Rating Rationale

31 July 2020

CHEMPLAST SANMAR LIMITED

Brickwork Ratings reaffirms the ratings with a revision in outlook for the NCDs of Rs. 1270.00 Crores and Bank Loan Facilities of Rs 200.00 Crores of Chemplast Sanmar Limited

Particulars

a) NCDs

Instrument@	Amount (Rs Crs)		Tenure	Rating[1]	
	Previous	Present		Previous (19 May 2020)	Present rating
NCD	**1270.00**	**1270.00**	Long Term	**BWR A/Stable**	**BWR A/Negative Reaffirmed with Revision of Outlook to Negative**
Total	**1270.00**	**1270.00**	**Rupees One Thousand Two Hundred and Seventy Crores only**		

@Annexure I shows details of the NCDs

Instruments with this rating are considered to have an adequate degree of safety regarding the timely servicing of financial obligations. Such instruments carry low credit risk.

b) Bank Loan Facilities

Facilities#	Amount (Rs Crs)		Tenure	Rating[1]	
	Previous	Present		Previous (19 May 2020)	Present rating
Fund based:					
Proposed Cash Credit (Sublimit of Non fund based facility)	(50.00)	(50.00)	Long term	**BWR A/Stable**	**BWR A/Negative Reaffirmed with Revision of Outlook to Negative**
Fund based/Non Fund based			Short term	**BWR A1**	**BWR A1 Reaffirmed**
WCDL^/LC/BG/ SBLC	50.00	100.00			
Proposed WCDL/LC/BG/ SBLC	150.00	100.00			
Total	**200.00**	**200.00**	**Rupees Two Hundred Crores Only**		

#Annexure II shows the details of bank loan facilities:^ WCDL tenure is upto 30 days.

[1]Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings; ***Credit Update was published on 30 June 2020***

Rating Action/Outlook

The revision in the outlook on Chemplast Sanmar Limited (CSL or the company) reflects the views of Brickwork Ratings (BWR) over the weaker-than-anticipated performance of the company in FY20 marked by flat year-on-year revenue growth, decline in the company's net profitability on account of higher interest outgo and change in the financial risk profile in terms of decline in the gearing ratio and the weakening of debt protection metrics, year-on-year. BWR notes that Sales and EBITDA remained at almost same levels in FY 20 compared to previous year despite the effect of Covid-19 pandemic in the second half of March 2020. The revision also factors in BWR's expectations that the performance of the company is likely to remain at almost same levels in FY21 in view of the uncertainty in the economic outlook due to the Covid-19 pandemic. The outbreak and subsequent containment measures taken by the government had impacted the operations, with the closure of the company's three plants at Mettur, Karaikal and Vedaranyam for nearly a month, during April 2020. The plants resumed operations in May 2020. The disruptions in the company's operations due to the country-wide and state-wide lockdown and the uncertain business environment, including slower pick up in demand in some end-user industries, has impacted the Q1FY21 performance. BWR notes that operations have shown some recovery from June 20 onwards and are expected to pick up Q2FY21 onwards. However, given the current market scenario, it may take a few more months for markets to stabilise and reach normalcy, post the complete lifting of the lockdown. As such, the anticipated time for recovery is expected to have a temporary negative impact on the cash flows for the company. There is a significant decline in the cash and cash equivalents position from ~Rs.112 Cr as (including a DSRA of ~Rs. 37 Cr for NCDs) on 31 March 2020 to around Rs. 55 Cr (including a DSRA of ~Rs. 34 Cr for NCDs) as on date and the NCD interest payments have been deferred to conserve liquidity. BWR also takes note of the management's downward revision of bottomline (due to higher interest cost), taking cognisance of the impact on the business. However, going forward, considering the company's expectation of the near normalisation of operations from Q2FY21 and established supplier and customer base, it is expected that the company may be able to achieve its projected revenue and profitability.

BWR takes cognisance of the Covid-19 moratorium package announced by the Reserve Bank of India (RBI) and guidance provided by SEBI vide its circular dated 30 March 2020 in this regard. BWR had earlier noted that CSL had opted for reliefs under the said moratorium package for the deferment of the scheduled interest payments on the rated NCDs (aggregating around Rs.56 Cr for April, May and June 2020) and utilised Rs.19.75 Cr to service the interest on the rated NCDs and withholding tax for March 2020 from the Debt Service Reserve Account (DSRA) of Rs.~55 Cr. The deferment of interest and utilisation of the DSRA was done to conserve liquidity under the Covid situation. Furthermore, CSL has utilised around Rs. 3 Cr from the DSRA for paying withholding tax for April-June 2020. The debenture trustee/debenture holders have accorded their approval in this regard. The said unpaid interest for April, May and June 2020 has been capitalised as a PIK coupon, for the respective months, and shall also accrue interest at 17.50% p.a, along with the outstanding debenture amount. BWR now notes that the debenture trustee/debenture holders have accorded approval for the revision in the coupon to 5% p.a. (adjusted interest) instead of the contracted 17.50% p.a (fixed interest) for the months of July, August and September 2020 and a further utilisation of the DSRA for paying the adjusted interest and withholding tax for the months of July-September 2020 from the DSRA. The fixed interest amount after deducting for the adjusted interest and withholding tax shall be accrued as PIK Coupon, for the respective months, to the outstanding debenture amount. The debenture holders/trustees have also approved the extension of the timeline to replenish the DSRA upto 31 October 2020. BWR notes that the aforesaid waivers/concessions are subject to the condition that the company shall utilise amounts in the form of cash and cash equivalents (other than DSRA) exceeding Rs.75 Cr (at month ends) for the adjustment of the payments of the PIK Coupons for April-September 2020. The company has informed that it has not opted for the moratorium benefits under the Covid-19 relief package for its working capital facilities. BWR will continue to monitor developments in this regard and the company's business operations following the Covid-19 pandemic and assess the further impact, if any, on CSL's credit profile.

The ratings of CSL continue to draw strength from the strong brand equity of Sanmar Group, experienced management, dominant market position in the chemicals industry, demand outlook for PVC and caustic soda industry in India and global markets, and EBITDA margins of ~25-26% during the past three years. The ratings continue to be constrained by a moderation in revenue, post the demerger of the suspension PVC business (scheme of arrangement) in 2019 and increased debt and finance costs due to the high coupon of the rated NCDs impacting the debt protection metrics. The rating also factors in the exposure to forex risks, exposure to associate firms and vulnerability to fluctuations in the prices of key raw materials and finished products.

The outlook may be revised to Stable in case the company shows substantial growth in revenue and profitability margins through early revival in market conditions and demand and recovery from the Covid impact, thereby improving the financial risk profile.

Key Terms of the rated NCDs of Rs 1270 Crs

The NCDs of Rs. 1270 Cr were issued in multiple tranches in December 2019 at a coupon of 17.50% per annum payable monthly and have a scheduled tenor of upto 7 years from the deemed date of allotment. Presently, the NCDs are unlisted, and the management proposes to list the NCDs, subject to obtaining necessary regulatory and other approvals. The NCDs have been issued in three tranches (tranche-I Rs. 565 Cr, tranche-II Rs. 485 Cr and tranche-III Rs. 220 Cr), and the investors are Goldman Sachs India AIF Scheme – 1 & Apollo Credit Holdings II Pte Ltd. The NCDs have a step-up repayment structure, viz, 2.50% redemption each for the first three years commencing from December 2020, a 15% redemption in the fourth year (December 2023), a 25.8% redemption in the fifth and sixth years (December 2024 and December 2025) and a 25.9% redemption in the seventh year (December 2026). The debentures are secured by way of mortgage on all the company's immovable properties and hypothecation of movables, a pledge of 26% of the company's shares in favour of the debenture trustee and corporate guarantee of Sanmar Engineering Services Ltd (SESL)/Sanmar Holdings Ltd (SHL). In addition, the scheduled redemption amounts are to be maintained in the specified account, no later than 30 days prior to the scheduled redemption date. The debenture holders have a put option at the end of 4 years. Post the 18-month lock-in period, there is an option to prepay the NCDs without any prepayment penalty.

The company, with the approval of the debenture holders/ debenture trustee, has utilised ~Rs.19.75 Cr out of the total DSRA amount of ~Rs.55 Cr (3 months fixed coupon as per the original terms of the debenture trust deed (DTD) to service the interest for March 2020 to conserve its liquidity. Furthermore, CSL utilised an additional amount of around Rs. 3 Cr from the DSRA for paying withholding tax for April-June 2020. Now the debenture trustee/debenture holders have accorded approval for the further utilisation of the DSRA for the payment of adjusted interest and withholding tax for July-September 2020 amounting to ~Rs. 21 Cr from the DSRA. BWR notes that as per the original terms of the DTD, the DSRA is required to be replenished within 7 days from the date of withdrawal of monies. However, the debenture holders/debenture trustee have extended the timeline for the replenishment of the DSRA upto 31 October 2020.

Key rating drivers

Credit Strengths:

■ **Reputed Sanmar Group and experienced management-** Chennai-based Sanmar Group is reputed and has established a dominant position in niche chemical products. Started in 1962, the group has global partnerships in a range of industry segments.The group is reported to be one of the large South Indian Conglomerates having revenues of more than USD 1 Billion and a more than USD 1.5 Billion asset base, with 100% or the majority holdings in all its businesses such as chemicals, engineering technologies and shipping. The group is fourth-generation-family-owned and professionally managed. The group has operations in the US, Mexico and Egypt, apart from its significant presence in the southern part of India. The senior management team has been associated with the group for over two decades.

■ **Focus on high-margin speciality chemicals business -** Post the Scheme of Arrangement in the Sanmar group in 2019, CSL is focussed on the Paste PVC and non-PVC Speciality Chemicals businesses. These are high-margin, moderate-volume businesses with a significant growth potential. The revenue mix of margin-accretive speciality products is expected to yield EBITDA margins in the range of ~28-30%, going forward.

■ **Locational advantages and fully integrated nature of manufacturing plants - The s**trategically selected location of South and Eastern markets helps in low operating costs, freight costs, energy costs and labour costs. CSL is a fully integrated facility with an established track record of feedstock management through its own salt farms (for making chlorine) at Vedaranyam, an Ethylene Dichloride (EDC) plant (for making Vinyl Chloride Monomer (VCM)) at Karaikal and the effective management of the import of EDC and Methanol, among others. CSL also has its own captive power plant to meet its requirements. Furthermore, CSL has its own dedicated Marine Terminal Facility at Karaikal for the import of Ethylene (used in EDC manufacturing).

■ **Industry position and market share -** CSL is reported to be the largest paste PVC manufacturer with > 50% market share and a strong customer base. Demand for paste PVC in the country is robust and growing between 10%-13% p.a, on account of growth in its diverse end-use segments, more particularly the artificial leather industry. India is reported to be currently importing ~60 KTPA of paste PVC with no further capacity addition being planned by competitors. Additionally, due to high entry barriers, no new PVC plant has been established in the last several years. The government is making constant efforts to strengthen the domestic manufacturing of PVC and caustic soda and reduce import dependency. The increase in the import duty of PVC from 7.50% to 10%, reduction in the import duty of one of the key feedstocks (EDC) to nil and the anti-dumping duty measures are also expected to add to the profitability of the business.

■ **Moderate financial risk profile -** The company reported a total operating income of Rs.1259.31 Cr in FY20, against the total operating income of Rs.1252.69 Cr in FY19. The EBITDA and PAT were Rs. 319.77 Cr and Rs. 98.74 Cr, respectively, for FY20, against Rs. 323.54 Cr and Rs. 187.21 Cr, respectively, for FY19. Decline in the PAT during FY20 was mainly due to the increase in interest and finance charges (Rs. 95.42 Cr against Rs. 46.99 Cr for FY19) and depreciation (Rs. 87.42 Cr against Rs. 54.88 Cr for FY19). The company's financial risk profile is moderate, marked by adequate debt protection metrics and moderate gearing levels. The Tangible Net worth (TNW) was Rs. 910.23 Cr as on

31 March 2020, against Rs. 1427.97 Cr as on 31 March 2019. This is due to the redemption of fully convertible debentures during FY20.

Credit Challenges

■ **Increase in debt levels -** Until 6MFY20(audited), the gearing and debt metrics were comfortable in view of the low level of debt. However, FY20 onwards, these were being impacted on account of the additional debt by way of NCDs raised in December 2019 and higher coupon payments. The Debt-Equity ratio increased to 1.42 times for FY20 (0.18 times as on 31 March 2019). The ISCR and DSCR declined to 3.35 times and 1.76 times, respectively, for FY20, against 6.88 times and 2.58 times, respectively, for FY19.

■ **Increased financing cost due to high coupon of rated NCDs -** The high coupon rate at 17.50% p.a. agreed for the NCDs is stated to be specifically due to the fact that the proceeds were used to redeem debt provided to the company by the holding company (SESL), which may not be a conventional "end use" for many lenders. However, the company can prepay/redeem the NCDs at the end of 18 months, and it expects to be able to refinance the NCDs at a much lower coupon/interest at that stage. International strategic investors such as Goldman Sachs and Apollo, who have subscribed to the NCDs, usually have higher return expectations considering factors such as exchange rates, country risk and status of liquidity in the domestic markets. During FY20, the increased interest and finance charges of Rs. 95.42 Cr (Rs. 46.99 Cr for FY19) led to decline in PAT yoy.

■ **Refinancing Risk -** The company is exposed to refinancing risk from the NCDs, given the large repayment obligations over the medium term. However, the company plans to refinance the NCDs within the next 2-3 years period, post lockin, with a relatively low-cost funding, well before the period of 4 years when the put option is available to the NCD subscribers. Even if the NCDs continue, and the put option is exercised, the company expects to have sufficient cash accruals to meet obligations. The group's financial flexibility has been demonstrated over the years, and the subscription by the current investors also reflects this.

■ **Exposure to associate firms -** CSL has invested, including by using the proceeds of the NCDs, around Rs.1550 Cr as of December 2019 in its associate firms. However, BWR notes that as per the terms of the rated NCDs, the company cannot make additional investments other than these permitted investments.

■ **Price volatility and availability of key raw materials -** The prices of the key raw material EDC are volatile. However, CSL has developed long standing relationships with its suppliers, which checks the price volatility to an extent and ensures continuity in supply. CSL also has the capability to meet its EDC requirement by manufacturing it in-house using imported Ethylene and Chlorine produced in Caustic Soda operations.

■ **Exposure to forex fluctuations -** Profitability is exposed to forex fluctuations as some key raw materials are imported. However, forex risk is managed through the hedging policy of covering all the large value forex exposures. Furthermore, the pricing of the end product, Specialty Paste PVC, is also done on an import parity basis, thereby providing a natural hedge for imports.

■ **Operational disruptions in plants -** As with most chemical plants, the company is exposed to operational risks pertaining to unexpected operational disruptions in manufacturing plants, including the unavailability of key raw materials. However, with its long experience in this industry, and with the employment of preventive maintenance practices, the company is well-positioned to manage its operational risks.

■ **Impact of Covid-19 -** The lockdown measures have impacted CSL's revenue inflow. The pandemic outbreak and subsequent containment measures adopted by the government had impacted the operations with the closure of the company's three plants at Mettur, Karaikal and Vedaranyam for nearly a month during April 2020. The custom manufacturing plant - SSC at Berigai - continued to operate throughout the period as it caters to Pharmaceutical/Agro industries. The plant at Mettur has been fully operational since the last week of April 2020, with exception of the refrigerant gases plant, which resumed its operations in May 2020. The plants at Karaikal and Vedaranyam also became operational between the last week of April 2020 and first week of May 2020. Production was gradually ramped up since then. However, some segments such as leather cloth and textile, which the company's products majorly cater to, have not revived completely. Demand for paste PVC has started improving. The loss of operations for about 30-45 days resulting in a loss of collections and muted demand from end-user segments, impacted performance during Q1FY21. The first signs of recovery were seen only June onwards when the leather cloth industry operations increased to 30%. Overall, markets have been picking up July 20 onwards, and demand for products is picking up gradually. Considering the demand supply situation in India and expected improvement in off-take by the customers, CSL is confident of liquidating the built-up inventory in the next few months.

Analytical approach - Standalone

While assigning the ratings, BWR has taken a standalone view of the business and financial profiles of Chemplast Sanmar Ltd. The company does not have subsidiaries.

Rating Sensitivities

The company's ability to recover quickly from the COVID-19 impact and ensure the quick stabilisation of operations post Covid, improve its operational and financial performance, achieve timely refinancing of its existing debt, strengthen its overall credit profile and manage its working capital efficiently would remain key rating sensitivities. The extent of improvement in EBITDA, reduction in debt and adherence to the terms of the NCDs will be key monitorables.

Positive:

- Given the ongoing weakness in the macro-economic environment and the COVID-19 impact on the sector and end-user industries, a rating upgrade in the near term remains unlikely.

Negative :

- The ratings may be revised downwards if any prolonged Covid impact negatively impacts revenues and cash flows, leading to a material deterioration in its financial risk profile and liquidity.
- A lower-than-expected ramp-up in EBITDA/margins
- More-than-expected debt because of capital expenditure/other group requirements, or delay in reducing debt through surplus cash/refinancing, leading to deterioration in debt protection metrics and liquidity
- The weakening of financial flexibility at the group level
- Any non-adherence to the terms and conditions of the DTD shall be negative from the rating perspective

Liquidity - Stretched : The company mainly utilises its non-fund-based facilities to import raw materials. The average working capital utilisation (mainly non-fund-based facilities) was at ~85-90%. The current ratio was 1.03 times as on 31 March 2020, against 2.28 times as on 31 March 2019. This deterioration is due to the reclassification of certain investments as non-current investment, in line with the stipulated accounting standards. As on 29 July 2020, on a provisional basis, the company has reported Rs 55 Cr of cash, including a DSRA of ~Rs. 34 Cr. As per the revised terms of fixed interest payment on the NCDs, ~Rs. 21 Cr will be utilised from the DSRA for paying the adjusted interest (@5%) and withholding tax for the period of July-September 2020. Projected cash accruals for FY21 are estimated to be ~Rs. 89 Cr. Net cash accruals are estimated to be adequate to cover debt repayment obligations in FY21 and FY22 of Rs 31.80 Cr each. BWR also notes that the NCD investors have agreed for the revision in coupon payment terms until September 2020, which will further ease liquidity. As such, during FY21, the estimated EBITDA of ~Rs. 330 Cr is expected to cover a scheduled payment of ~Rs. 193 Cr towards interest servicing (~Rs. 118 Cr), redemption (~Rs. 32 Cr) and DSRA replenishment (~Rs. 43 Cr).

About the Company

Incorporated in 1962, **Chemplast Sanmar Limited (CSL)**, the flagship company of Sanmar Group, is a major manufacturer of paste PVC resins, caustic soda, chlorochemicals, refrigerant gas and industrial salt. The manufacturing facilities are located at Mettur, Panruti, Cuddalore and Vedaranyam in Tamil Nadu and Karaikal in Puducherry. (Post the scheme, the suspension PVC plant in Cuddalore that has a capacity of 300 Ktpa, has been owned by Chemplast Cuddalore Vinyls Limited (CCVL)). The paste PVC plant is located at Mettur with a capacity of 66 Ktpa, and the caustic soda plant is in Karaikal and Mettur with a capacity of 52 Ktpa and 67 Ktpa, respectively. The chloromethane plant is in Mettur with a capacity of 35 Ktpa. A downstream EDC plant of 84 KTPA capacity, which captively utilises chlorine from the chlor-alkali plant at Karaikal, has also been set-up. This plant includes a marine terminal facility for the import of liquid ethylene. The salt needed for chlorine manufacture is supplied by Chemplast's salt fields at Vedaranyam. The power-intensive electrolysis process of manufacturing chlorine is served by Chemplast's own gas-based power plant of 13 MW capacity in Karaikal and coal-based power plant of 48.5 MW in Mettur. PVC and caustic soda industries are two basic segments of the Indian industry, which facilitate a chain of downstream industries serving agriculture, textiles, paper and infrastructure. All key raw materials are imported, except EDC, wherein around 54% of the total requirement in FY20 was imported, and the balance was manufactured in-house.

Mr. P.S. Jayaraman is the chairman. Mr. V K Parthasarathy, Mr. S Sankaran, Mrs. Lavanya Venkatesh and Mr Amarnath Ananthanarayanan are other directors.

Sanmar Engineering Services Ltd (SESL) is the ultimate holding company of the group's chemical businesses (SHL Chemicals Group), i.e., Chemplast Sanmar Ltd, Chemplast Cuddalore Vinyls Ltd and TCI Sanmar Chemicals SAE. FIH Mauritius Investments Limited (owned by Fairfax) has a 43% shareholding in SESL, which has a 100% holding in Chemplast Sanmar Limited. The unlisted company undertakes comprehensive maintenance contracts for Sanmar-manufactured products, accessories and equipment through a country-wide network of service and repair centres, as well as through plant-site operations.

Key Financial Indicators

Key Parameters	Units	31 Mar 2019	31 Mar 2020
Result Type		**Audited**	**Audited**
Total Operating Income	Rs. Crs	1252.69	1259.31
EBITDA	Rs. Crs	323.54	319.77
PAT	Rs. Crs	187.21	98.74
Tangible Net worth	Rs. Crs	1427.97	910.23
Total Debt	Rs Crs	252.85	1288.68
Total Debt/Tangible Net worth	Times	0.18	1.42
Current ratio	Times	2.28	1.03

On a provisional basis, the company achieved Total Operating Income of ~Rs. 110 Cr during Q1FY21.

Key Covenants of the facility rated: The terms of sanction include standard covenants normally stipulated for such facilities

Status of non-cooperation with previous CRA: NA

Rating history for the previous three years [including withdrawal and suspended]

a) NCDs

Sl. No.	Instruments	Current Rating (Jul 2020)			Rating History^			
		Type	**Amount (Rs Crs)**	**Rating**	**2020**	**2019**	**2018**	**2017**
1	NCDs	Long Term	**1270.00**	**BWR A/Negative**	<u>17 Feb 2020</u> BWR A/Stable <u>19 May 2020</u> BWR A/Stable	-	-	-
	Total		**1270.00**	**Rupees One Thousand Two Hundred and Seventy Crores only**				

^Press Release in the form of *Credit Update was published on 30 Jun 2020*

b) Bank Loan Facilities

<table>
<tr><th rowspan="2">Sl. No.</th><th rowspan="2">Facility</th><th colspan="3">Current Rating (Jul 2020)</th><th colspan="4">Rating History^</th></tr>
<tr><th>Type</th><th>Amount (Rs Crs)</th><th>Rating</th><th>2020@</th><th>2019</th><th>24 Jul 2018*</th><th>2017</th></tr>
<tr><td>1</td><td>Cash Credit (Sublimit of NFB)</td><td>Long Term</td><td>(50.00)</td><td>BWR A/ Negative</td><td rowspan="3"><u>17 Feb 2020</u>
BWR A/Stable/A1

<u>19 May 2020</u>
BWR A/Stable/A1</td><td rowspan="3"><u>27 Aug 2019**</u>
BWR A/Stable/A1

<u>12 Jun 2019***</u>
BWR AA-/A1+
Credit Watch with Developing Implications

<u>07 Jan 2019***</u>
BWR AA-/Stable/A1+</td><td>BWR AA-/ Stable</td><td rowspan="3">-</td></tr>
<tr><td>2</td><td>WCDL/LC/ BG/ SBLC</td><td rowspan="2">Short Term</td><td>100.00</td><td rowspan="2">BWR A1</td><td rowspan="2">BWR A1+</td></tr>
<tr><td>3</td><td>Proposed LC/BG/ SBLC</td><td>100.00</td></tr>
<tr><td></td><td>Total</td><td></td><td>200.00</td><td colspan="5">Rupees Two Hundred Crore Only</td></tr>
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***Rated amount-Rs. 1656.50 Cr; **Rated amount-Rs. 1749 Cr; ***Rated amount-Rs. 1741.50 Cr; @Rated amount - Rs. 200 crs;** ^Press Release in the form of *Credit Update was published on 30 Jun 2020*

Complexity Levels of the Instruments

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

General Criteria **Approach to Financial Ratios**

Manufacturing Companies **Short Term Debt**

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Annexure I- Instrument Details

<table>
<tr><th>Instrument</th><th>Issue Date</th><th>Amount (Rs Crs)</th><th>Coupon (% p.a.)*</th><th>Maturity Date</th><th>ISIN</th></tr>
<tr><td>NCD Trache I</td><td>20-Dec-2019</td><td>565.00</td><td>17.50%</td><td>20-Dec-2026</td><td rowspan="2">INE488A07073</td></tr>
<tr><td>NCD Tranche III</td><td>20-Dec-2019</td><td>220.00</td><td>17.50%</td><td>20-Dec-2026</td></tr>
<tr><td>NCD Tranche II</td><td>20-Dec-2019</td><td>485.00</td><td>17.50%</td><td>20-Dec-2026</td><td>INE488A07065</td></tr>
<tr><td colspan="2">Total</td><td>1270.00</td><td colspan="3">Rupees One Thousand Two Hundred and Seventy Crores only</td></tr>
</table>

*Payable monthly on the last day of every month

Annexure II : Details of the bank loan facilities rated (Rs. Crs)

Sl No	Name of the Bank	Name of Facilities	Long Term (Rs. Crs)	Short Term (Rs. Crs)	Total (Rs. Crs)
1.	CTBC Bank	WCDL^/LC/BG/ SBLC	-	50.00	50.00
2	Indian Overseas Bank	Letter of Credit/BG/LG/CC/	-	50.00	50.00
3	Proposed	LC/BG/ SBLC/CC	(50.00)	100.00	100.00
	Total		**(50.00)**	**200.00**	**200.00**

*Sub-limits of Non-fund based LC facilities;^ *WCDL tenure is upto 30 days.*

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons