growth of ~3-5% in three out of four toll projects in fiscal 2022 on account of the pandemic-related lockdown. The remaining one stretch witnessed growth of 16%.

- **Strong debt protection metrics, with provision for cash sweep and creation of DSRA and MMRA**

Financial risk profile is expected to be healthy with initial debt of ~Rs 1,960 crore on the proposed portfolio, further debt ~Rs 400 crore shall be raised over six years, starting fiscal 2025 for funding major maintenance on need basis. This results in a healthy average debt service coverage ratio (DSCR) through the tenure of the debt. Even with premium payments considered as debt, average DSCR remains strong.

The proposed debt terms also require adequate liquidity cushion in form of three months DSRA and six months MMRA. Cash trap is stipulated, if DSCR falls below 1.35. Minimum DSCR of 1.30 times has been stipulated in expected terms of debt, with a cash sweep if DSCR falls below 1.30 times for consecutive two consecutive tests or if the debt cap of 49% is exceeded. Any transfer to the distribution account will be made only post meeting debt obligation, DSRA and MMRA requirement, and transfer to the cash sweep account, if required.

Management has also articulated that debt level will remain at comfortable levels. As per InvIT guidelines, the debt must not exceed 49% of asset value (till six consecutive dividend distributions) and the same is also built into the draft term sheet. The trust is likely to have healthy average consolidated DSCR over the tenure of the debt supported by healthy toll collection and moderate leverage.

- **Experienced management team**

HIT will benefit from the strong asset management ability of the Sponsor, which is invested in by KKR, which in turn has strong experience in the infrastructure space, including in India. While this is Galaxy's first investment in Indian roads, it benefits from KKR's experience in renewable energy and transmission sector in India. Additionally, the assets will be managed by experienced service providers VIIMPL, VREPMPL and HC1, who have a long track of managing these assets.

#### **Weaknesses:**

- **Susceptibility of toll revenue to volatility in traffic, or development or improvement of alternative routes**

Toll collection is a major source of revenue and is susceptible to volatility because of toll leakages, competing routes, lack of timely increase in toll rates, fluctuation in WPI-linked inflation, seasonal variations in vehicular traffic, and economic downturns. For instance, traffic and toll collection across stretches was affected due to government policies like demonetisation in fiscal 2017 and the nation-wide lockdown following the pandemic in fiscal 2021 and 2022.

While the stretches do not face any substantial threat from alternate routes as of now, improvement of these routes or development of new alternate routes may affect traffic and diversion, if any, on account of any of these will be a key rating sensitivity factor.

- **Susceptibility to volatility in O&M and major maintenance costs and interest rates**

The trust is exposed to risks related to maintenance of the projects in the underlying SPVs as per the specifications and within the budgeted costs. While the SPVs are expected to maintain six months equivalent MMRA, any significant dip in toll collection or unplanned maintenance activity could result in cash flow shortfall during years of such maintenance and will remain a rating sensitive factor.

The interest rate for the proposed rupee term debt shall be floating with an annual reset linked to benchmark. This exposes the trust to volatility in interest rates. Although the cushion in the cash flow and a sub-limit for bonds under the overall debt that are proposed to be raised at fixed rate, will partially help to absorb the impact of such fluctuations. However, it will remain a rating sensitivity factor.

#### **Liquidity: Superior**

Toll collections and annuity receipts will be adequate to meet operational expenses and debt obligation. Furthermore, a DSRA equivalent to three months' interest and principal obligation will be maintained along with MMRA equivalent to six

months of MM expenses. Liquidity will also be supported by the cash sweep provision, if the DSCR falls below 1.3 times for two consecutive years, checked annually.

### **Outlook: Stable**

CRISIL Ratings believes that HIT will continue to generate healthy toll revenue over the medium term, backed by good traffic potential on the project stretches.

### **Rating Sensitivity factors**

#### **Downward factors:**

- Lower-than-expected toll revenue by more than 10% on sustained basis or higher-than-expected maintenance cost affecting DSCR
- Higher-than-expected incremental borrowings
- Non-adherence to the structural features of the proposed transaction
- Non maintenance of adequate liquidity reserves in the form of DSRA and MMRA
- Acquisition of a weak assets with high debt and low revenue potential impacting overall DSCR

### **Additional disclosures in case of provisional ratings for InvIT**

The broad details of the assets that are proposed to be held by HIT, are provided below:

#### **Jodhpur Pali Expressway Pvt. Ltd (JPEPL)**

The stretch is the shortest route connecting Jodhpur to Pali measuring 71.5 km. It achieved provisional commercial operation date (PCOD) in fiscal 2015 and COD in fiscal 2018 and has a track record of more than 7 years with balance concession life of around 21 years. Traffic registered a CAGR of 2.3% between fiscals 2016 and fiscal 2022. The stretch has four alternate routes, but these are either two lane or longer than JPEPL's stretch and do not impact the traffic movement on the project road.

#### **Godhra Expressways Pvt. Ltd**

The stretch, measuring 87.1 km, provides connectivity for traffic plying from the Kandla and Mundra ports and moving towards central and east India. It achieved PCOD in fiscal 2014 and COD in fiscal 2017 and has a track record of over 8 years with balance concession life of around 22 years. Traffic registered a CAGR of 8.9% between fiscals 2016 and fiscal 2022. The stretch has no alternate routes.

#### **Dewas Bhopal Corridor Pvt. Ltd (rated CRISIL AAA/Stable)**

It is the shortest route between Indore (through Dewas) and Bhopal, two major cities of Madhya Pradesh and measures 140.8 km in length. Project achieved PCOD in fiscal 2009 and COD in fiscal 2011 and has a track record of over 12 years with balance concession life of around 12 years. Traffic registered a CAGR of 3.3% between fiscals 2016 and fiscal 2022. The stretch has no alternate routes.

#### **Ulundurpet Expressways Pvt. Ltd**

Connects Chennai to southern, eastern and western parts of Tamil Nadu and measuring around 72.9 km in length. Project achieved COD in fiscal 2010 and has track record of 12 years with balance concession life of around 5 years. Traffic registered degrowth in CAGR of ~0.44% between fiscals 2016 and fiscal 2022. There are no alternate routes to the project road.

#### **Nirmal BOT Ltd**

Connects Kadthal to Armur in the state of Telangana and has balance concession life of around 6 years. The project has track record of timely receiving 24 semi-annual annuities without any material deduction.

#### **Shillong Expressway Pvt. Ltd**

Project is part of Shillong bypass in the state of Meghalaya and has balance concession life of around 4 years. The project has track record of timely receiving 17 semi-annual annuities without any material deduction.

### **Additional disclosures for the provisional rating**

The provisional rating is contingent upon occurrence of the following:

- Receipt of documents confirming listing and transfer of the shareholding in the proposed SPVs to the InvIT
- Refinancing of the existing debt at underlying SPVs with proposed debt being assessed

The 'provisional' rating shall be converted into a final rating after receipt of transaction documents duly executed and confirmations on completion of pending steps within 60 days from the date of drawdown of the proposed bank loan facility.

The 'final' rating assigned post conversion shall be consistent with the available documents and completed steps. In case of non-completion of steps or non-receipt of the duly executed transaction documents within the specified timelines, the rating committee of CRISIL Ratings may grant an extension of up to another 90 days in line with its policy on provisional ratings.

### **Rating that would have been assigned in the absence of the pending documentation:**

In the absence of pending steps/documentation considered while assigning the provisional rating as mentioned above, CRISIL Ratings would not have assigned any rating.

### **Risks associated with the provisional rating:**

A prefix of 'Provisional' to the rating symbol indicates that the rating is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable. In case the documents received and/or completion of steps deviates significantly from expectations, CRISIL Ratings may take an appropriate action including placing the rating on

watch or a rating/outlook change, depending on the status of progress on a case-to-case basis. In the absence of the pending steps/documentation, the rating on the instrument would not have been assigned ab initio.

### About the Company

HIT is registered as an irrevocable trust under Indian Trust Act, 1882, and as an InvIT under SEBI's Infrastructure Investment Trust Regulations, 2014 since December 23, 2021. HIT is sponsored by Galaxy, which is invested in by KKR, and has acquired an initial portfolio of six operational projects with four toll and two annuity roads.

KKR is a leading global investment firm with approximately US\$ 471 billion of assets under management as of December 31, 2021.

### Key Financial indicators

Particulars	Unit	2022	2021
Revenue	Rs crore	NA	NA
Profit after tax (PAT)	Rs crore	NA	NA
PAT margin	%	NA	NA
Adjusted debt/adjusted net worth	Times	NA	NA
Adjusted interest coverage	Times	NA	NA

\*Financial indicators not meaningful as HIT was incorporated in December 2021 and assets are yet to be acquired

### Any other information:

CRISIL Ratings has received an undertaking from HIT stating that key details (assets, location, capital structure, aggregate leverage and other key assumptions) of the initial portfolio of the six assets are in consonance with the details that will be submitted to SEBI.

### Key terms of proposed debt

<b>Tenure</b>	The door-to-door tenure of 18 years from the date of disbursement
<b>Financial covenants</b>	<ul style="list-style-type: none"> <li>Annual minimum DSCR of 1.3 times, breach for two consecutive years will lead to cash sweep</li> <li>Debt-to-enterprise value (EV) &lt; 49%</li> </ul>
<b>DSRA</b>	Equivalent to 1-quarter interest and principal obligations for the proposed debt maintained at InvIT level
<b>MMRA</b>	MM reserve for next 6 months' MM requirement, to be created at SPV/ InvIT level in funded/ non-funded form till the end of the loan tenor
<b>Cash sweep</b>	<p>The lenders have a right for a cash sweep up to 100% of surplus cash in the following scenarios:</p> <ul style="list-style-type: none"> <li>Debt/EV &gt; 49% during the loan tenor</li> <li>Credit rating falls below AA- by any credit rating agency</li> <li>DSCR of two consecutive tests is below 1.30 times</li> </ul>

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

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on [www.crisil.com/complexity-levels](http://www.crisil.com/complexity-levels). Users are advised to refer to the CRISIL Ratings' 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	Type of instrument	Date of allotment	Coupon Rate (%)	Maturity date	Issue Size (Rs crore)	Complexity Level	Rating assigned with outlook
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	1,000	NA	Provisional CRISIL AAA/Stable
NA	Non Convertible Debentures*	NA	NA	NA	900	Simple	Provisional CRISIL AAA/Stable

\*Proposed and not yet placed

### Annexure – List of entities consolidated

Name of company	Type of consolidation	Rationale for consolidation
Jodhpur Pali Expressway Pvt. Ltd	Full consolidation	100% subsidiaries
Godhra Expressways Pvt. Ltd	Full consolidation	
Dewas Bhopal Corridor Pvt. Ltd	Full consolidation	
Ulundurpet Expressways Pvt. Ltd	Full consolidation	
Nirmal BOT Ltd	Full consolidation	
Shillong Expressway Pvt. Ltd	Full consolidation	

### Annexure - Rating History for last 3 Years

Instrument	Current			2022 (History)		2021		2020		2019		Start of 2019
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	1000.0	Provisional CRISIL	11-03-22	Provisional CRISIL		--		--		--	--

			AAA/Stable		AAA/Stable							
<b>Non Convertible Debentures</b>	LT	900.0	Provisional CRISIL AAA/Stable	11-03-22	Provisional CRISIL AAA/Stable		--	--	--	--		

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
<b>Proposed Long Term Bank Loan Facility</b>	<b>1000</b>	<b>Not Applicable</b>	<b>Provisional CRISIL AAA/Stable</b>

This Annexure has been updated on 07-Sep-22 in line with the lender-wise facility details as on 11-Mar-22 received from the rated entity.

#### Criteria Details

##### Links to related criteria

[CRISILs rating criteria for REITs and InvITs](#)

[CRISILs criteria for rating annuity and HAM road projects](#)

[Understanding CRISILs Ratings and Rating Scales](#)

[CRISILs Criteria for Consolidation](#)

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p><b>Aveek Datta</b> Media Relations <b>CRISIL Limited</b> M: +91 99204 93912 B: +91 22 3342 3000 <a href="mailto:AVEEK.DATTA@crisil.com">AVEEK.DATTA@crisil.com</a></p> <p><b>Prakruti Jani</b> Media Relations <b>CRISIL Limited</b> M: +91 98678 68976 B: +91 22 3342 3000 <a href="mailto:PRAKRUTI.JANI@crisil.com">PRAKRUTI.JANI@crisil.com</a></p> <p><b>Rutuja Gaikwad</b> Media Relations <b>CRISIL Limited</b> B: +91 22 3342 3000 <a href="mailto:Rutuja.Gaikwad@ext-crisil.com">Rutuja.Gaikwad@ext-crisil.com</a></p>	<p>Mohit Makhija Senior Director <b>CRISIL Ratings Limited</b> B:+91 124 672 2000 <a href="mailto:mohit.makhija@crisil.com">mohit.makhija@crisil.com</a></p> <p>Anand Kulkarni Director <b>CRISIL Ratings Limited</b> B:+91 22 3342 3000 <a href="mailto:Anand.Kulkarni@crisil.com">Anand.Kulkarni@crisil.com</a></p> <p>ANISH SALUJA Manager <b>CRISIL Ratings Limited</b> B:+91 22 3342 3000 <a href="mailto:ANISH.SALUJA@crisil.com">ANISH.SALUJA@crisil.com</a></p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: <a href="mailto:CRISILratingdesk@crisil.com">CRISILratingdesk@crisil.com</a></p> <p>For Analytical queries: <a href="mailto:ratingsinvestordesk@crisil.com">ratingsinvestordesk@crisil.com</a></p>



**Note for Media:**

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL Ratings. However, CRISIL Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

**About CRISIL Ratings Limited (A subsidiary of CRISIL Limited)**

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

CRISIL Ratings Limited ('CRISIL Ratings') is a wholly-owned subsidiary of CRISIL Limited ('CRISIL'). CRISIL Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit [www.crisilratings.com](http://www.crisilratings.com)

**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](#)

---

**CRISIL PRIVACY NOTICE**

CRISIL respects your privacy. We may 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. For further information on CRISIL's privacy policy please visit [www.crisil.com](http://www.crisil.com).

**DISCLAIMER**

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') that is provided by CRISIL Ratings Limited ('CRISIL Ratings'). To avoid doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this report does not create a client relationship between CRISIL Ratings and the user.

We are not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing our report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).

Ratings from CRISIL Ratings are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL Ratings assumes no obligation to update its opinions following publication in any form or format although CRISIL Ratings may disseminate its opinions and analysis. The rating contained in the report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way. CRISIL Ratings or its associates may have other commercial transactions with the entity to which the report pertains.

Neither CRISIL Ratings nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively, 'CRISIL Ratings Parties') guarantee the accuracy, completeness or adequacy of the report, and no CRISIL Ratings Party shall have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. EACH CRISIL RATINGS PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Ratings Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors. Public ratings and analysis by CRISIL Ratings, as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any), are made available on its website, [www.crisilratings.com](http://www.crisilratings.com) (free of charge). Reports with more detail and additional information may be available for subscription at a fee – more details about ratings by CRISIL Ratings are available here: [www.crisilratings.com](http://www.crisilratings.com).

CRISIL Ratings and its affiliates do not act as a fiduciary. While CRISIL Ratings has obtained information from sources it believes to be reliable, CRISIL Ratings does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and/or relies on in its reports. CRISIL Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>.

Rating criteria by CRISIL Ratings are generally available without charge to the public on the CRISIL Ratings public website, [www.crisilratings.com](http://www.crisilratings.com). For latest rating information on any instrument of any company rated by CRISIL Ratings, you may contact the CRISIL Ratings desk at [crisilratingdesk@crisil.com](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 prior written consent from CRISIL Ratings.

All rights reserved @ CRISIL Ratings Limited. CRISIL Ratings is a wholly owned subsidiary of CRISIL Limited.

CRISIL Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on CRISIL Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisil.com/en/home/our-businesses/ratings/credit-ratings-scale.html>