

2022  
INDIA  
DEBT  
CAPITAL  
MARKET  
SUMMIT



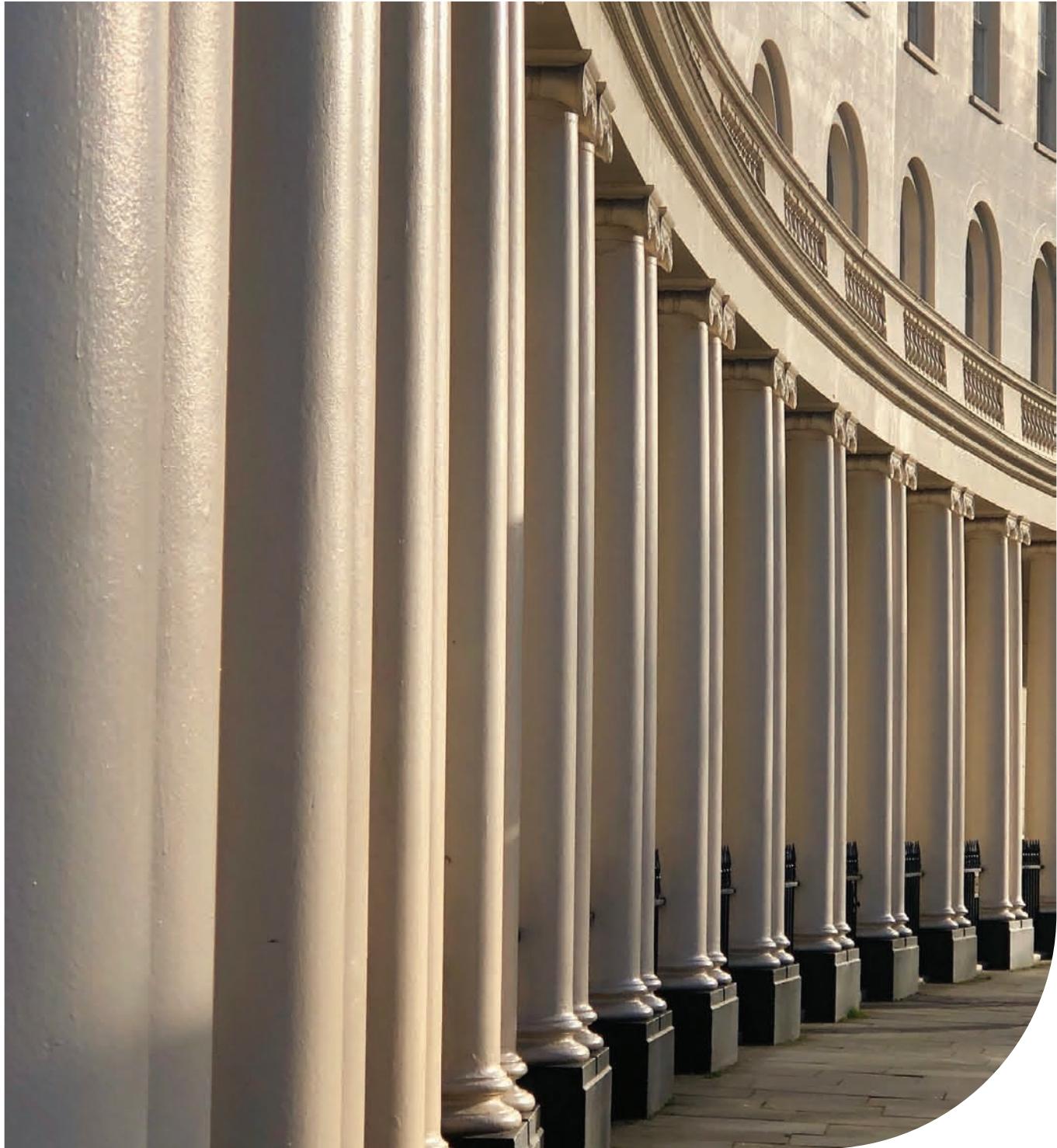
## THE INDIAN FINANCIAL SECTOR: FUELLING INDIA'S GROWTH STORY







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# FOREWORD



**India is an idea whose time has come.** Against the challenging global environment, monetary policy tightening across nations and elevated inflation, economic activity in India remains stable. The target GDP growth of India at 8%, we foresee Indian Debt Capital Markets to play a pivotal role to support this growth.

The Indian debt capital market has been evolving which we believe is at an its inflection point. The last few years has witnessed the debt market expanding boundaries, deepening the availability of credits, and reaching new heights of volume and spread of transaction structures. As we say, Latius (Wider), Altius (Deeper) and Altior (Higher).

Since 2002, Trust has been pivotal in supporting the growth of the Indian bond market, being at the forefront of innovation and continually aligning ever-evolving investor and issuer requirements. We have ensured collaboration across all stakeholders to create innovation in product offerings, agility in solutions and deepen the Indian Debt Capital Market.

**TRUST India Debt Capital Market Summit** will showcase the emerging growth pillars of the Indian economy and the Indian bond market's contribution to the growth. The summit aims to provide a platform for issuers and investors to interact and showcase the spread of credits available across sectors for investors to understand and assess.

One of the key pillars for India's growth is "Financial Sector Institutions" which will provide capital for the availability of credit across corporates, SMEs, MSMEs and retail consumer segment. Over the past five years, the total bond issuances have been Rs 6-7 lakh crore per annum of which financial sector entities have dominated with more than 70% of the total issuance. With the merger of PSU banks, equity raise by private sector banks and consolidation of the NBFC sector the capital base has been strengthened to support consumer lending. We have also seen rapid development of new vehicles such as the credit alternative investment funds (AIF) that add to the capacity of providing credit for growth.

We believe, the suite of products across tenors and secondary bond market vibrancy will support the borrowing mix of financial institutions. This sector till date has demonstrated participation by investors across the credit curve up to BBB rating through private placement and public issuances. The investor base widening has been achieved with availability of zero-coupon structures, market linked debentures and short-term PTC issuances. The regulatory support has led to Banks and NBFCs joining hands to support credit growth through co-lending models other than securitisation.

The presence and timely development the financing models namely Banks, Small Finance Banks, NBFCs, HFCs, Microfinance companies and Fintech platforms have enabled availability of credit across all sectors supporting the credit growth.

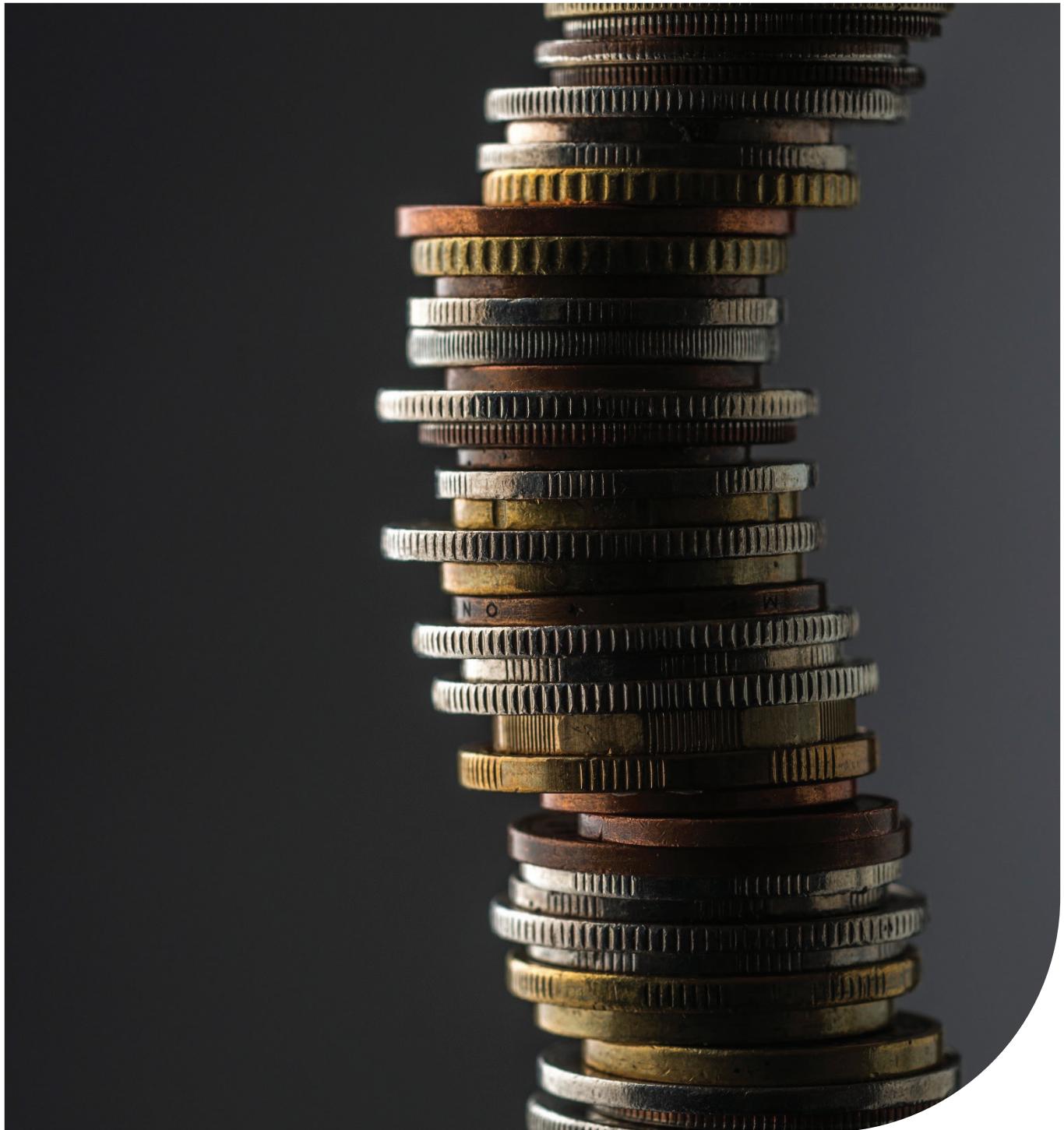
The financial sector compendium will showcase three main financing pools of capital: Banks, NBFCs and HFCs. The compendium will aim to share an industry overview, the bond market issuance analysis, profile of issuers and opinion from industry experts. We are pleased to have CRISIL as our Knowledge Partner for part of the compendium covering the industry and the players.

We believe, it's an opportune time to explore the new age of the bond market at TRUST's India Debt Capital Market - a platform to engage and understand the perspectives from issuers and investors to marry the requirements, mitigate risks and support the financing capital pools. The evolving and developing trends bring the bond market at an inflection point which can aid to achieve the dream of making India a USD 5 trillion economy.

**TRUST Team**

# Landscape of financial sector

November 2022



Knowledge Partner

## Summary

The pace of global growth has tapered off in recent months amidst volatile financial conditions and persisting uncertainty surrounding the geo-political situation. While the economic recovery continues to gather pace, it faces multiple risks. Global growth is expected to slow, as central banks in major economies withdraw easy monetary policies to tackle high inflation.

The Real GDP is projected at 7.3% in fiscal 2023 as against 8.7% in fiscal 2022 with downside risks to GDP on account of surging commodity prices and global supply disruptions. That said, growth will receive support from improving growth in contact-based services and pickup in investments. The festival season is expected to boost consumer demand, including rural, also as sowing activity picks up.

The overall systemic credit in the economy has improved to ~Rs 143 trillion as on March 31,2022 as against ~Rs 132 trillion as on March 31,2021 including Bank (Agriculture + retail) and NBFC credit. This is expected to grow at 10-12% during fiscal 2023, following a 9% growth during fiscal 2022 owing to restored economic stability, increased business activity and increased comfort in lenders with improvement in asset quality. Overall credit growth is expected to be driven by retail lending, given higher demand and risk aversion of lenders towards wholesale credit which is showing signs of recovery.

The Reserve Bank of India (RBI) has gradually withdrawn its accommodative stance and began tightening its policy rates in sync with other global central banks. It has cumulatively announced a 190 basis points (bps) increase in the repo rate in three hikes between May and September, taking the repo rate up to 5.9%. The rate hike can be seen as a response to both elevated domestic inflation and spillover risks arising from aggressive monetary tightening by major central banks.

The rate hike can be seen as a response to both elevated domestic inflation and spillover risks arising from aggressive monetary tightening by major central banks. This has impacted both the cost of borrowings and yields across sectors and, in turn, resulting in improved return on assets (ROA) with slower increase in borrowing cost in comparison to yields based on the borrowing profile of the players and reset tenure of the bond. Higher collection efficiency leading to improved credit cost also aid in increase in ROA across Banks and NBFCs.

## Inflation, global macros keeping the RBI on its toes

The Reserve Bank of India (RBI) has been actively playing a balancing act between fostering economic growth and reining in inflation.

The central bank intervened effectively in fiscal 2021, when the economy was hit the hardest by Covid-19, with multiple measures such as liquidity support and repo-rate cuts. The RBI Monetary Policy Committee continued its accommodative stance in fiscal 2022, keeping the repo rate at 4%.

In fiscal 2023, however, the RBI has gradually withdrawn its accommodative stance and began tightening its policy rates in sync with other global central banks. It has cumulatively announced a 190 basis points (bps) increase in the repo rate in three hikes between May and September, taking the repo rate up to 5.9%. The rate hike can be seen as a response to both elevated domestic inflation and spillover risks arising from aggressive monetary tightening by major central banks.

The economy faces strong headwinds from global shocks from major economic centres, such as the US, Europe, and China, which are facing a growth slowdown. A synchronous monetary tightening by both advanced and emerging economy central banks means interest rates are rising faster than seen in the past two decades and are expected to stay at relatively elevated levels in the near future. Domestically, inflation pressures persist from rising food and elevated core inflation. At the same time, the pace of economic activity seems to be holding up.

The inflation trajectory remains uncertain amid significant risks to inflation and domestic financial conditions. The central bank's actions will be guided by domestic supply-demand pressures on inflation and evolving global financial conditions, including the US Federal Reserve's actions.

## Domestic credit growth positive despite inflation

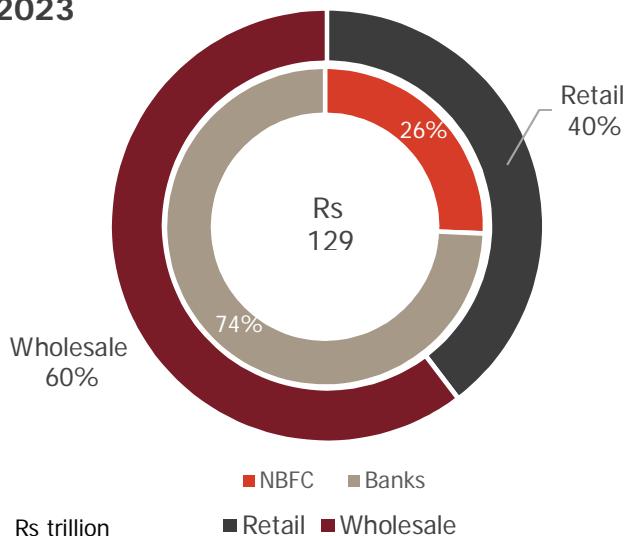
### Credit growth trajectory improves as economic activity stabilises

Overall credit for banks and non-banking financial companies (NBFCs) improved to ~Rs 129 trillion as on March 31, 2022, as against ~Rs 118 trillion as on March 31, 2021, implying a 9% growth in fiscal 2022. This was attributed to a pickup in economic demand, which led to higher lending in most retail segments, accompanied by wholesale segments showing signs of recovery.

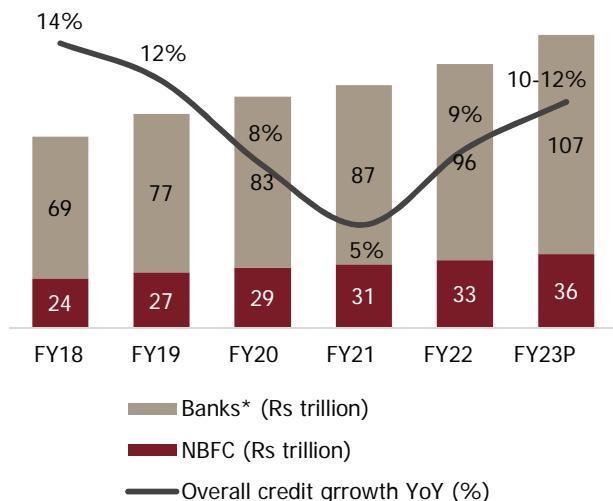
Non-banking financial companies (NBFCs) credit outstanding is estimated to aggregate to ~Rs 33 trillion as on March 31, 2022 and Banks at ~Rs 96 trillion. Overall credit (Banks excluding agriculture and non-food credit + NBFCs) is expected to grow at 10-12% during fiscal 2023, following an 9% growth during fiscal 2022 owing to restored economic stability, increased business activity and increased comfort in lenders with improvement in asset quality. Banks and NBFCs are the backbone of our economy and have a task of meeting the credit demand of individuals and corporates. In years to come, regulatory changes and technology are expected to be in the forefront to boost credit.

### Outstanding Book (FY22)

2023



Overall credit growth expected at 10-12% in fiscal



Note: P – Projected, E – Estimates

Source: RBI, Company reports, CRISIL Research

Note: \* The above representation of bank credit is exclusive of agriculture and food credit

## Banks have pulled ahead as NBFCs battle multiple headwinds

Between fiscals 2016 and 2018, banking credit logged a compound annual growth rate (CAGR) of 9%, while NBFCs (including housing-finance companies) clocked 18% CAGR, mainly due to the aggressive expansion of footprint and with the numerous new entrants across India.

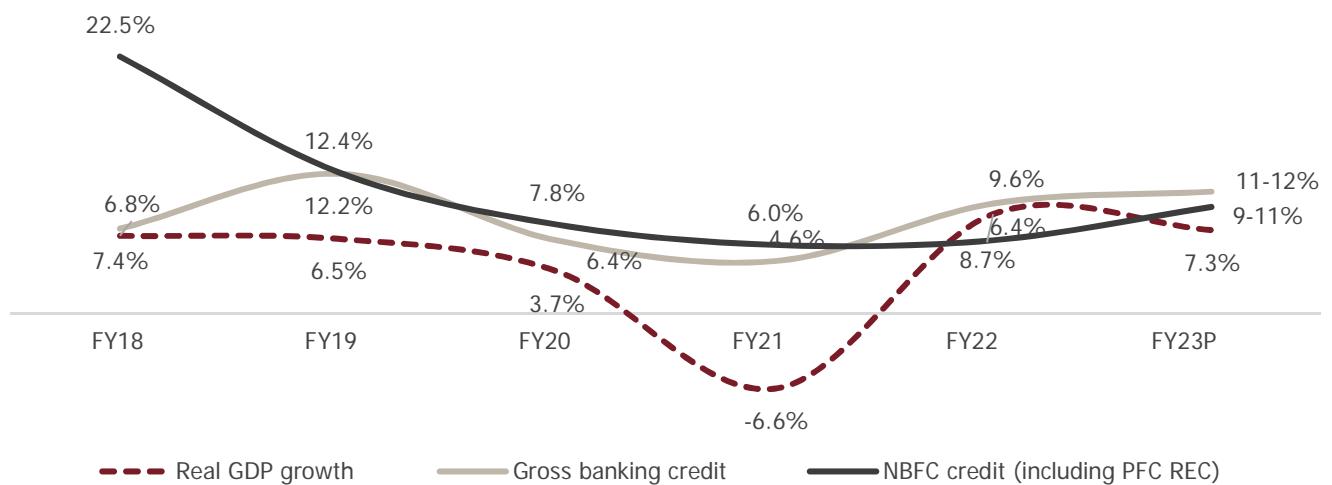
However, non-banks faced headwinds after the IL&FS default in September 2018, followed by a liquidity crisis. Later, funding challenges and the pandemic added to the pressures, beating down growth.

Banks benefitted in this milieu and used the surplus liquidity to gain the market share in terms of credit in a few key segments.

In fiscals 2021 and 2022, NBFCs' credit growth, excluding infrastructure, slowed down because of the added pressure from the pandemic, leading to poor economic activity amid strict lockdowns. This, in turn, reduced the need for credit and led to a decline in collection efficiency declined, turning NBFCs cautious towards lending.

This helped banks grow faster, because of their better access to funds and lower borrowing costs. In fiscal 2023, as normalcy in operations has restored, CRISIL Research expects NBFCs to grow marginally slower than banks at 9-11%, primarily supported by credit growth in retail segments.

Credit growth to pick up as economic activity improves, with banks growing faster at 11-13% this fiscal



Note: P – Projected, E – Estimates

Source: RBI, Company reports, CRISIL Research

Note: The above representation of gross banking credit is inclusive of agriculture, retail, wholesale, industry and food credit

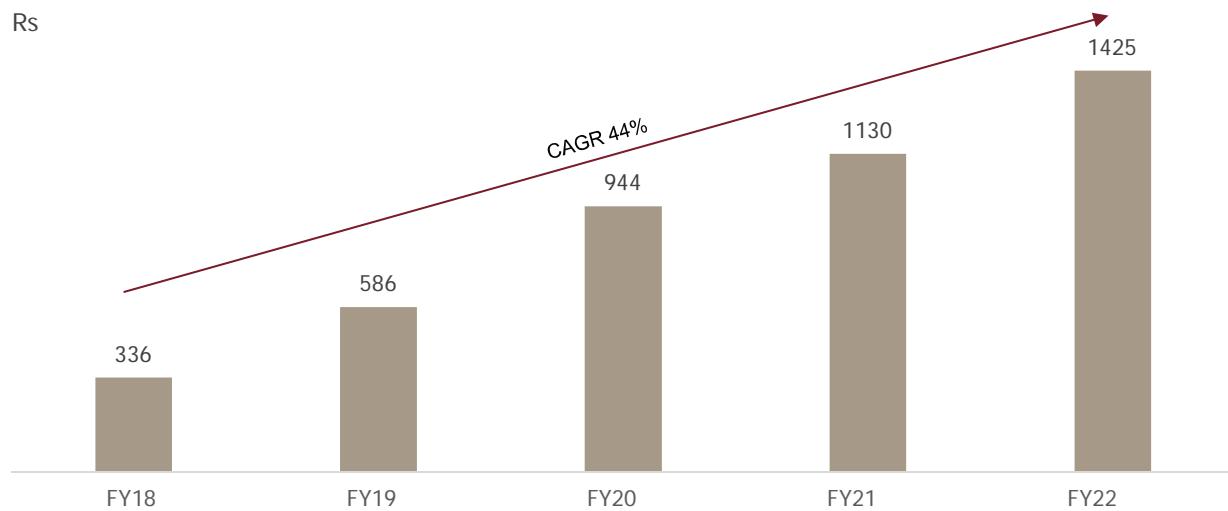
## With increased demand, credit growth of SFBs has also picked up

Small-finance banks (SFBs), set up with the intention of boosting financial inclusion and providing inclusive banking, logged a whopping 44% CAGR between fiscals 2018 and 2022 owing to growth drivers such as customised products, aided by technology, availability of funds at cheaper rates compared with NBFCs, and a larger target audience.

As on March 31, 2022, SFBs accounted for ~1% of total scheduled commercial bank credit.

In fiscal 2022, SFBs grew 26%, compared with 20% in fiscal 2021. The segment is expected to show an uptrend in credit growth, with huge market opportunity in the rural segment and improving collection efficiency.

### SFBs credit outstanding showing signs of recovery by tapping the huge opportunity in the market

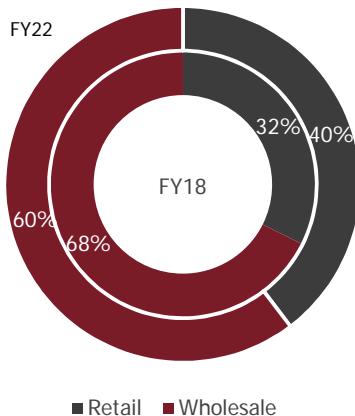


Source: RBI, CRISIL Research

## Retail lending gaining momentum

Overall credit growth is expected to be driven by retail lending, given higher demand and risk aversion of lenders towards wholesale credit which is showing signs of recovery. The shift towards retail lending is shown in the figure below where the share of retail credit has grown from 32% to 40% in the last four years.

### Retail lending to drive growth for both banks and NBFCs



Source: RBI, CRISIL Research

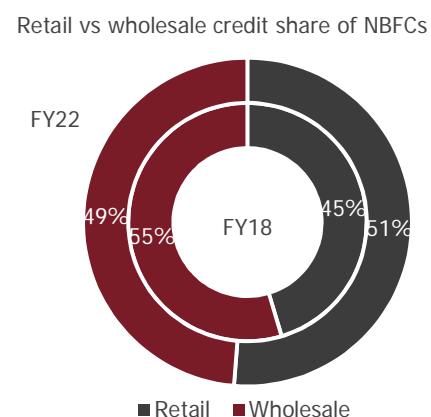
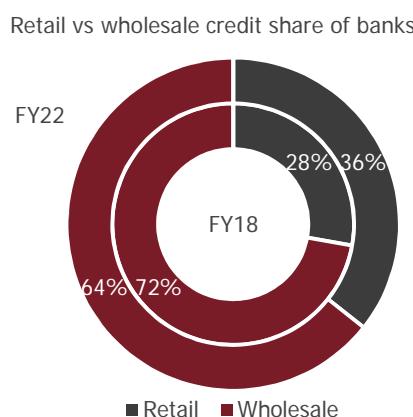
Note: The above representation of bank credit excludes agricultural and food credit

### Lenders sharply focused on retail as wholesale credit stirs back to life

In recent years, lower demand and risk aversion have affected the wholesale credit performance, forcing banks and NBFCs alike to sharpen focus on the retail segment. Lower interest rates during the pandemic was a major boost for retail credit as wholesale lending activity came to a standstill.

The wholesale segment, though, showed signs of recovery in fiscal 2022 and is expected to gain momentum in the coming years, with capacity utilisation numbers also in tune.

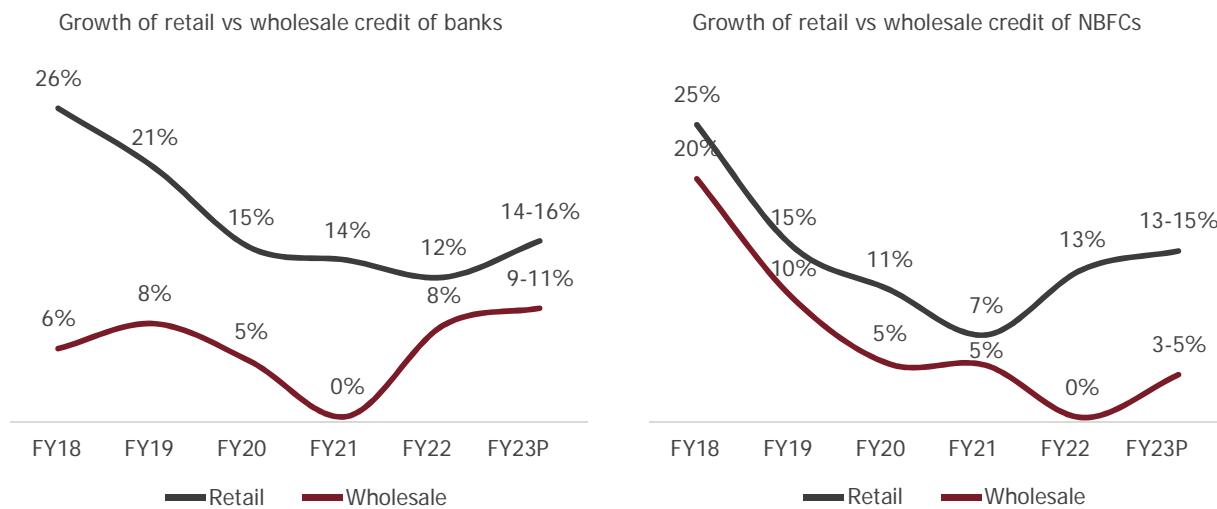
### Wholesale hogs bank credit, while NBFCs have a balanced portfolio, with emerging focus on retail



Source: RBI, CRISIL Research

Note: The above representation of bank credit excludes agricultural and food credit

**Retail credit gaining momentum given risk aversion towards wholesale credit post the NBFC crisis although a wholesale recovery is visible**



Source: Industry, CRISIL Research

Note: P – Projected, E – Estimates

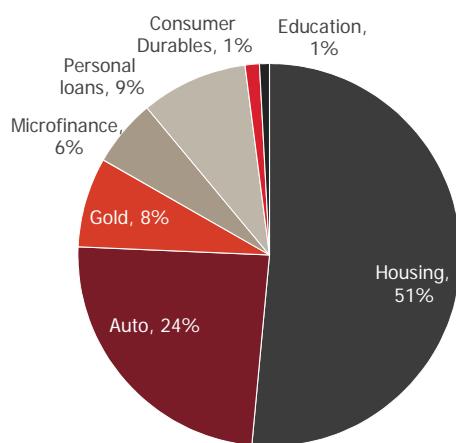
1) Retail includes housing, auto, gold, microfinance, personal loans, consumer durables and education

2) Wholesale includes MSME, real estate and large corporate, infrastructure (including PFC and REC) and construction equipment

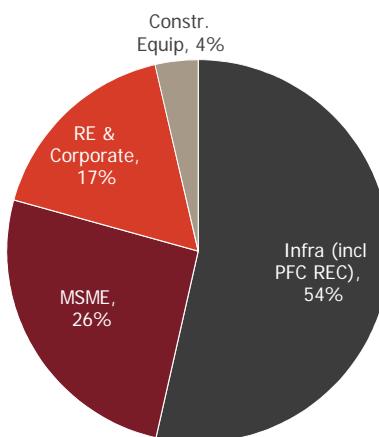
## Retail segment grows over wholesale among the NBFCs with 51% contribution

After the NBFC crisis, growth in the NBFC segment has been mainly led by the retail segment, while the wholesale segment has shown a muted performance between fiscals 2020 and 2022. However, this trend is expected to reverse in fiscal 2023 with a slow recovery. The retail segment is again expected to support the NBFC sector by growing 13-15% in fiscal 2023 against slow growth in the wholesale segment of 3-5%. The market share of the retail segment is expected to rise to 54% by the end of fiscal 2023 from 51% as of fiscal 2022.

NBFC retail breakup (FY22)



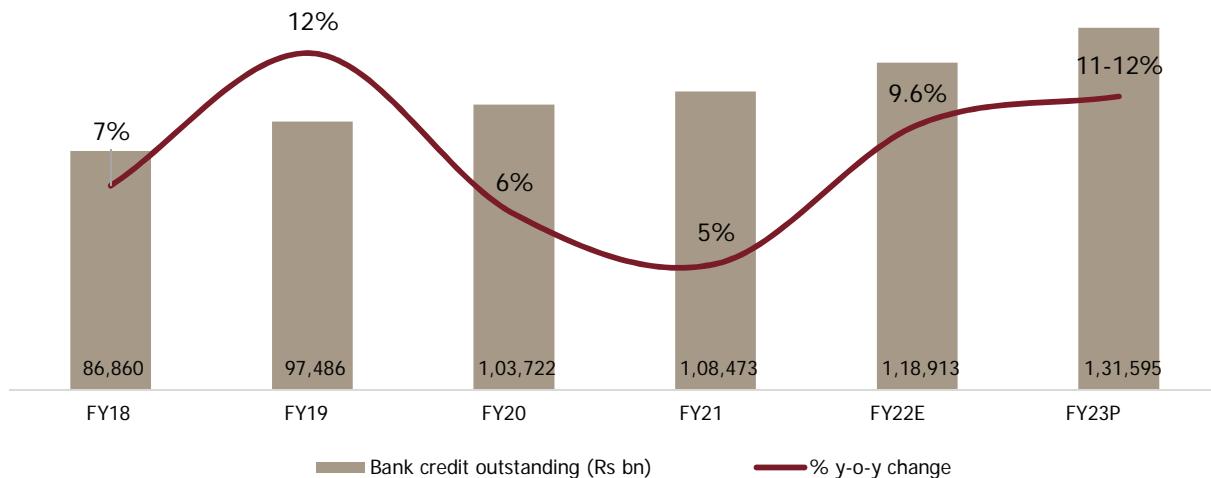
NBFC wholesale breakup (FY22)



Source: Industry, CRISIL Research

## Banking credit recovers in fiscal 2022; to grow 11-12% in fiscal 2023

Gross banking credit growth momentum to continue at 11-12% in fiscal 2023



Note:1. Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal have been revised accordingly.

2. Bank credit outstanding includes international and food credit for the coverage period.

P: Projected

Source: RBI sectoral deployment, CRISIL Research

The Indian economy witnessed the sharpest contraction since Independence due to the onset of the pandemic and imposition of a nationwide lockdown. To mitigate the impact of the pandemic, the government and the RBI took several initiatives to provide relief to borrowers. While the pandemic impact was significant in the first half of fiscal 2021, a faster-than-expected revival led to moderate credit growth of 5% in fiscal 2021. The most significant initiatives included the Emergency Credit Line Guarantee Scheme (ECLGS) of Rs 3,000,000 million (revised upwards to Rs 5,000,000 million); provision of loan moratorium; and the option of restructuring loans given to corporates, micro, small and medium enterprises (MSMEs), and individual borrowers under the restructuring framework (one-time restructuring - OTR 1.0 and 2.0).

Retail and agriculture segments primarily contributed to banking credit growth in fiscal 2022 posting double-digit growth. Credit growth remained muted in the first half of fiscal 2022 due to the impact of the second pandemic wave. Growth picked up in the third quarter of fiscal 2022, and with a mild third wave, the momentum continued in the fourth quarter supported by a revival in service and industry segments due to timely intervention through government schemes. CRISIL Research expects bank credit to grow 11-12% in fiscal 2023, driven by the retail and agriculture segments and supported by a recovery in services and industrial credit.

## Banking retail and agriculture continue to log healthy credit growth; industry and services witness recovery

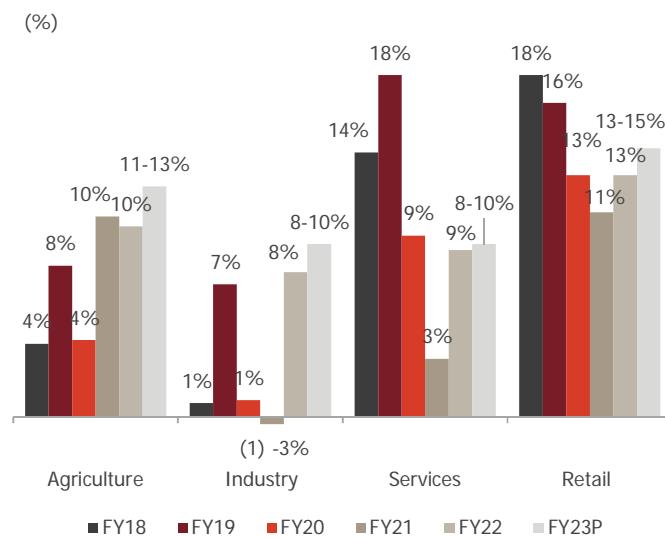
Loans outstanding for agriculture and allied activities (collectively, agri-loans) in India stood at Rs 14.6 trillion in fiscal 2022 and logged an 8% CAGR between fiscals 2016 and 2021, supported by a good monsoon and higher banking penetration. Driven by higher foodgrain and horticulture production, elevated prices of crops such as cotton, and support from the agriculture fund, agri-credit grew ~10% on year in fiscal 2022. CRISIL Research expects agri-credit to grow 11-13% in fiscal 2023, supported by priority sector lending targets, expected higher foodgrain production, increase in commodity prices, and increase in the agri-credit target to Rs 18 trillion this fiscal from Rs 16.5 trillion in fiscal 2022. Further, continued government focus on agri-allied sectors via schemes such as the Agriculture Infrastructure Fund and linking of Kisan Credit Card to animal husbandry and fisheries will also support credit growth.

Banking credit to the retail segment totalled Rs 33.8 trillion in fiscal 2022 and clocked a 15% CAGR between fiscals 2016 and 2021. Since the RBI maintained its accommodative stance during fiscal 2022, home loan interest rates continued to be at a historical low (starting from 6.50%). This helped retail housing, and overall retail credit grew ~13% on-year in fiscal 2022. CRISIL Research expects retail credit to grow 14-16% in fiscal 2023, supported by healthy momentum in housing demand and continued focus of banks on retail portfolio growth.

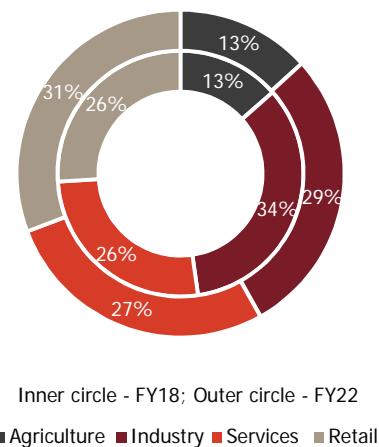
Credit to the industry segment totalled Rs 31.5 trillion in fiscal 2022 and logged a marginal 1% CAGR between fiscals 2016 and 2021, owing to asset quality concerns. However, it rose sharply in fiscal 2019, led by lending to the infrastructure segment. In fiscal 2022, industrial credit grew ~8%, driven by the textile, construction, engineering and food processing segments, but partly offset by de-growth in the basic metals and metal products segment on account of an increase in metal prices. This helped companies generate higher revenues and, in turn, deleverage balance sheets. CRISIL Research expects the recovery in industrial credit to continue, with 8-10% growth in fiscals 2023 and 2024.

Credit to the services segment totalled Rs 30.2 trillion in fiscal 2022 and logged a 12% CAGR between fiscals 2016 and 2021, driven by lending to NBFCs, which registered an 18% CAGR. NBFC credit growth remained muted during fiscal 2021 due to the pandemic, which hit the country's economy hard and stressed assets in certain non-bank segments. Services credit is estimated to grow 8-10% on-year in fiscals 2023, driven by lending to the NBFC and trade segments.

Segmental credit growth for banks (%)



Segmental share of banking credit (%)



Note: Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal are revised accordingly. P: Projected

Source: RBI sectoral deployment, CRISIL Research

## Retail NBFC to grow 13-15% despite headwinds from global macro dynamics; increasing interest rate scenario a key monitorable

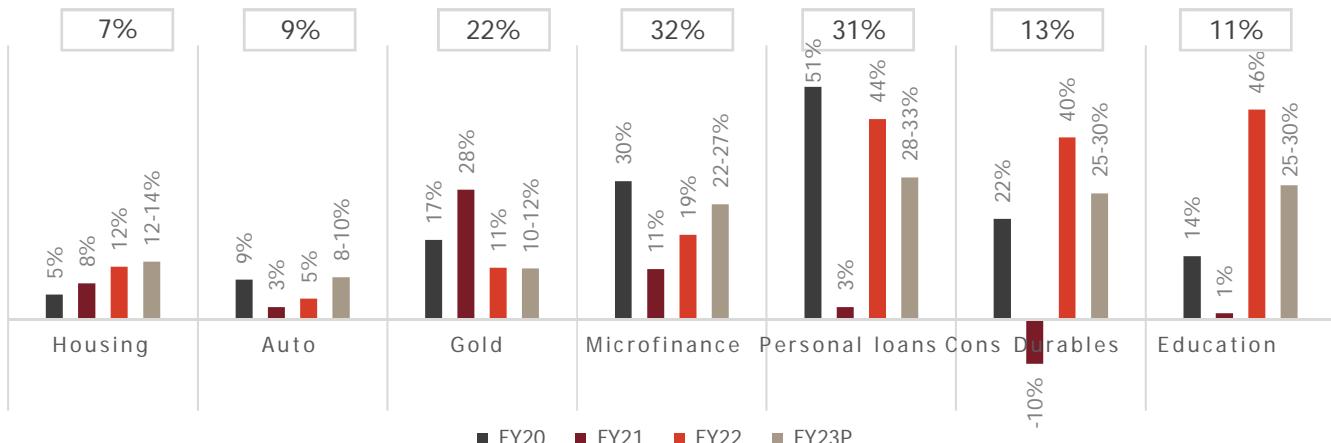
Retail lending has seen growth taper off in the past few years amid headwinds post the NBFC crisis and obstacles faced by NBFCs in raising capital despite growing at a faster pace than wholesale lending. The recovery in credit growth has been quick, though, led by increased economic activity, and higher demand for credit with improved affordability and stability in incomes of individuals.

In retail, housing, auto, gold and MFIs are expected to drive growth. Housing is expected to witness decent growth on account of increasing demand for housing and improved affordability. The auto segment is set to grow 8-10% with supply-chain disruptions normalising and demand picking up with better collection efficiencies. Gold was an outperformer in the pandemic period and continues to grow, although at a slower pace in comparison with the past two years because of slower recovery in rural demand compared with urban, which forms a major share. MFIs are expected to grow a significant 22-27%, driven by a faster-than-expected pickup in business activity. Other segments are also showing promising growth. On balance, retail credit is expected to grow 13-15%.

Wholesale credit has seen sluggish growth in the past three years with asset quality concerns hovering this space post the NBFC crisis and most NBFCs turning cautious towards this portion of the book. That said, increasing capacity utilisation indicates a pickup in activity. The expected recovery in this segment is expected to be led by the MSME and infrastructure segments, and the overall book is expected to grow 3-5% in fiscal 2023.

## Growth in retail NBFC lending to be led by housing, auto, gold and microfinance

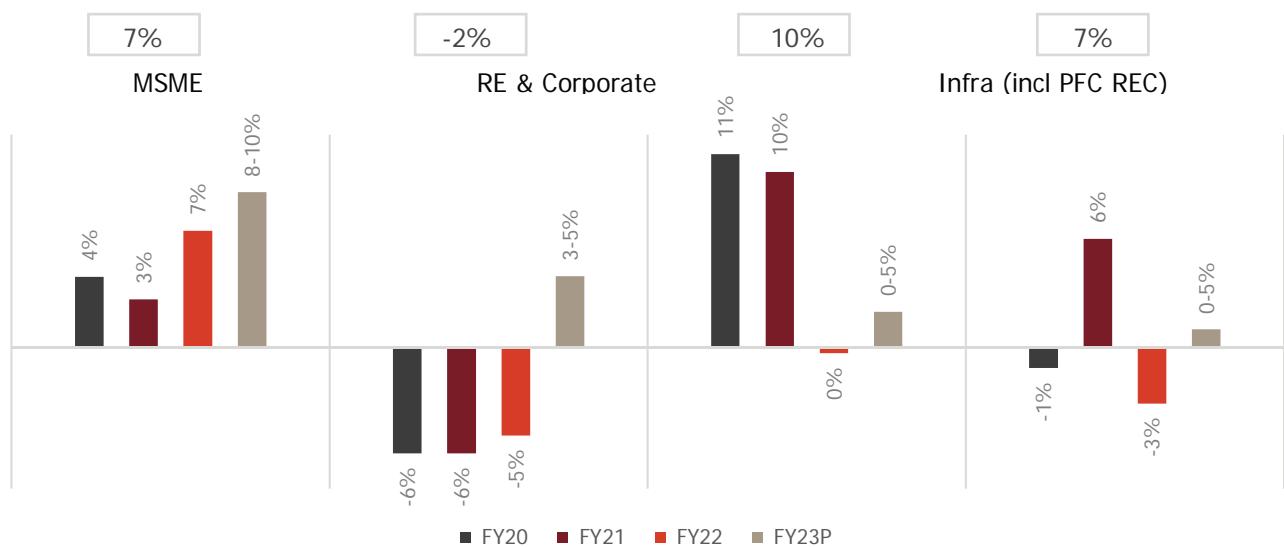
CAGR (FY18-21)



Source: Company reports, CRISIL Research

## Recovery in wholesale NBFC lending to be led by Infra and MSME

CAGR (FY18-21)

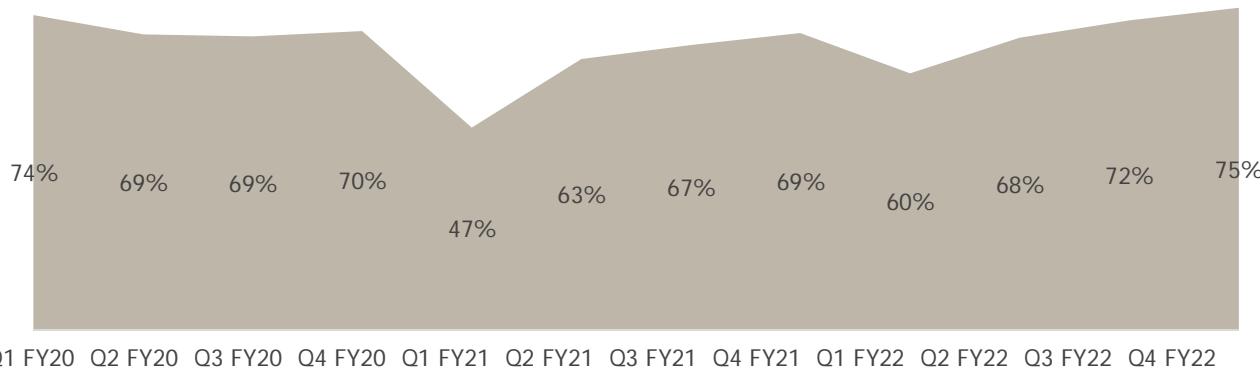


Source: Company reports, CRISIL Research

## Corporate capex cycle improves, but global headwinds restrict growth

Global growth is projected to be slow since central banks in major economies are tightening monetary policies to tackle high inflation. This would imply lower demand for our exports. Along with this, a depreciating rupee indicates a higher imported inflation. While most of the international commodity prices have come off their peaks and the weaker global demand indicates the downward trajectory of prices may continue, they will still be high on-year. The protracted Russia-Ukraine conflict could also put some of the private capex plans on the back burner, curtailing overall investment growth. While external headwinds persist globally, India remains largely insulated. Recent RBI surveys indicate improving consumer sentiments bode well for consumption demand. However, uneven monsoon progress has impacted sowing of kharif crops such as rice, which may raise food inflation risk. Rise in capacity utilisation rates in the manufacturing sector is favourable for private capex in pockets, especially for infrastructure-linked industries such as steel and cement and some sectors linked to the Production Linked Incentive (PLI) scheme. Moreover, the advent of the National Logistics Policy will prioritise robust infrastructure, strong exports and logistics efficiency, thereby adding to the growth story. Considering the current global headwinds, India is in a better shape than other economies and is expected to clock the fastest growth.

Capacity utilisation trends



Source: RBI

# Improving collection efficiencies in a rising interest rate scenario to aid improvement in ROA

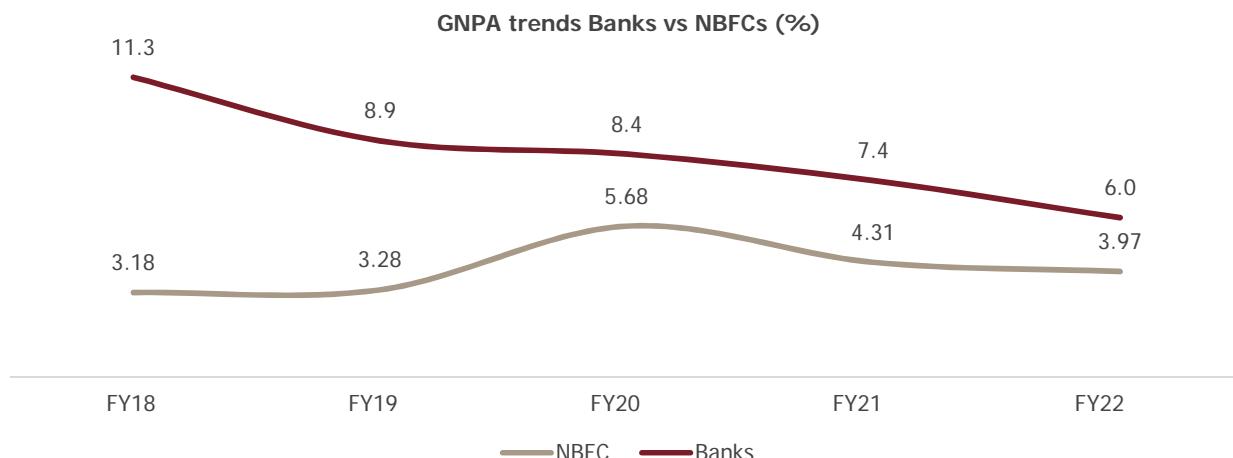
Yields are expected to go up this fiscal due to increasing interest rates. It should be noted the RBI has already hiked the policy rate by 190 bps so far this fiscal. CRISIL Research expects the RBI's actions going ahead to be guided by domestic supply-demand pressures on inflation, and evolving global financial conditions, including the Fed's actions. This has impacted both the cost of borrowings and yields across sectors and, in turn, affected the ROA.

The pandemic resulted in one of the worst economic declines in decades. Airlines, hospitality, travel, gems and jewelry, auto dealers, and real estate were hit the hardest, given the discretionary nature of these sectors. Both collections and disbursements were impacted significantly in the first half of fiscal 2021. However, with measures taken by the government, and the RBI assisting in containing the deterioration in asset quality, overall banking gross non-performing assets (GNPA) ended the fiscal at 7.4%. In fiscal 2022, the central bank in May announced the restructuring framework (OTR 2.0) during the second wave of the pandemic. This framework saw a better response from corporate borrowers compared with OTR 1.0. Restructuring, along with recovery from the wholesale portfolio, pared the GNPA to 6% as of fiscal 2022.

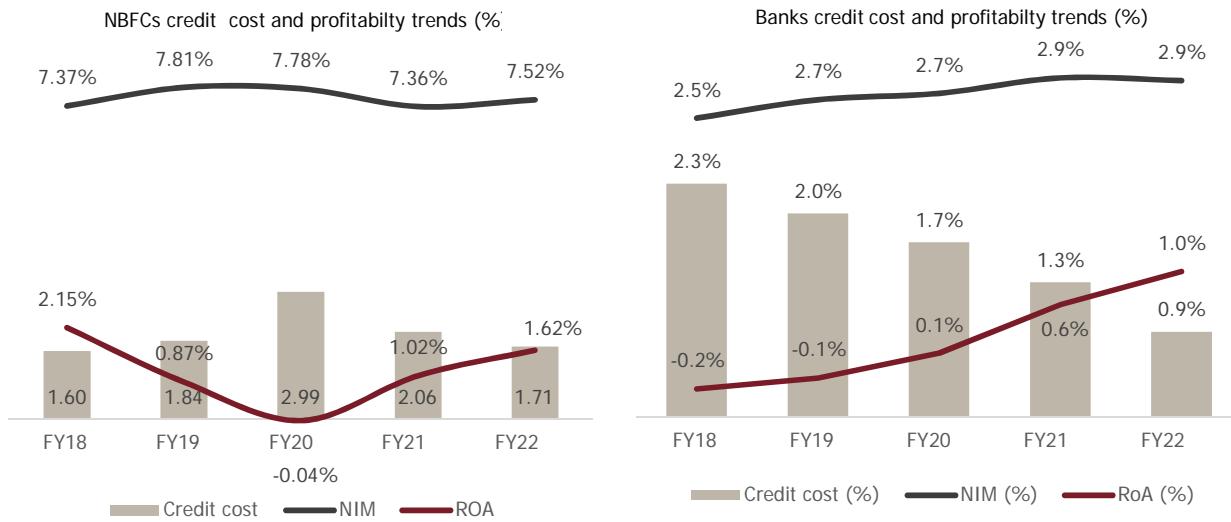
CRISIL Research expects the bank's asset quality to improve further to 5.4-5.6% in this fiscal, primarily on account of lower slippages and expectation of recoveries via the National Company Law Tribunal and National Asset Reconstruction Company Limited.

Similarly, NBFCs asset quality is set to improve with increased collection efficiency in the coming fiscal. Also, given the rising interest rate scenario with an expected decrease in credit cost and improved net interest margin, CRISIL Research expects increase in profitability across segments in fiscal 2023. With credit costs likely to decline across all segments the ROA is expected to improve following a slight uptick in net interest income as well.

## Slower rise in borrowing cost in comparison with interest yield to guide towards increasing ROA



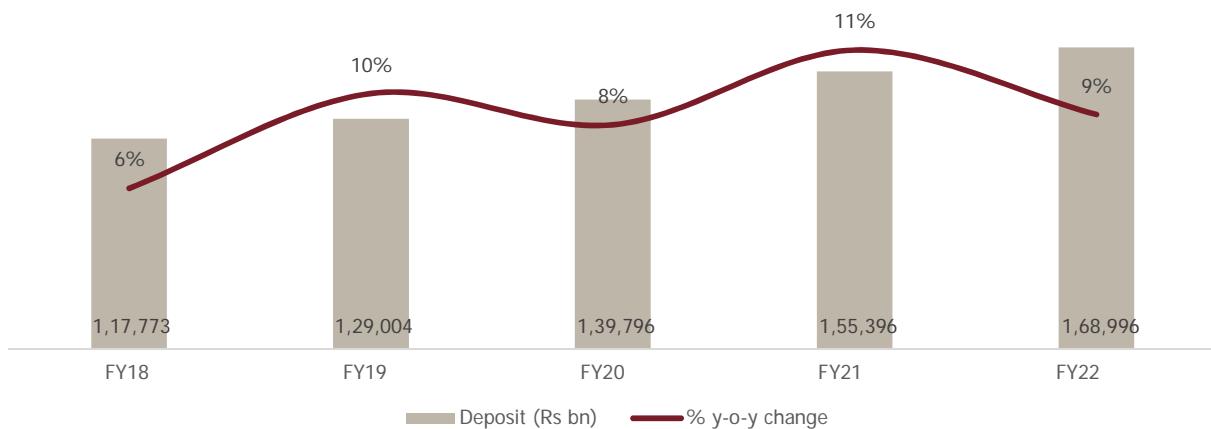
Source: Company Reports, CRISIL Research



Source: Company Reports, CRISIL Research

## Dependence on bank borrowings to grow as interest rates shoot up; sustenance a key monitorable

Deposits at banks are expected to grow 9-11% in fiscal 2023 in the increasing interest rate scenario

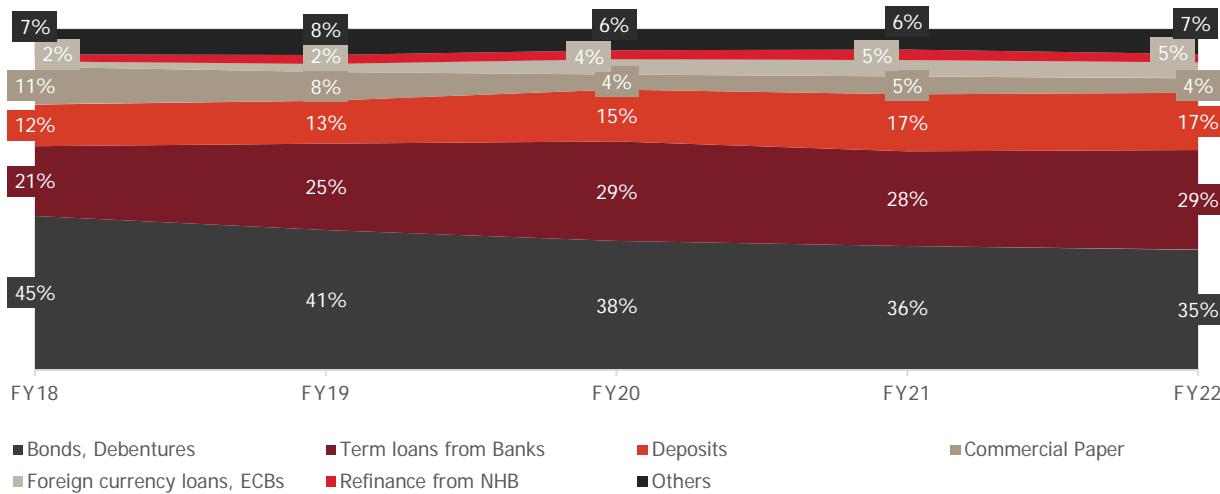


E – Estimated, P – Projected

Source: RBI, CRISIL Research

The banking sector enjoyed a healthy ~10% CAGR in deposits between fiscals 2015 and 2020. With the pandemic in fiscal 2021, conserving money became a priority and households reduced private consumption, leading to an 11% deposit growth in the fiscal. Further, the weighted-average domestic term deposit rate declined 80 bps, from 6.07% in April 2020 to 5.28% in March 2021. With the RBI keeping its stance accommodative and policy rates unchanged for all of fiscal 2022, the weighted-average term deposit rate declined a further 25 bps to 5.03% as of March 2022. CRISIL Research expects deposits to grow 9-11% during fiscal 2023, driven by the increasing interest rate scenario, and banks, in turn, transmitting the hike by increasing deposit rates.

## Term loans gaining share in NBFCs, aided by government initiatives in bank lending to NBFCs



Source: Company Reports, CRISIL Research

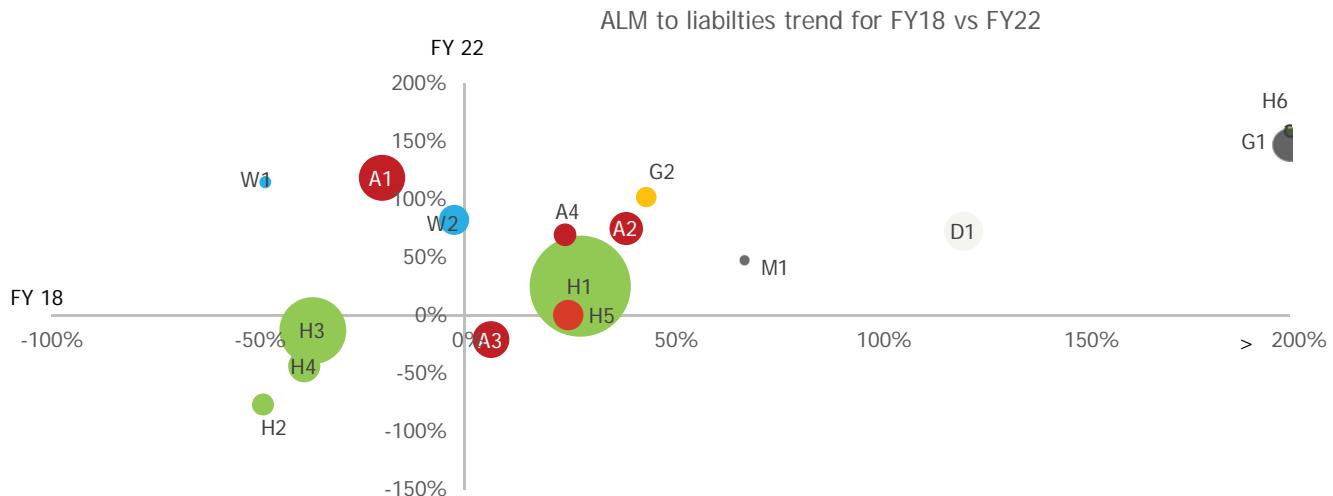
Note: Top 30 companies have been considered for analysing the borrowing mix with it being a representative set across segments

In the past, NBFCs were largely dependent on bonds and debentures for their funding requirements. However, after the NBFC crisis in fiscal 2019, the share of bonds in the borrowing mix has been declining. It stood at 35% in fiscal 2022, compared with 45% in fiscal 2018. In addition, short-term borrowings from commercial papers have been reducing across all NBFCs and are being replaced by borrowings from the National Housing Bank (in case of HFCs) and short-term loans from banks. Going forward, bank funding to NBFCs is expected to grow, given the higher liquidity with banks and the limited lending opportunities until growth revives. This increase in banking financing is also evident from the banks' exposure to NBFCs, which has increased over the past few years from 6% in fiscal 2018 to 9% in fiscal 2022. Bank financing rose to 29% in fiscal 2022 against 21% in fiscal 2018. This will result in banks gaining further share in the borrowing mix across all NBFCs.

# Higher liquidity buffers help reduce asset-liability mismatch

Post the IL&FS crisis, the asset-liability mismatch (ALM) for NBFCs has been closely monitored and most companies have maintained positive ALM with additional buffers for liquidity in place. This is expected to aid the health of the NBFCs and catch up on growth momentum in the long run with perceived risk of NBFCs going down.

## Reduction in ALM to liabilities keep NBFCs in a comfortable position



Source: RBI, company reports, CRISIL Research Estimates

Interpretation: The above graph helps us understand the change in ratio of ALM to liabilities for key NBFCs using six-month tenure by comparing fiscal 2018 vs fiscal 2022 across

Note:

1. A representative set of 17 key NBFCs/HFCs have been considered for analysing the borrowing mix with it being a representative set across segments
2. Companies under consideration belong to housing, auto, gold, microfinance, wholesale and diversified portfolio mix
3. H: HFC; D: Diversified; G: Gold; M: NBFC-MFI A: Auto W: Wholesale
4. Size of bubble implies the size of loans and advances for the companies taken into consideration
5. ALM Duration taken into consideration is for 6 months
6. X axis is representative of 6 months ALM/ Liabilities for fiscal 2018; Y axis is representative of 6 months ALM/ Liabilities for fiscal 2022

# TRUST BOND MARKET PERSPECTIVE



## "INDIAN FINANCIAL SECTOR – FUELING INDIA'S GROWTH STORY"

**India is an idea whose time has come, and Indian bond markets is at an inflection point.** The debt markets are expanding boundaries, deepening in availability of credit, and reaching new heights of volume and diversity of transaction structures.

The Indian Financial Institutions, - Scheduled Commercial Banks, Small Finance Banks (SFB), Non-Banking Finance Companies (NBFC) and Housing Finance Companies (HFC) are India's largest capital pools to support economic growth to deliver GDP growth of 8%.

Being one of the key pillars for India's growth Indian Financial Sector Institutions will provide debt capital across corporates, SMEs, MSMEs and retail consumer segment. Over the past five years, the total bond issuances have been Rs 6-7 lakh crore per annum of which financial sector entities have dominated with more than 70% of the total issuance. With the merger of PSU banks, equity raise by private sector banks and consolidation of the NBFC sector the capital base has been strengthened to support lending. We have also seen rapid development of new vehicles such as the credit alternative investment funds (AIF) that add to the capacity of providing credit for growth.

We believe, the suite of products across tenors and continued development of the secondary bond market will support the funding mix of financial institutions. This sector till date has demonstrated participation by investors across the credit curve up to BBB rating through private placement and public debt issuances. The full expanse of investor base has been achieved in this sector from all Qualified Institutions Buyers (QIBs), FIIs, AIFs, Corporates, Family Offices, HNIs and Retails investors.

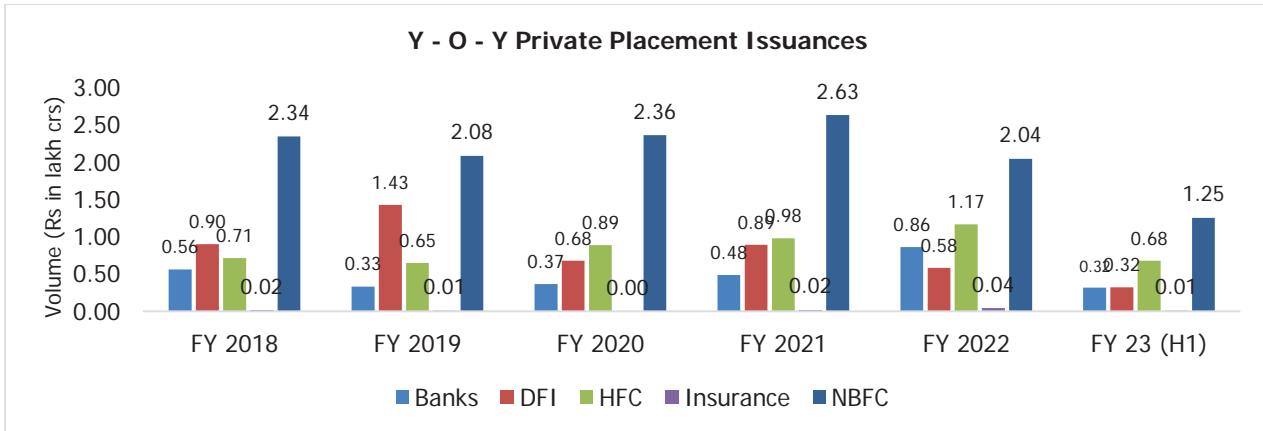
This sector has accessed bond markets providing the widest suite of products ranging from Commercial Paper (CP), zero-coupon structures, market linked debentures (MLDs), Secured NCD, Subordinated debt issuances, AT1 bond issuances, securitization and direct assignment.

We have observed market regulator support to boost Indian debt markets and robust credit growth with structural and policy changes. To share a few changes showcasing substantial support and boost are as follows:

- a. Co-lending Model of Banks and NBFCs: The push toward consumer lending has witnessed Banks and retail finance NBFCs to join hands to augment loan origination through co-lending models enabled with technology.
- b. LTRO, TLTRO and PCGS windows during Covid: During the pandemic to help Non-Bank Lenders stay afloat by distributing Targeted Long-Term Repo (TLTRO) funds amounting to Rs 61,586 Crs, of which NBFCs availed 60%. Under PCGS 2.0, Public Sector Banks have approved amounting to Rs. 21,262 crore. (Source : RBI)
- c. Boosting investor participations: Reduction of ticket size in a private placement from Rs. 10 lakhs to Rs. 1 lakh has boosted retail participation to debt market issuances in a big way.

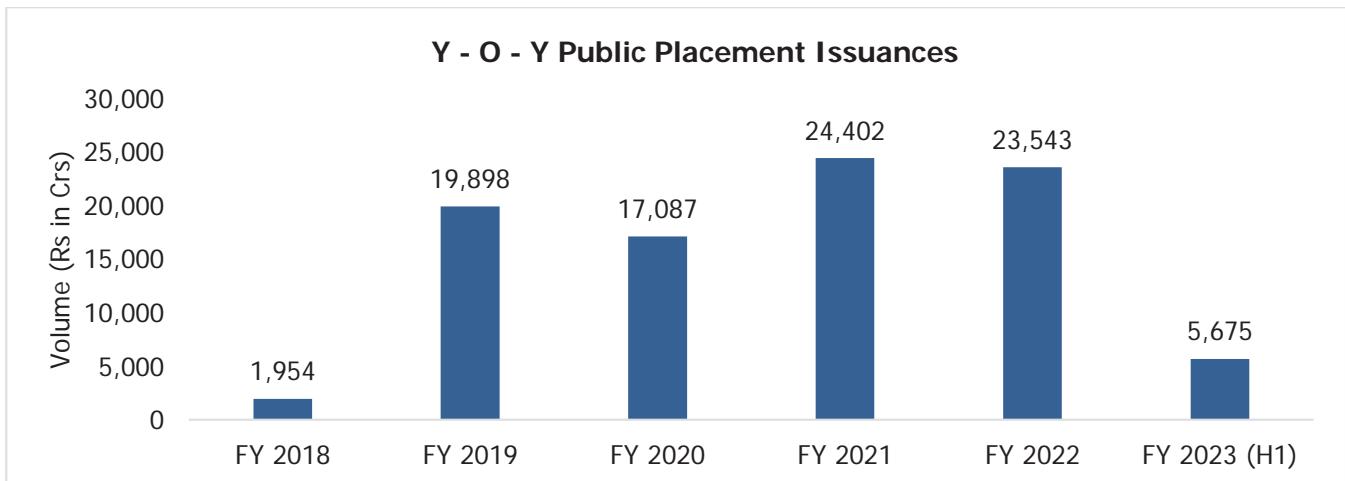
## Indian Bond Market Analysis from FY2018 till date

Since FY2018 to date the Indian debt capital markets has witnessed around Rs. 26 lakh crores of private and public debt issuances. 70% of the debt issuances have been dominated by Financial Sector Institutions. Private placement of debt issuances amounted Rs. 25.60 lakh crores and public debt issuances amounted approx Rs. 92,000 crores.



Source: Prime Database, NSDL

The mix of issuances have been spread across DFIs (18%), Banks (11%) and NBFCs and HFCs (71%). The Public sector institutions and private sector institutions equally balance the market issuances in the sector. However, the public debt issuance has been dominated by private sector players only.



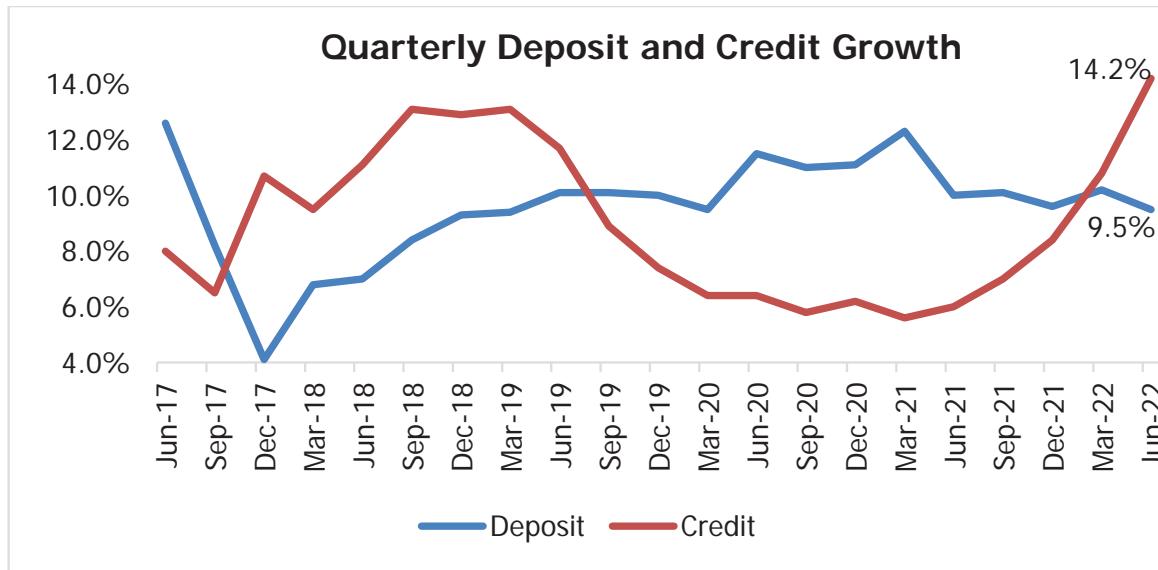
Source: NSDL

TRUST Group has been a dominant arranger of debt market issuances in the sector and amongst the top 3 lead managers for public debt issuances in India.

We believe the Scheduled Commercial Banks, Small Finance Banks, NBFCs and HFCs being the largest capital pools will be front runners for Indian economic growth and thus the appetite and spread of debt issuances in each sector is detailed below.

## Scheduled Commercial Banks & Small Finance Banks

Navigating the twin challenge of inflationary uptrend and rising interest rates, large borrowers have shifted to banks for their incremental funding requirements resulting in robust credit growth for banks. In June 2022, credit growth has been highest over the decade at 14.2%.



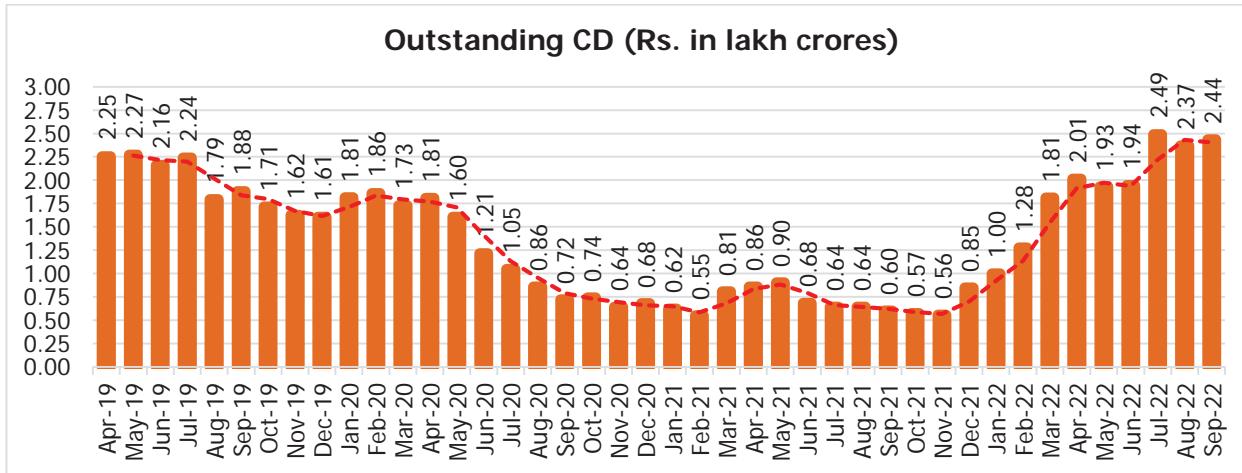
Source: RBI

Indian Banks have accessed bond market to raise funds to fulfil their regulatory capital requirements in the form of Additional Tier 1 (AT-1) bonds, Tier 2 bonds and Certificate of Deposits (CD) to manage their liquidity. Total bond issuances done by the banking sector and DFIs from FY2018 till FY2023 (H1) is Rs. 7.72 lakh crores. Of this DFIs accounted for 62% of the issuances and banks at 38%. The Small Finance Banks pie has been witnessing a marginal growth y-o-y.

## CERTIFICATE OF DEPOSITS (CD)

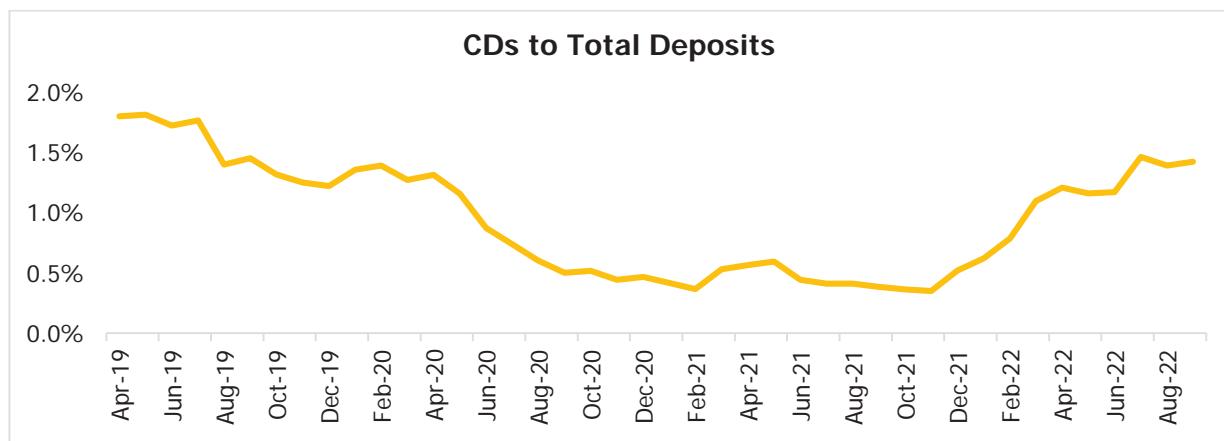
As deposits decelerate the credit growth, Banks' reliance on Certificate of Deposits has increased multifold to fund the incremental credit demand.

Outstanding CDs of Banks have seen a rising trend since November 2021 and stabilizing to about Rs. 2.4 lakh crores



Source: RBI

The CD issuance to Total Deposit Ratio has been increasing an increasing trend since Dec 21.



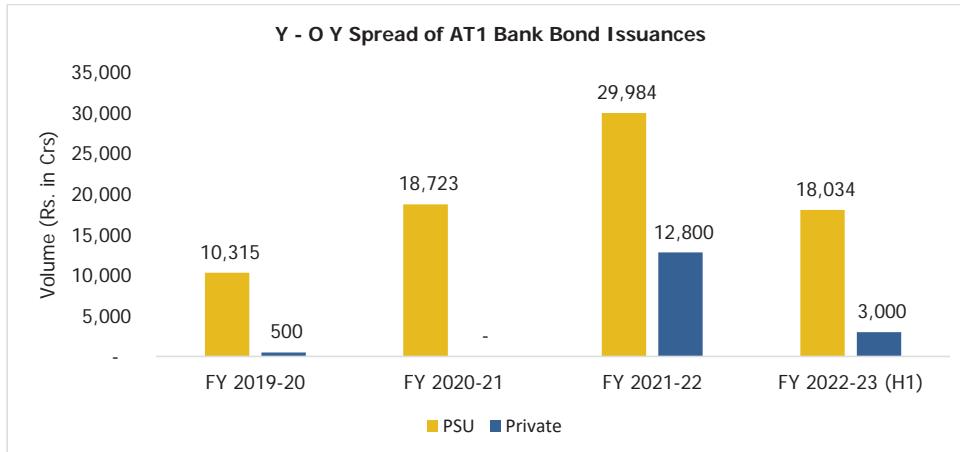
Source: RBI

After the Monetary Policy Committee (MPC) rate-tightening cycle commencement from May 2022, a surge in the yield of various short-term instruments in the market led to rise in borrowing costs through CDs, resulting in Banks focus to attracting deposits and reducing CD issuances.

## AT-I BANK BONDS

The issuance of AT-1 bank bonds in India in FY (H1-2023) was majorly driven by an expansion in credit growth and increased capital requirements by banks. With a sizable rise in equity of large private banks and an overall improvement in the earnings profile of banks, the loss absorption buffers have seen an enhancement.

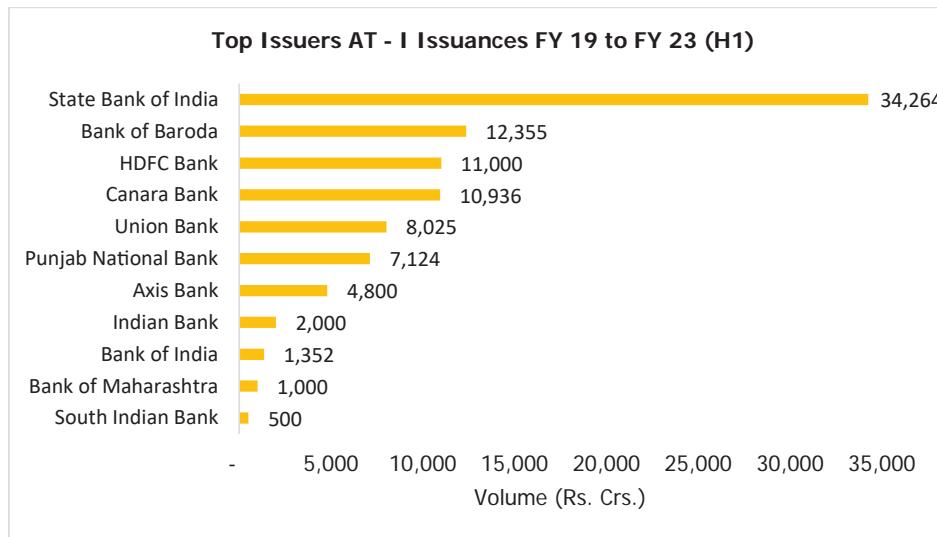
It can be seen that the total issuance of AT-I bank bonds during the period FY 2020 to FY 2023 (H1) stands at Rs 93,357 Crs. Public sector banks are a major contributor, with issuances amounting to Rs 77,057 Crs (83%).



Source: Prime Database, NSDL

Among the top 10 issuers of AT-1 bank bonds, State Bank of India (SBI) and HDFC Bank Limited have been the largest issuers among public sector and private sector banks, respectively.

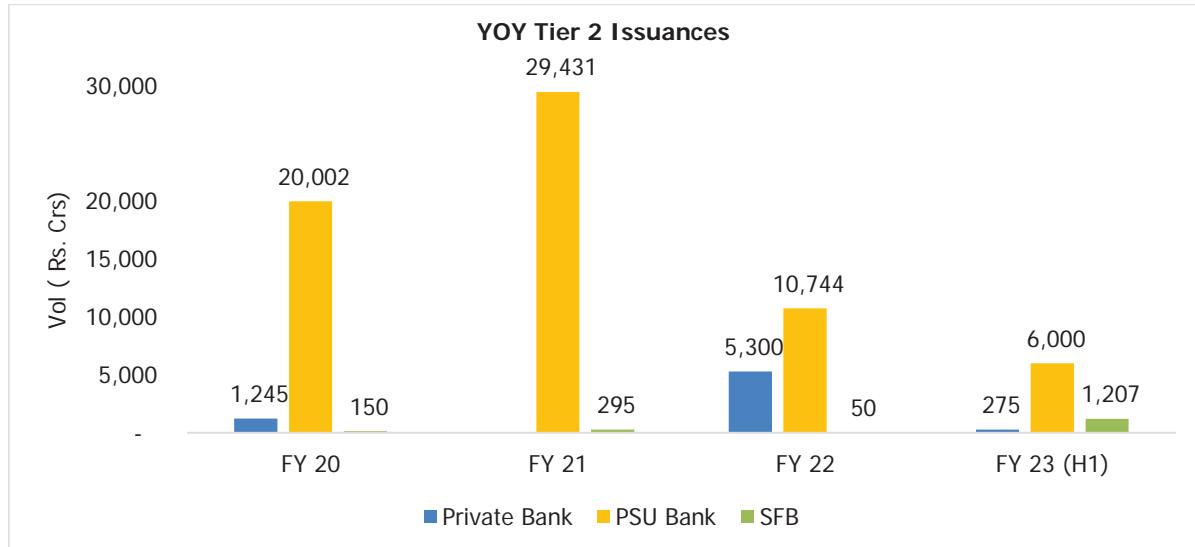
The improved financial position of banks have entrusted investor confidence thus improving participation in the debt issuances by them.



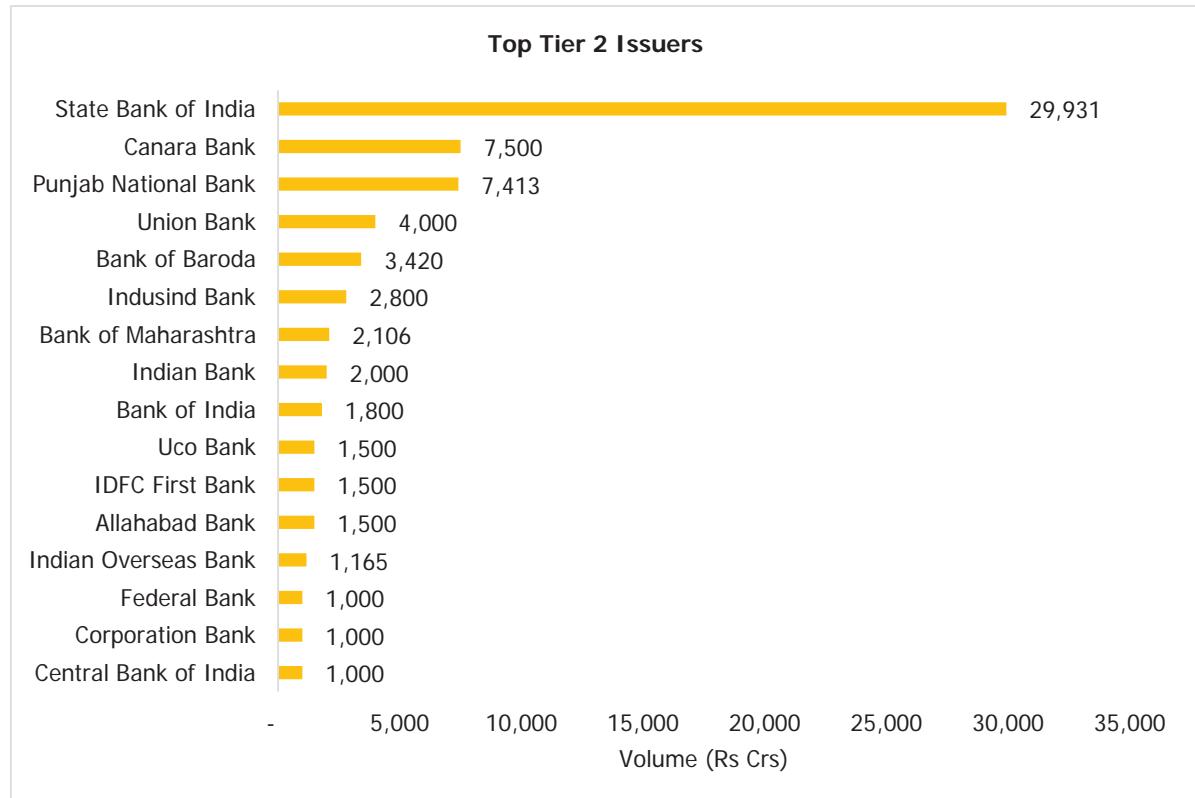
Source: Prime Database, NSDL

## TIER-2 BANK BONDS

From the period, FY 2019 to FY 2023 (H1), the total Tier 2 bank bond issuances have been to the tune of Rs 74,699 Crs, of which State Bank of India holds around 40% of the tier 2 bond market.



Source: Prime Database, NSDL



Source: Prime Database, NSDL

## Small Finance Banks (SFBs)

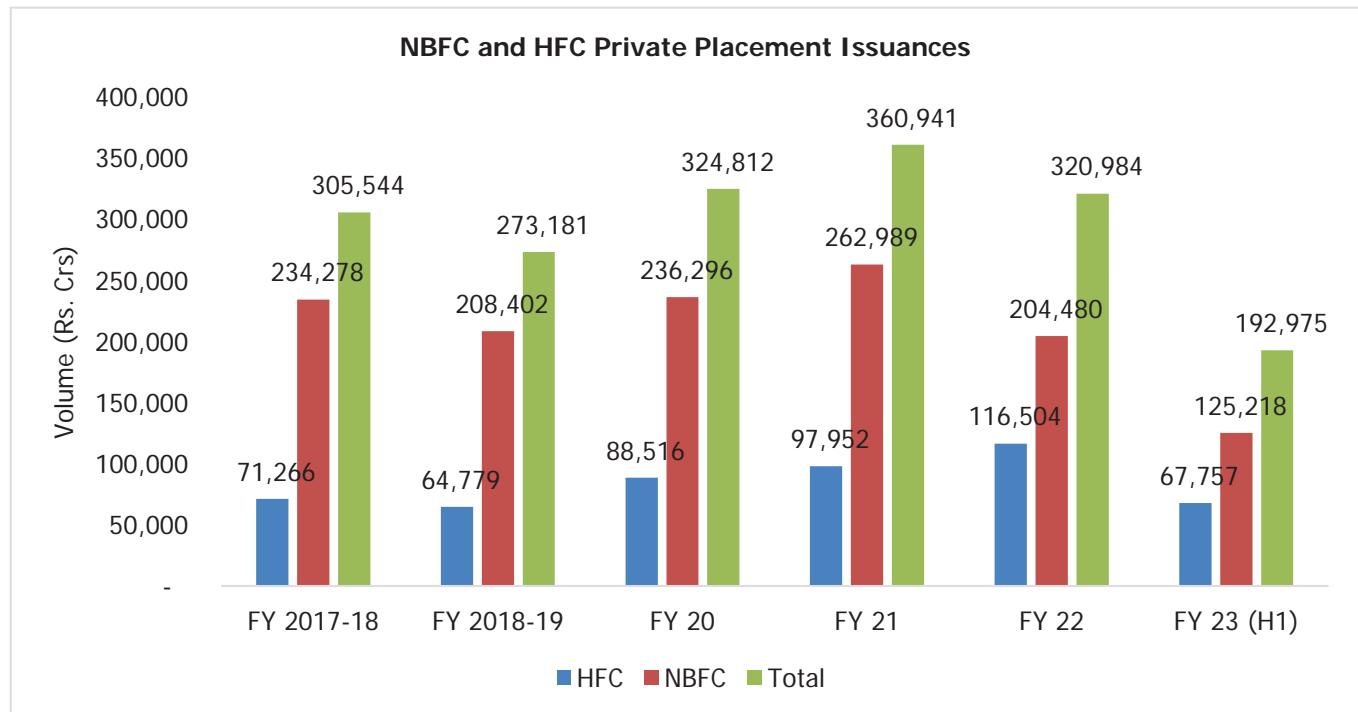
Small Finance Bank bond issuances have been seeing a rising trend driven mainly by Tier 2 issuances. The top issuers have been A.U. Small Finance Bank, Jana Small Finance Bank, Ujjivan Small Finance Bank and Uttkarsh Small Finance Bank. The bank issuances have been mainly in the 5 to 10 years buckets. We believe this segment of issuers will emerge as a dominant issuer in the financial sector

## NBFCs and HFCs

In India, NBFCs and HFCs have been raising capital through private placements, public issues and securitization of asset pools for a long time. However, we have witnessed deepening in credit availability across rating curves post pandemic.

NBFCs and HFCs issuances have broadened from the typical AAAs and AA+ issuances upto BBB ratings. This sector now caters to a wide gamut of investors with a good mix of products, issuances across tenors and yield curves.

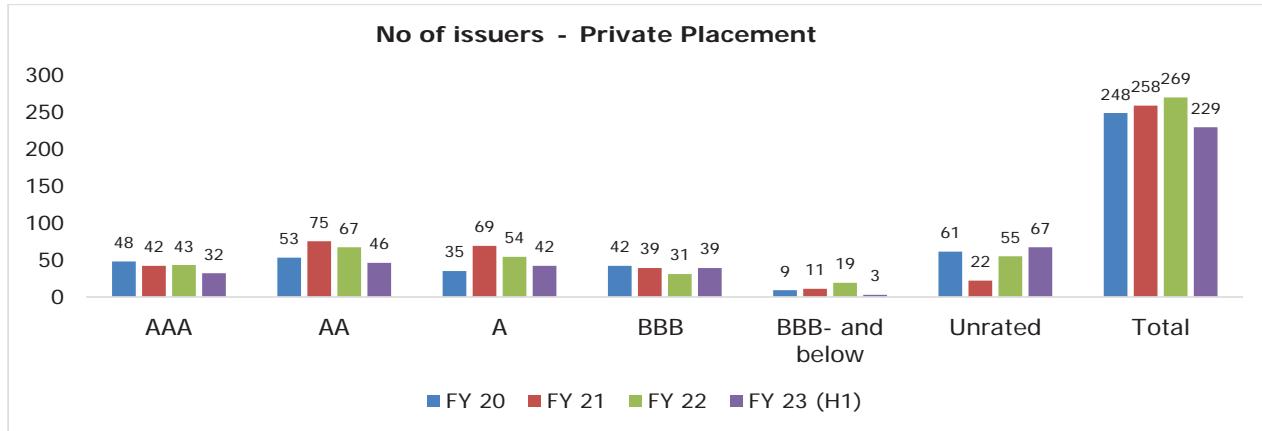
The total private placement issuances by NBFCs & HFCs during the period FY 2018 to FY 2023 (H1) amounted to Rs. 17.78 lakh crores. Private sector entities dominate with 63% share in issuances. Since FY18 market share of HFCs has advanced from 23% to 35% in FY23.



Source: Prime Database, NSDL

The top 15 issuers accounted for 74% of issuances in FY20 as compared to 64% in FY23, of the total aggregate issuances.

The aggregate number of issuers has decreased in private placement. The chart below provides a rating category-wise break up of issuers.



Source: Prime Database, NSDL

However, the consolidation in sector and limited need for capital by financial institutions in FY23 has seen a drop in number of issuers tapping markets.

The table below gives the market year-wise private placement issuances for the last three years of the top 15 issuers.

Issuer	Volumes of Issuances (Rs. Crs)				
	FY20	FY21	FY22	FY23(H1)	Aggregate Issuance
HDFC Ltd	46,190	49,843	50,000	40,743	186,776
REC Ltd	53,813	55,316	16,377	5,720	131,227
PFC Ltd	37,488	41,903	14,667	10,989	105,048
LIC Housing Finance	27,010	20,560	24,322	12,460	84,352
IRFC	26,715	28,570	21,009	1,378	77,672
Bajaj Finance	13,101	7,098	15,535	20,970	56,704
HDB Financial Services	9,340	9,748	8,876	5,249	33,212
Piramal Capital & Housing	480	6,816	19,873	-	27,168
Shriram Transport Finance	2,960	5,133	7,800	5,210	21,104
TATA Capital Financial Services	4,047	5,733	6,119	3,363	19,262
Bajaj Housing Finance	3,250	1,975	7,261	6,375	18,861
M & M Financial Services	4,758	4,616	4,408	4,030	17,812
Sundaram Finance	5,707	4,835	4,550	1,600	16,692
Kotak Mahindra Prime	3,249	4,165	6,210	2,055	15,679
Cholamandalam Investment & Finance	946	5,940	4,297	3,859	15,042

Source: Prime Database, NSDL

The financial institutions have a good mix of issuances across maturity buckets y-o-y where 50% in the 'Upto 3 year bucket'. This trend of bucket mix varies y-o-y based on interest rate outlook.

NCD issuances: Tenor Wise

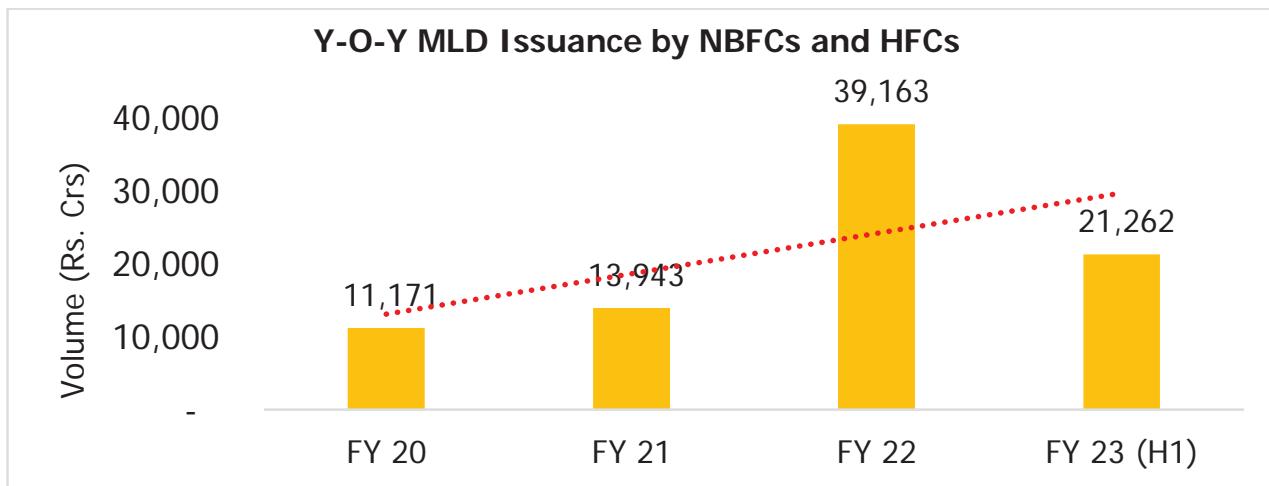
FY Year	upto 3 year		>3-5 year		>5-10 year		>10 year		Perpetual		Total
	Vol (Rs. Crs)	% of Issuance	Vol (Rs. Crs)	% of Issuance	Vol (Rs. Crs)						
FY 20	119,506	37%	53,923	17%	59,373	18%	91,499	28%	510	0%	3,24,812
FY 21	182,534	51%	59,432	16%	30,626	8%	85,407	24%	2,941	1%	3,60,941
FY 22	127,917	40%	74,962	23%	39,239	12%	77,175	24%	1,690	1%	3,20,984
FY 23 (H1)	73,140	38%	52,785	27%	11,859	6%	55,191	29%	-	0%	1,92,975
<b>Total</b>	<b>5,03,098</b>		<b>2,41,102</b>		<b>1,41,097</b>		<b>3,09,272</b>		<b>5,141</b>		<b>11,99,711</b>

Source: Prime Database, NSDL

## MARKET-LINKED DEBENTURES (MLDS)

Market-linked debentures (MLDs) are a variant of the ever-increasing investor interest in structured products options and tax efficient products. The features that stand out for MLDs are the choice to structure an instrument, capital protection, tax benefits.

MLDs have specifically gained popularity amongst non-institutional investors, viz. HNIs, Family offices and Corporates, mainly due to their tax-efficient nature and tenor. With increased liquidity with the target investors of MLDs the volume of issuances has seen a multifold increase.



## PUBLIC DEBT ISSUANCE

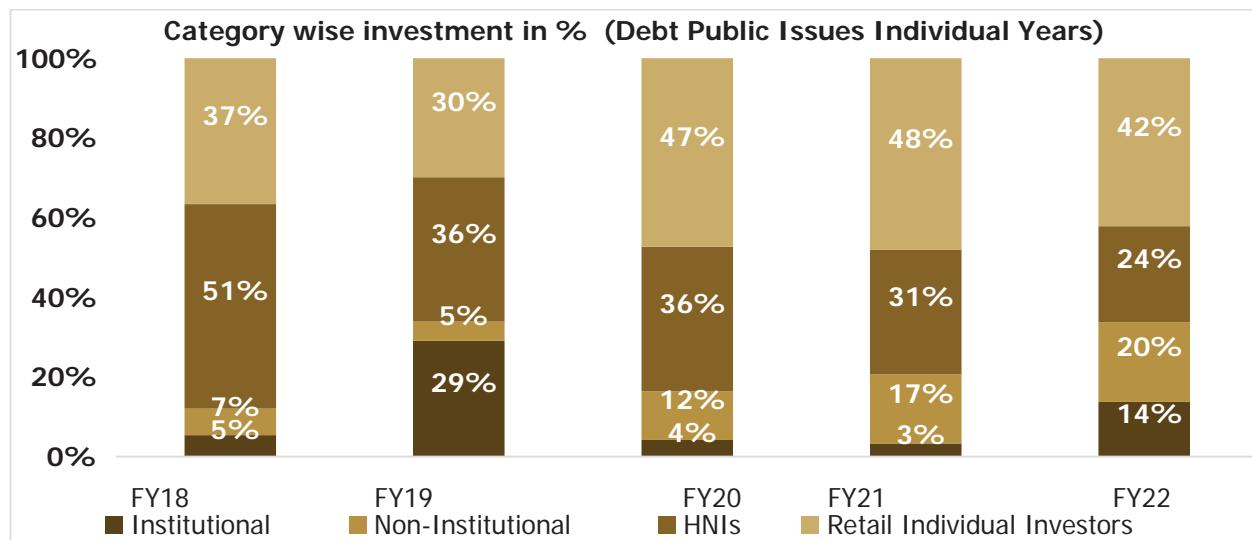
With increased participation from investors like Non-QIB, Retail, Corporate and HNI, public debt issuance has become an attractive investor pool for debt market issuers to raise funds and diversify their borrowing mix.

The participation by investors through this route has shown spread of investor risk appetite ranging from AAA to the BBB rated issuers and ranging yield curves across tenors.

NBFCs financing different asset classes ranging from gold , microfinance, housing, vehicle, SME and MSME loans, and personal loans have demonstrated participation by Non QIB investors.

Y-O-Y Split of Public Debt Issuances-NSDL Data		
Financial Year	No of Issuers	Total Issue Size ( Rs in crs)
FY 18	5	1,954
FY 19	19	19,898
FY 20	27	17,087
FY 21	11	24,402
FY 22	19	23,543
FY23(H1)	14	5,675
<b>Total</b>	<b>95</b>	<b>92,559</b>

The chart below details year-on-year participation from a diversified investor base. This showcases the consistency of participation of different investors with varied risk appetites.



## COMMERCIAL PAPERS

Aggregate CP issuance for NBFC and HFC from FY 2019 to FY 2023 (H1) accounts for Rs 37.22 lakh Crs. NBFCs have accessed CP markets effectively to manage ALM and borrowing costs. However, HFC issuances through CP market has seen a dip since FY22.

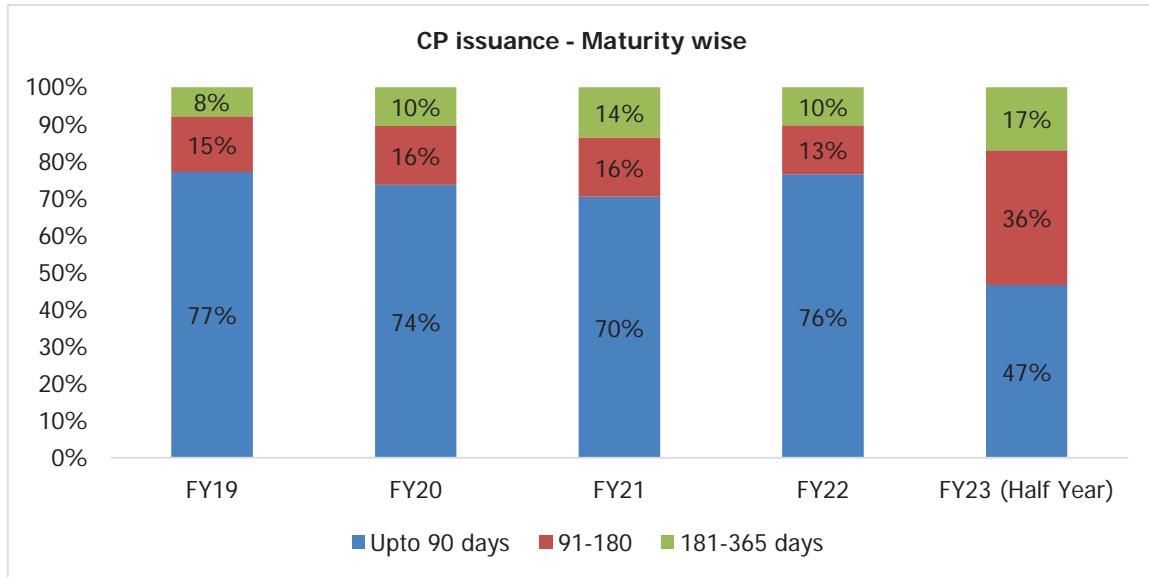
FY	Issuance Volume (Rs. Crs)		
	HFC	NBFC	Total
FY 19	357,132	831,631	1,188,763
FY 20	142,230	527,352	669,582
FY 21	108,965	584,917	693,882
FY 22	79,296	846,283	925,579
FY 23 ( H1)	63,451	180,830	244,280
Aggregate Volume	<b>751,074</b>	<b>2,971,013</b>	<b>3,722,085</b>

The top 15 NBFCs and HFCs together account for over 48% of issuances at an aggregate level as compared to 44% in FY20. Issuances from HDFC Ltd, an HFC accounted for 80% of HFC segment issuance being the market leader whereas in NBFCs the contribution is widely spread across the top 5 players y-o-y.

Issuer Name	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Volume ( Rs. Crs)
Bajaj Finance	50,495	48,665	70,205	154,595	16,695	
HDFC Ltd	98,725	47,025	56,645	44,940	48,230	
Aditya Birla Finance	42,030	23,510	48,360	44,330	11,915	
L&T finance	46,818	21,005	21,090	39,325	26,460	
Infina finance	10,615	20,304	59,439	54,205	828	
TATA Capital	25,190	15,505	16,895	48,923	3,210	
LIC Housing Finance	40,525	18,385	15,410	8,675	4,050	
JM Financial Properties	6,805	11,020	26,500	41,766	-	
JM financial Products	9,567	14,407	21,475	29,040	1,305	
TATA Motors Finance	22,853	20,425	19,500	6,600	3,420	
IIFL Facilities Services	8,115	10,750	14,100	33,832	-	
L&T Infrastructure Finance	28,950	12,675	23,886	-	-	
Kotak Mahindra Prime Ltd	8,625	13,332	16,210	21,035	4,225	
Muthoot Finance	14,578	16,475	19,750	9,515	-	
ICICI Securities	2,310	6,595	11,095	21,830	15,495	

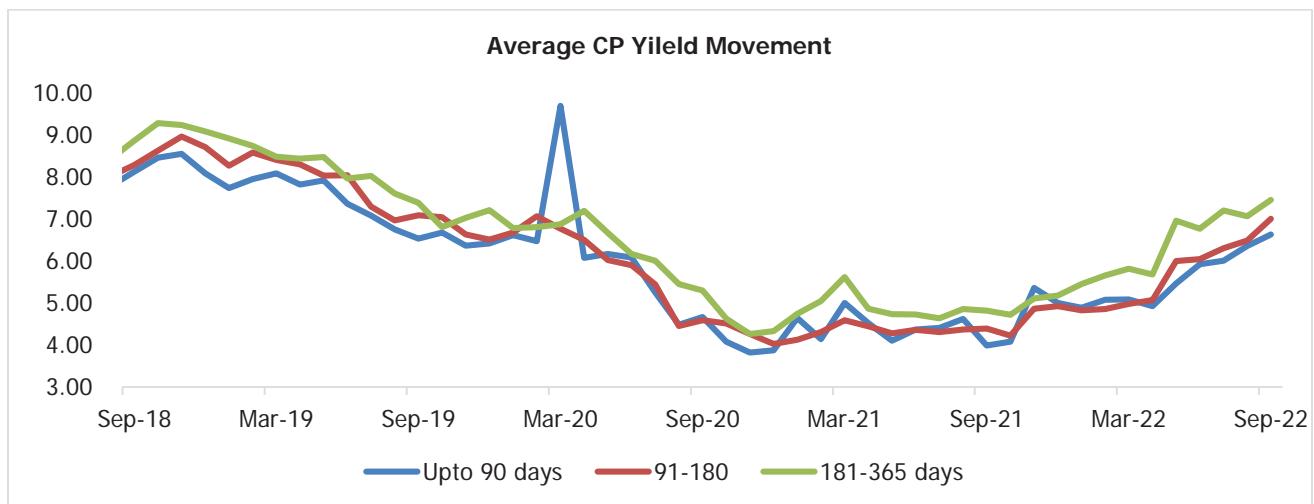
Source: F-TRAC

The share of CP issuances in the 91-180 days segment in H1FY23 has been 36% as compared to an average of 13-14% previously.



Source: FTRAC

CP rates for A1+ issuers have increased from an average yield of ~4.40% in September-21 to ~6.90%-7% in September -22



Source: FTRAC

## SECURITIZATION & DIRECT ASSIGNMENT

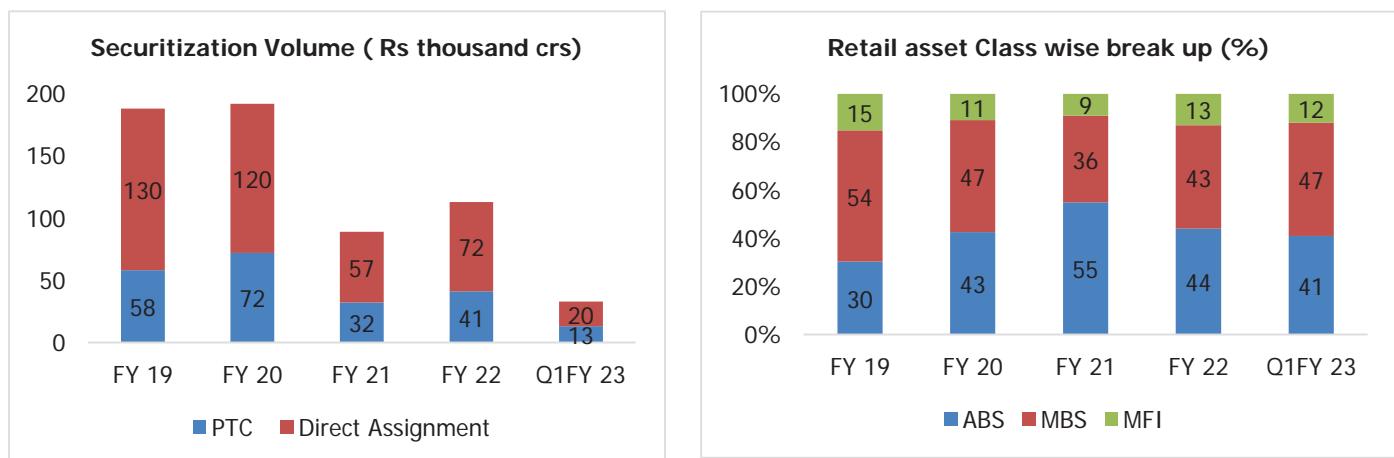
Securitization is a financial instrument backed by a pool of financial assets often with credit enhancement for high credit rating.

Total Securitization and Direct Assignment volumes are ~Rs. 41,100 crore in Q2 FY2023, reflecting ~25% QoQ growth over volumes in Q1 FY2023 and ~61% y-o-y growth over Q2 FY2022, supported by improvement in the macroeconomic scenario and the resultant robust credit growth as per ICRA securitization report, October 2022.

The share of Direct assignment (DA) and Pass Through Certificates (PTC) stands at 63% and 37%, respectively, of overall volumes, which is in line with the past trend. Mortgage-backed loan securitization continues mainly through the direct assignment route, while vehicle loan securitization is mainly through pass-through certificates (PTCs) issuance.

Total retail securitization volumes for Q1FY23 stand at around ₹33,000 Crores across securitizations (pass-through certificate [PTC]) and direct assignment (DA) transactions vis-à-vis around ₹15,500 Crores in Q1FY22.

Retail Securitization volumes and Asset Class-wise breakup

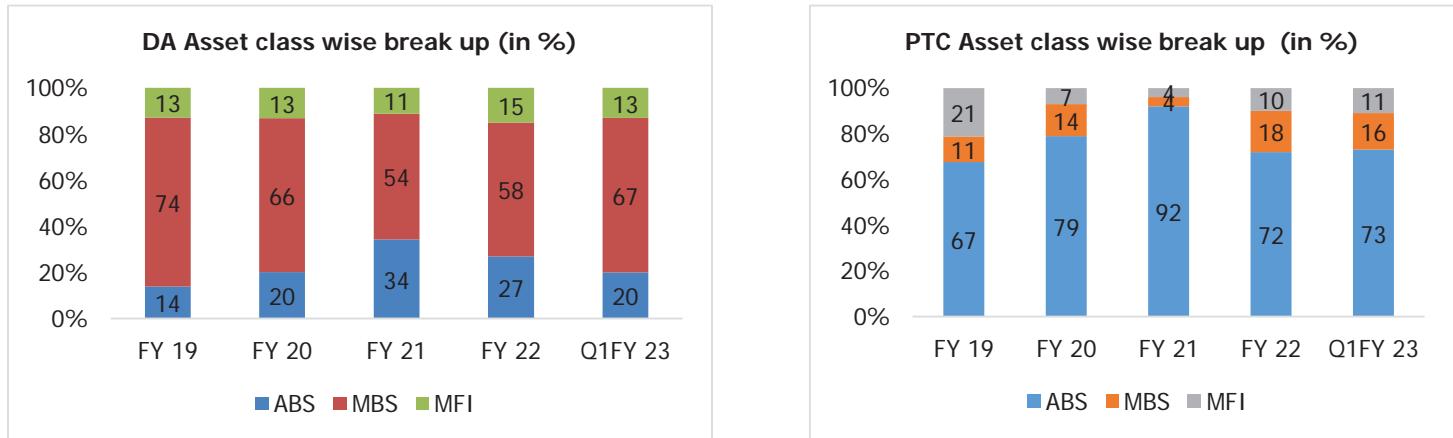


Source: CARE Edge

The retail market volume was driven by DA transactions, which had a share of 61% of the overall size, while the remaining share was that of PTC deals. Within DA, the dominant asset class was mortgage-backed securitization (MBS) with an aggregate size of around ₹13,000 crores, followed by asset-backed securitization (ABS) at around ₹4,000 crore, which includes pools backed by all the asset classes (except mortgage loans and microfinance [MFI] loans). MFI loans made up around 13% of the DA volume.

PTC volume was mainly driven by ABS pools contributing around 73% of the total issuances. The leading asset class driving PTC issuances was vehicle loan financing at around ₹7,600 crores accounting for around 59%.

Asset Class-wise breakup of PTC and DA volumes



Source: CARE Edge

## Key Takeaways and Way forward

Financial Sector Institutions have strengthened their capital availability through equity raise, AT1 bond issuances, securitization and Co-lending model to increase their lending capacity. Banks, HFC, NBFC and Microfinance Institutions are co-existing well to augment an inclusive growth of Indian economy by providing access to capital to all category of borrowers. Financial sector issuers have been tapping bond markets since years to diversify their funding mix, however enhanced investor confidence has led to widening and broadening of investor participation across all segments.

TRUST Group has been a dominant arranger of debt market issuances in the sector and amongst the top 3 lead managers for public debt issuances in India.

We believe, the suite of products across tenors and secondary bond market development will support the funding mix of financial institutions. This sector till date has demonstrated participation by investors across the credit curve up to BBB rating through private placement and public issuances. The investor base widening has been achieved with availability of zero-coupon structures, market linked debentures and short-term PTC issuances. The regulatory support has led to Banks and NBFCs joining hands to support credit growth through co-lending models other than securitization.

The presence and timely development the financing models namely Banks, Small Finance Banks, NBFCs, HFCs, Microfinance companies and Fintech platforms have enabled availability of credit across all sectors showcasing strength to support the India growth story.

## EXPERT OPINION

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**Mr. Gaurav Gupta**  
Chief Executive Officer  
Adani Capital Private Ltd

## Micro enterprises hold key to \$5 trillion economy

India's ambitious target of expanding its economy to \$5 trillion in the next three years will depend to a large extent on the ability of policymakers to unleash the animal spirits of the Micro, Small, and Medium Enterprises or MSMEs, which play a pivotal role in employment generation and sustainable development.

According to World Bank, worldwide MSMEs account for 90 percent of businesses, 60-70 percent of employment and contribute over 50 percent of GDP. However, In India the contribution of MSMEs was around 29 percent of GDP in 2022.

The 2021-22 Annual Report of the Ministry for MSMEs says there are 63.39 million MSMEs in India employing 111 million people. Micro enterprises defined to mean enterprises with a turnover of less than Rs.5 crore and asset investment of less than Rs.1 crore or as we commonly refer them to as "mom-and-pop enterprises" employing 1 to 10 people are estimated at 63.1 million contributed the bulk or 99 percent of all MSMEs in India. Urban MSMEs accounted for 55 percent of jobs, with the remaining 45 percent in rural areas.

However, the latest data on MSMEs often referred to in official documents is based on the NSS conducted in 2015-16 – nearly seven years ago!

The numbers have since expanded, and according to Mr. Sivasubramanian Ramann, chairman and managing director of the Small Industries Development Bank of India (SIDBI). "Today, there are more than 90 million MSMEs in the country," the Business Standard quoted him as saying at a recent function.

"Of these, 15 million MSMEs are under GST. The remaining MSMEs also need finance from banks and NBFCs but are not on the radar of banks because they don't have Udyam numbers," he said, underscoring the plight of an overwhelming number of MSMEs.

Udyam is an online registration portal set up by the government for MSMEs. While it is easy for an MSME to register, the lack of awareness and also the requirement and benefits of registration aren't advocated effectively to these MSMEs, one of the key benefits being PSL classification which leads to reduction in borrowing costs.

Further, shunned by banks due to the lack of credit history, the micro-enterprises are at the mercy of loan sharks and unorganized money lenders who give short-term money at high rates of interest which these customers can ill afford and which pushes them deeper into a debt trap. The shortfall of credit to the MSME sector is estimated between Rs.20 lakh crore and Rs.25 lakh crore by the U.K. Sinha-led Expert Committee on MSMEs.

Recognizing their significance in employment generation and rural development, the government has launched several schemes and policy amendments like Emergency Credit Line Guarantee Scheme (ECLGS), Credit Guarantee Fund Scheme, Factoring Regulation (Amendment July'21), the inclusion of retail and wholesale traders as MSMEs, etc. to help this segment to regain their footing from the pandemic disruption.

While these measures are laudable, much more needs to be done to unlock the full potential of this segment as they not only contribute a substantial portion of GDP, they are the largest creator of jobs and provider of livelihoods in the country.

With investments picking up steam under the central government's forceful "Make in India" pitch and Production-Linked Incentive (PLI) scheme, these programmes are set to spawn legions of ancillary units mostly in the MSME sector. The availability of affordable and sustainable patient capital for the micro MSMEs is essential to fuel the growth in this sector, thereby resulting in a huge opportunity for organised financiers like NBFCs and banks with rural reach to tap this demand.

Besides economic reasons, there is a compelling social factor to boost micro-enterprises. They are not just the biggest job creators but their hirings are usually from people with lower chances of finding employment elsewhere such as the uneducated youth, older workers, and poorly skilled folks.

Policymakers have a golden opportunity to enable India to achieve sustainable development goals, to accelerate growth, create employment and alleviate poverty. A proactive and cohesive response by the government could drive the MSME's contribution to about 50 percent of GDP in the foreseeable future.



**Mr. Jairam Sridharan**  
Managing Director  
Piramal Capital & Housing Finance Ltd

## India's growth revival and role of NBFCs (and HFCs)

World economic outlook is rife with uncertainties emanating from a varied range of threats including inflation, consumer demand, geopolitical tensions, policy logjams, weakening multilateralism and cybersecurity. All of these have culminated into a deep haircut in expected economic activity over the next two years, at least. The IMF has projected global growth to slow down from 6.1% in 2021 to 3.2% in 2022 and further to 2.7% in 2023, with risks tilted to the downside.

These global challenges can impact India's domestic growth and inflation leading to a depletion in liquidity posing a challenge to the durability of the nascent recovery in credit cycle. However, latest data on economic activity continue to indicate the domestic economy's resilience in the face of steep global headwinds. Domestic demand remains upbeat with a steady turnaround in auto sales, buoyant home sales despite pricing pressures and high interest rates, revival in air and rail traffic as well as pickup in contact intensive hospitality services. Google mobility indicators suggest a 16% rise in Indian retail and recreational visits in Oct'22 vs Feb'20 (pre-pandemic). This is still contracting in major economies like USA, France, and UK (-4%, -9% and -10% respectively). An explosive rise in bank credit is aiding India's economic recovery. In Sep'22, outstanding non-food bank credit grew by 15.7%. This was led by services (20%) followed by retail loans (19.6%) and industries (12.6%). The credit cycle is supported by a robust demand from both industry and retail segments. Capacity utilisation across Indian manufacturing units have revived back to 74.4% in Q1FY23 after slipping to 47.3% in Q1FY21. In fact, the current levels are better than capacity utilisation observed in Q3 FY20 (pre-pandemic) at 68.6%. For an economy like India, where consumer expenditure account for 60% of its gross domestic product (GDP), the undergoing rise in retail credit will be highly instrumental in supporting economic growth. Between Mar'20 and Mar'22, retail credit portfolio across banks and NBFCs surged by 25%. This was driven largely by private banks whose retail portfolio grew by 32%. NBFC retail portfolio rose by 10% during the same time.

India's strong macro fundamentals are reverberated in its exchange rate movement as well. Despite a sharp outflow in foreign investments triggered by a risk-off strategy among foreign mutual and hedge funds, the USDINR depreciated by 11% year to date, compared to an appreciation of 15% in USD against its major trading partners.

At a time when inflation remains one of the most contentious issues plaguing the world, the Indian inflationary situation remains relatively better. While Indian retail inflation is 340 bps higher than RBI's target, US inflation is 620 bps, UK's 790 bps and Eurozone's 800 bps higher than their respective central bank targets. Consequently, India is expected to witness a zero real rate (policy rate minus retail inflation) much earlier than most major economies where real policy rates are deeply negative. This will encourage a revival in foreign investment inflows into India and will be further catalysed if the US Fed's stance softens triggered by higher-than-expected slowdown in its real estate and other key sectors. All of these will have a positive impact on domestic borrowing costs soon.

It is likely that given the current situation, the RBI is expected to pause at a terminal rate of 6.5-6.6% by Q4FY23. Relatively better economic and political stability in India compared with many other major

emerging as well as advanced countries will enable India to attract higher foreign inflows in FY24, lending stability to the USDINR and bringing down imported inflation durably. In such a situation, it will be imperative for policy makers, both fiscal and monetary, to refocus on supporting growth revival, as RBI's own estimates suggest that India may take 12-13 years to completely heal from the economic scars of COVID-19.

Indian NBFCs (including HFCs) will play a major role in this journey towards economic healing, complimenting banks in fostering higher levels of financial inclusion. Despite a strong policy focus to augment financial inclusion, India still has the lowest share of adult population with access to a bank account among BRICS cluster. As per World Bank Findex report (2021), 78% adult Indians had a bank account in 2021, compared to 84% in Brazil, 89% in China and 85% in South Africa. This presents an immense opportunity for Indian NBFCs in reaching out to the unbanked and underbanked population of the country, residing predominantly in Bharat!

With strong capital buffers, adequate provisions, and sufficient liquidity, NBFCs are prepared for this challenge. According to the RBI, India's financial system is maturing from a bank-dominated space to a hybrid system, wherein non-bank intermediaries are gaining prominence. The NBFC sector in India has been undergoing a massive shift supported by policy reforms undertaken by RBI. These have rendered NBFC balance sheets much stronger in terms of adequate provisions and stronger capital positions. The share of NBFC sector in India's GDP has steadily increased and so has their interconnectedness with the rest of the financial system. NBFC credit as a percentage of GDP increased from 8.6% in FY13 to 13.7% in FY22. About 9% of bank credit (non-farm) is outstanding with NBFCs. In FY22, NBFCs owed Rs 19.86 Lakh crores to the rest of the Indian financial system (54% to banks and 46% to others like Mutual Funds, Insurance, Corporates, HNIs etc.).

Also, the 'retailisation' trend across NBFCs is gaining ground, with several NBFCs announcing plans to increase their focus on retail lending. With Indian consumers going digital at an unprecedented pace, 'digitisation' across the customer life cycle is likely to increase significantly. This would give NBFCs a great leverage over traditional banking systems and drive potential growth. The retail lending market is estimated to double in the next four years, driven by the growth of small ticket retail loans. Furthermore, the growth is expected to come from tier-2 and tier-3 cities, where enquiries are growing 2.5x faster than tier-1 cities.

At the same time NBFCs need to be cognizant about the challenges facing them, including rising borrowing costs as global and domestic liquidity contracts over the next few years. Also, while there has been significant adoption of technology among NBFCs to digitally improve customer acquisition and outreach, this also prompts for higher vigilance against cybercrimes. Another important challenge is to build strong governance and risk management principles to restore market confidence, in the light of IL&FS and DHFL debacles. Recent history provides ample evidence of the negative impact on any NBFC's liquidity and capital access in the wake of a financial crisis which can quickly metamorphose into a contagion.

On its part, the Reserve Bank of India has emulated a stronger regulatory framework based on scale-based regulation, liquidity coverage requirements and bank like regulatory initiatives (PCA and IRACP norms). These will bridge the gap in regulation of NBFCs and Banks and strengthen the NBFC sector in the time to come.



**Mr. Sandeep Bagla**  
Chief Executive Officer  
TRUST Mutual Fund

The US Fed and the Indian RBI have both started tightening monetary conditions in an attempt to bring down inflation, which has gone far higher than their comfort levels. For the last 14 years, ever since the Global Financial Crisis in 2008, central banks have kept rates low and liquidity easy to support growth. The conventional wisdom that excess supply of money causes inflation was seriously challenged as inflation remained by and large subdued all these years. In response to Covid 19, the central bankers globally sprayed money generously to support demand, which led to a massive expansion in their balance sheets. This time the monetary expansion resulted in rip-roaring inflation, which has since gotten broad based gradually and led to a sharp turnaround in thinking of central banks, who rapidly increased policy rates and reduced money supply. The US rates have gone up almost 4% and the bloated balance sheet has reduced marginally so far.

In response to the regulatory measures, market yields too rose, with yield curves flattening as the shorter end rates rose more sharply than longer-term bonds. In the US, the 10 year yield has risen to 4.20%, while in India the 10 year Government bond yield is at 7.50%. Credit off-take has started rising as liquidity is tight and the funding from the foreign exchange route has simply dried up. The Rupee has depreciated against the Dollar, though less than most other currencies, but is expected to depreciate more in the near term.

Now we are at a true inflection point.

Most of the market participants seem to believe that the worst is behind us. Central banks are in control of inflation. Inflation will cool down gradually and investors will all live happily ever after.

Another group believes that it is going to be long drawn battle against inflation, one that could see many more casualties. Bond yields could rise more from here; the equities could see a sharp correction in valuations and in terms of prices.

There are many moving parts in the current market conundrum. There are geo political risks, which could take a turn for the worse. There has been unprecedented wage hikes and labour shortages that could easily lead to an upward wage price inflation spiral upwards, taking services inflation higher. If inflation expectations were to get entrenched at higher levels, central bankers would have to tighten much more, much faster and for a longer period.

While on the surface it appears that storm may have passed and it is time to take out the boat for a pleasure cruise, it is quite possible that there is trouble brewing beneath the still waters which could create further mayhem.

Given the global uncertainties, it would be great if India could grow at 8% for the next few years. The financial infrastructure should be able to finance the growth provided they are able to assess and price the credits they are lending to and keep the credit losses under control.



**Mr. Nilesh Shah**  
Managing Director  
Kotak AMC

### Financialisation of savings and economic growth: How the two add up

Various studies show the importance of the financial sector's role in the overall growth of an economy. Countries with higher savings have been able to grow faster as they can tap into this pool of savings to fund growth.

As India focuses on being a US\$ 5 trillion economy within the next few years, financialisation of savings need to be effectively used to fuel economic growth at atleast 8%.

Indians have traditionally been savers. Whether it is keeping aside small amounts for a rainy day or turning a bonus into an investment, savings have been part of Indian culture.

A large part of this savings or wealth, though, is in physical assets, that is real estate, gold and cash. As per estimates, Indians had household assets of US\$ 10.7 trillion as on March 2022. Of this, nearly 50% is tied up in real estate and about 15% in gold. About 3.5% is also in the form of cash. \*

Savings can be mobilised by changing the manner in which we save and invest.

Bringing money into the financial system is extremely important. This can be done through investments in various instruments available in the capital markets, or simply a savings account or a fixed deposit, instead of the traditional physical avenues preferred by Indians. Now, let's discuss some of the ways in which this can be done.

#### Gold

Gold has long been associated with prosperity and often, safety, especially for ladies. Indians continue to buy gold – rationalising it as an investment, when in fact, they are buying it in the form of jewellery. The sale and purchase of gold is not only a more cumbersome and expensive task, but is also detrimental as it leads to import of gold, which in turn, weighs on the current account deficit of the country. An estimate by the World Gold Council pegs the gold held by Indian households at 24,000~25,000 tonnes as of 2019. In contrast, the total assets under management under Gold exchange-traded funds is merely equivalent to ~40 tonnes. The investment in Sovereign Gold Bond (SGB) is equivalent to merely ~90 tonnes of gold.

Awareness and financial literacy campaigns to educate masses about the benefits of investing in gold through these instruments could have a double impact – it will not only bring money into the financial system, but also help in cutting down the country's import bill. Investment in SGBs can help the government in financing its fiscal deficit, while investment through Gold ETFs is a far more convenient and liquid option to invest in gold.

#### Real Estate

Investment in Real Estate Investment Trusts (REITs) can be a substitute for ownership of physical real estate. Investing in physical real estate requires a large amount of funds, and involves the cumbersome task of finding the right property.

Maintenance, liquidity, taxes and transaction costs are also a deterrent.

A REIT is an investment trust that owns income-generating real estate. Just as mutual funds do, REITs pool together money from investors and invest it in real estate. REITs need to mandatorily distribute 90% of their income to investor. Hence, REITs can provide regular income from these investments.

Many Indians buy more than one property for rental income. However, rental yields have not been very impressive in India, particularly in the residential category. REITs invest primarily in rent generating commercial properties which can provide better rental yields.

For investors looking to invest in real estate beyond their primary home, investment in REITs can be a convenient option.

### Cash

The government needs to take steps to dissuade individuals from holding cash. For instance, fuel (petrol, diesel, gas) can be sold at two different prices – higher prices can be charged for those paying with cash for an amount higher than a particular slab (say Rs 500). This will ensure that smaller payments can be done in cash and for higher payments, Indians have to use a digital mode.

Once this experiment is successful in fuel, the same can be replicated in other areas to dissuade the usage of cash and encourage use of other digital payments.

Financialisation of savings can have multiple benefits. Both the government and the private sector would have a significantly larger pool of funds available to access, which they can use for developmental projects instead of the investments being dormant in physical assets at a household level.

The availability of a larger pool of funds would also help in bringing down the borrowing costs, which can be encouraging for capital-intensive and productive projects such as setting up manufacturing plants, or infrastructure projects.

Various developments such as Jan Dhan Yojana, the advent of technology, penetration of mobile/internet, demonetisation, increased usage of digital payments after the COVID-19 pandemic has helped in financialisation of savings in the last few years. These steps can also be helpful in taking it to the next level.

India has the demographics, the resources and the push needed for achieving 8% economic growth as it paves its way higher up on the list of the world's largest economies, even as capital remains a sore point.

A simple, yet effective way, would be to put in efforts into mobilising savings into the financial system.

\*Source: Jefferies Report



## Mr. Krishnan Sitaraman

Senior Director & Deputy Chief Ratings Officer  
CRISIL Ratings Limited

### Banks seeing improvement in key performance metrics

The Indian banking sector is at an inflection point, slowly putting past vulnerabilities behind and making a comeback after a phase of sharp increase in gross non-performing assets, fall in profits, and subdued credit growth.

Credit growth for the banking sector is expected to pick up to ~15% in fiscal 2023 from ~12% in the previous fiscal. However, growth in deposits has lagged that in credit in recent months, and with the surplus liquidity situation now normalising, ability of banks to garner deposits to meet credit demand will remain a key monitorable.

From an asset quality perspective, GNPsAs of banks are expected to improve 90 bps on-year to ~5% this fiscal, riding on post-pandemic economic recovery and higher credit growth. The improvement in asset quality and the already high provisioning cover ratio of 73% as on March 31, 2022, should help reduce credit cost, thus improving the sector's profitability.

Even from a capitalisation perspective, the banking sector has shown improvement and has adequate buffers. It is, therefore, well placed to support economic growth over the medium term.

Overall, the banking sector is on a relatively stronger footing today vis-à-vis the past few years. However, to avoid a repeat of past asset quality challenges, it is important that banks not relax their credit underwriting standards while focusing on higher growth over the medium term.

### NBFCs to see 4-year-high growth in assets under management (AUM); profitability to remain steady despite rising cost of borrowing amid lower credit cost

Non-banks—comprising non-banking financial companies (NBFCs) and housing finance companies (HFCs), excluding government-owned NBFCs—are expected to see their AUM grow 11-12% in fiscal 2023 after three years of single-digit growth. This growth is expected to be relatively broad-based across the retail segments. Still, growth will be lower than the pre-pandemic levels. Intense competition from banks and the rising interest rate scenario will limit the competitiveness of non-banks in certain segments, leading them to focus on higher-yield segments for growth.

GNPA levels for NBFCs and HFCs were impacted following the announcement of the IRACP (Income Recognition Asset Classification and Provisioning) Clarifications on NPA recognition as well as upgrade norms in November 2021. That said, GNPsAs for NBFCs and HFCs are expected to be not very different as of March 2023 as compared to March 2022 with improvement in fundamental asset quality, due to recovery in economic activity, expected to offset any incremental impact due to the regulatory clarifications on NPA recognition.

On profitability, a key monitorable for non-banks this fiscal is the rising interest rate environment which will increase in borrowing costs. But the ability to pass on rate increases to customers and lower incremental credit cost should help support profitability.

That said, geopolitical issues and sharper-than-expected increases in interest rates and inflation will bear watching.

# BFSI player profile

November 2022



Knowledge Partner

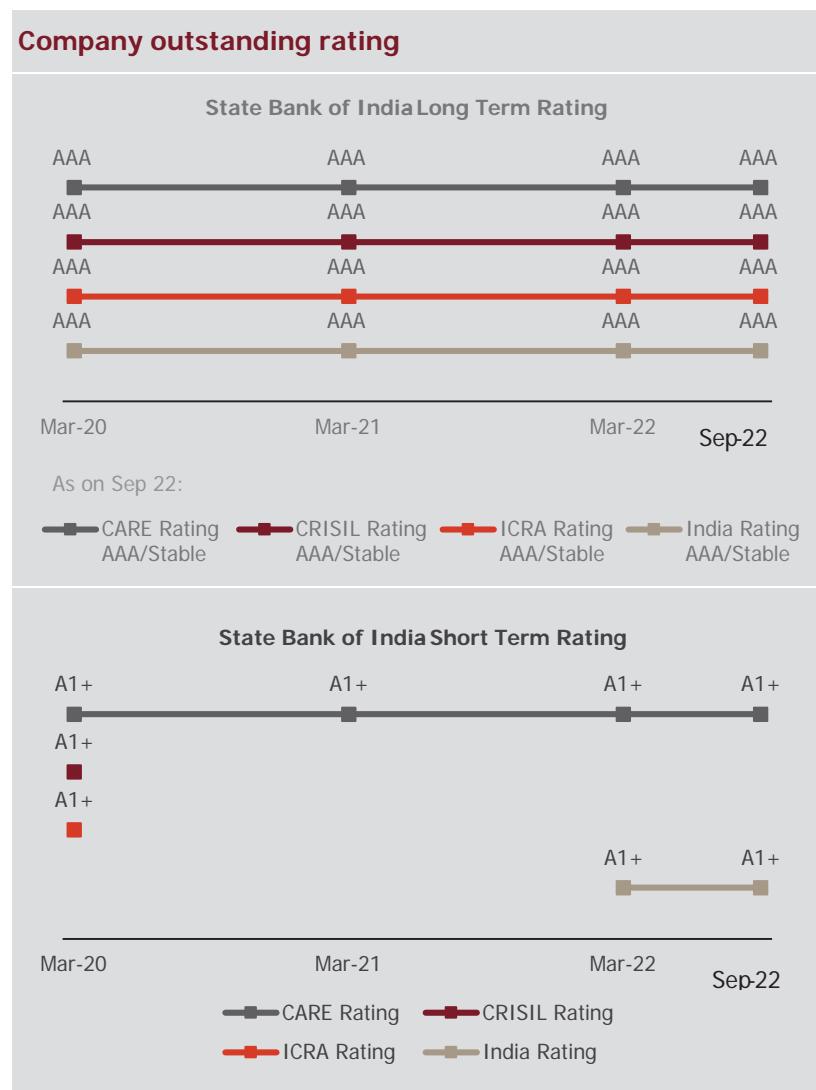
**CRISIL**  
An S&P Global Company

# Player profile for banks



## State Bank of India

<b>Company name</b>	State Bank of India
<b>Incorporation year</b>	1955
<b>About company</b>	<p>State Bank of India (SBI) is the oldest and largest bank in India. The Government of India held 56.92% of the bank's equity capital as of March 2022. The SBI group offers a wide range of banking and non-banking products and services to its corporate and retail customers.</p>



## Key financial parameters (FY22)

	Loans and advances	27,340
	Total assets	49,643
	Total borrowings	4,260
	Deposits	40,515
	Networth	2,567

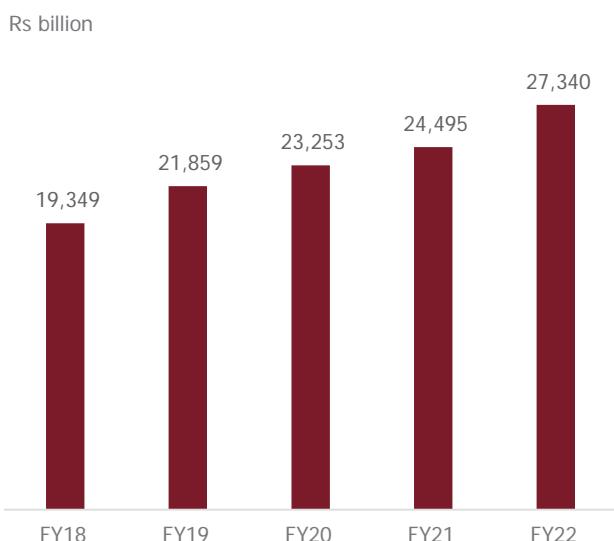
Figures in Rs billion

	GNPA (%)	4.0%
	ROA (%)	0.7%
	NIM (%)	2.5%
	CAR (%)	13.9%

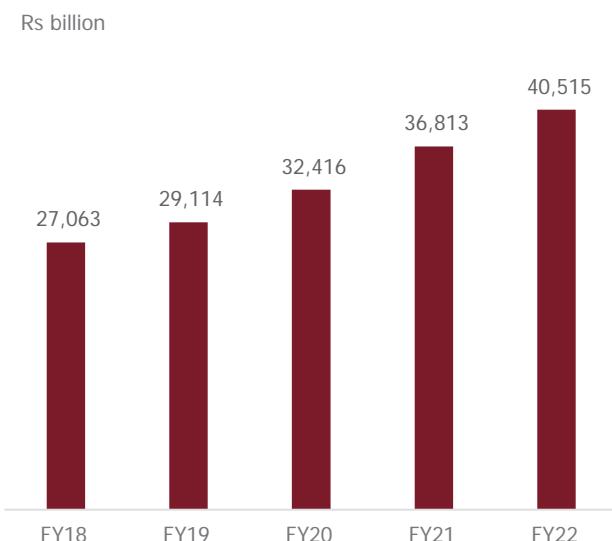
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



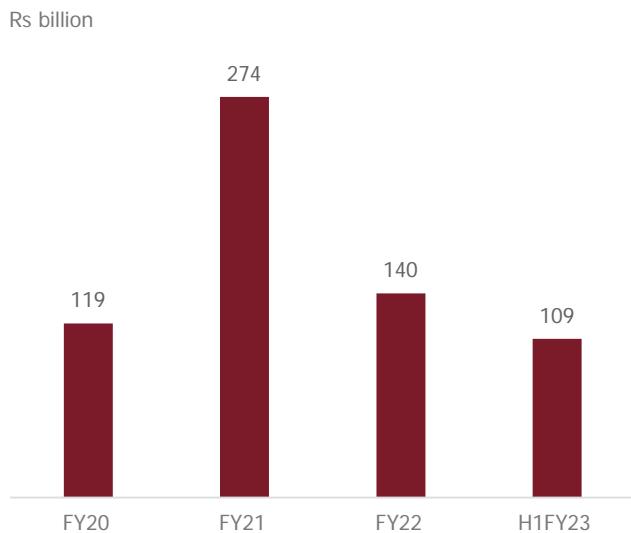
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

SBI is the largest player in the Indian banking sector, with a significant market share in deposits and advances as of March 2022. The bank had 22,266 branches and 65,030 automated teller machines (ATMs) as on March 31, 2022, with presence across the world. Solid brand image established presence across the country and in overseas markets, and a wide reach in rural and semi-urban areas have resulted in a diversified advances book—across industries and geographies—and a large and stable deposit base.

SBI is a leader in retail finance segments such as home loans, automobile loans and education loans. Its financial profile is supported by a dominant market position in the Indian banking industry, strong resource profile and adequate capitalisation. These strengths are partially offset by modest, though improving, asset quality.



# HDFC Bank Limited

<b>Company name</b>	HDFC Bank Limited
<b>Incorporation year</b>	1994
<b>About company</b>	<p>HDFC Bank Limited (HDFC Bank) offers a wide range of banking services, including commercial and transactional banking in the wholesale segment, and branch banking in the retail segment, with focus on car finance, business banking loans, commercial vehicle finance, credit cards, and personal loans.</p>



## Key financial parameters (FY22)

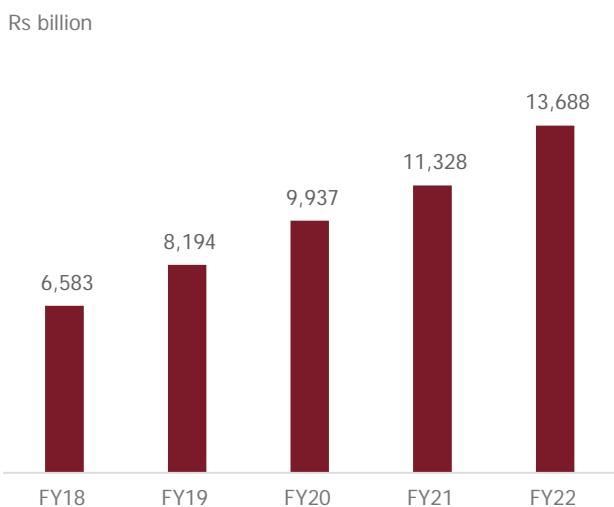
Figures in Rs billion

	Loans and advances	13,688		GNPA (%)	1.2%
	Total assets	20,674		ROA (%)	1.9%
	Total borrowings	1,848		NIM (%)	3.8%
	Deposits	15,592		CAR (%)	18.9%
	Networth	2,390			

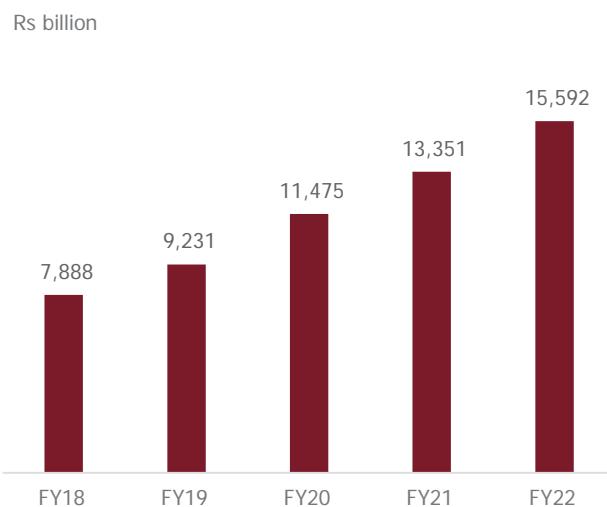
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Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits

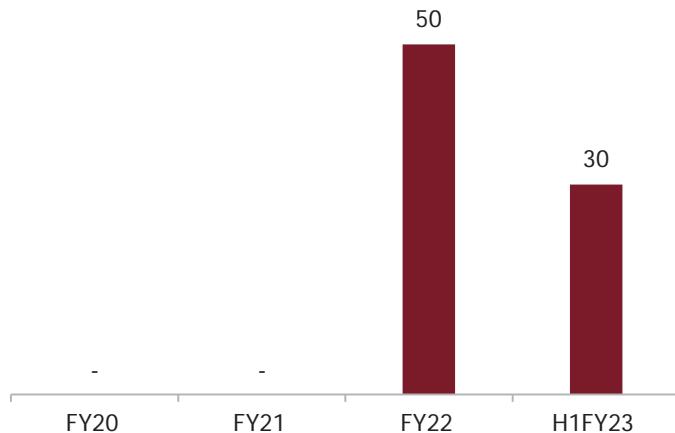


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

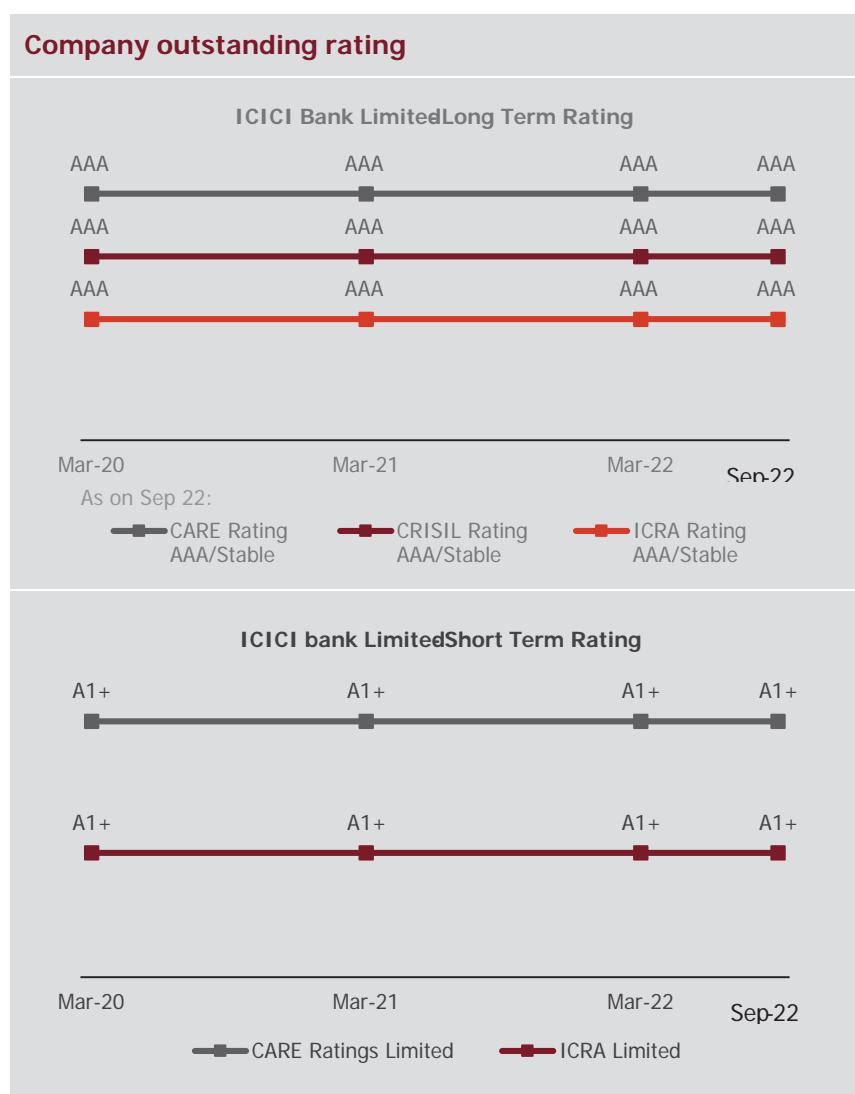
HDFC Bank has an established position in the banking system, especially on the retail side, supported by an expanding geographical presence and effective alternate channels network. The bank is the largest private bank in India, with loans and advances of Rs 13,688 billion and deposits of Rs 15,592 billion as on March 31, 2022. The bank has a well-balanced portfolio in retail, commercial and wholesale segments with retail advances constituting 39% of the bank's advances, followed by commercial and rural banking at 35% and corporate at 26%.

The geographical presence of the bank has increased over past five years with focus on semi-urban and real areas. As on March 31, 2022, the bank had 6,342 branches, of which around 50% were in semi-urban and rural areas. HDFC Bank has a large proportion of low-cost CASA deposits at ~48.2% of total deposits as of March 31, 2022. Its financial health is supported by established market position, healthy capitalisation, strong asset quality and comfortable resource profile.

## ICICI Bank Limited



<b>Company name</b>	ICICI Bank Limited
<b>Incorporation year</b>	1994
<b>About company</b>	<p>ICICI Bank Limited was promoted by the erstwhile ICICI Limited, which was merged with ICICI Bank in 2002. In August 2010, ICICI Bank acquired The Bank of Rajasthan, thereby enhancing its presence in northern and western India. The bank has a strong geographic presence with ~5,418 branches as of March 31, 2022.</p>



## Key financial parameters (FY22)

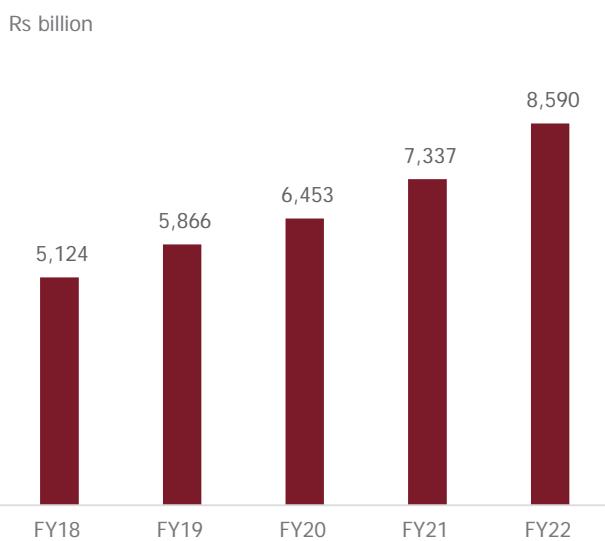
Figures in Rs billion

	Loans and advances	8,590		GNPA (%)	3.8%
	Total assets	14,109		ROA (%)	1.8%
	Total borrowings	1,072		NIM (%)	3.6%
	Deposits	10,646		CAR (%)	19.2%
	Networth	1,665			

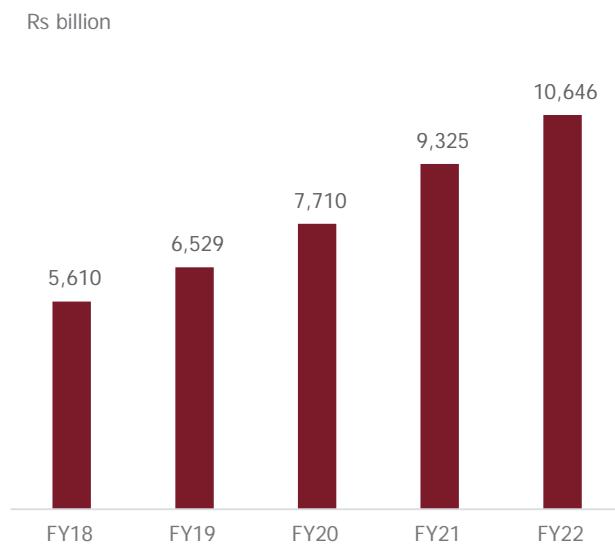
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Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits

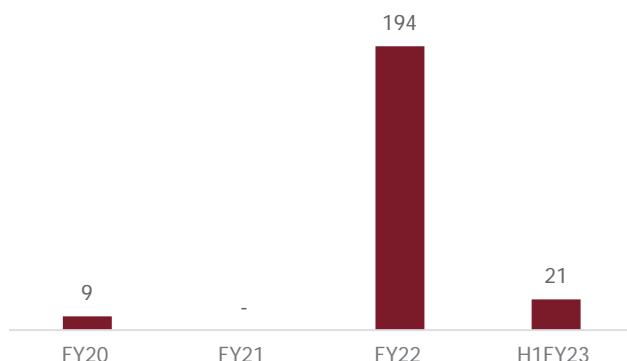


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

ICICI Bank is among the leading private sector banks in India with loans and advances of Rs 8,590 billion and deposits of Rs 10,646 billion as on March 31, 2022. Experienced leadership and management have been instrumental in establishing strong market position for the bank. The bank has leveraged its brand equity in the retail finance segment to gain a large base of customers across segments and categories with a strong presence in the retail asset portfolio such as housing finance and vehicle finance (cars, commercial vehicles).

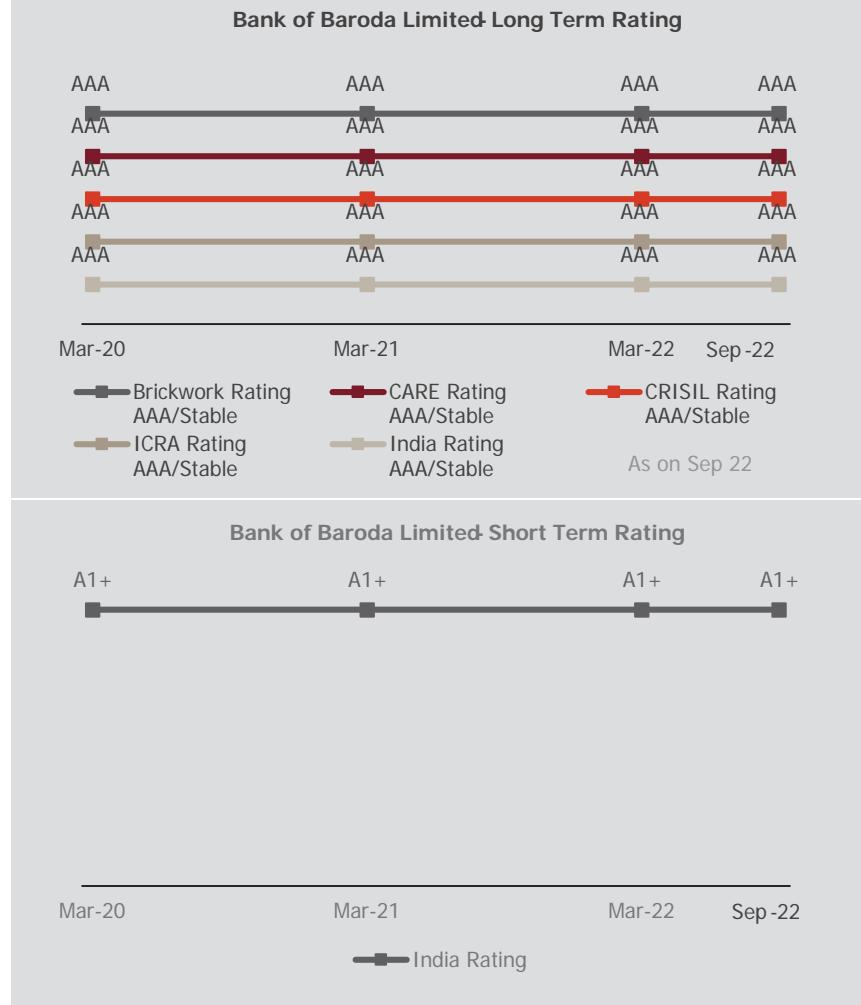
In terms of resource profile, the bank has a large proportion of low-cost CASA deposits—~48.7% as of March 2022. Its financial profile is supported by healthy capitalisation, strong market position and comfortable resource profile. The strengths are partially offset by average asset quality of the portfolio.



# Bank of Baroda

<b>Company name</b>	Bank of Baroda
<b>Incorporation year</b>	1955
<b>About company</b>	Bank of Baroda (BOB) is amongst the oldest commercial banks in India with a substantial footprint in the domestic and international markets. BOB is amongst the five largest banks in India with a domestic network of over 8,167 branches, of which 60% are in rural and semi urban areas

## Company outstanding rating



## Key financial parameters (FY22)

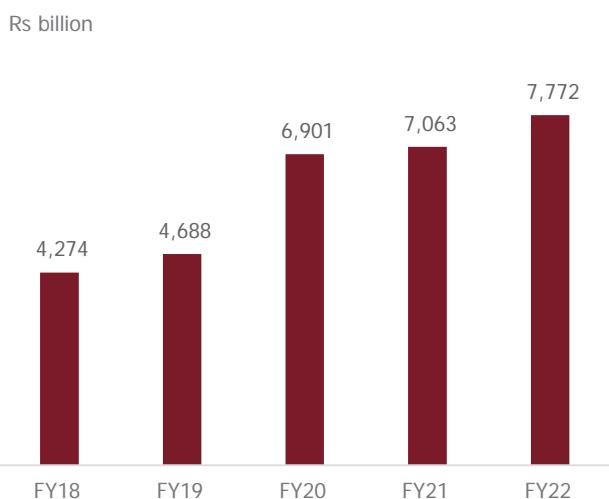
Figures in Rs billion

	Loans and advances	7,772		GNPA (%)	6.6%
	Total assets	12,709		ROA (%)	0.6%
	Total borrowings	1,039		NIM (%)	2.7%
	Deposits	10,459		CAR (%)	15.8%
	Net worth	788			

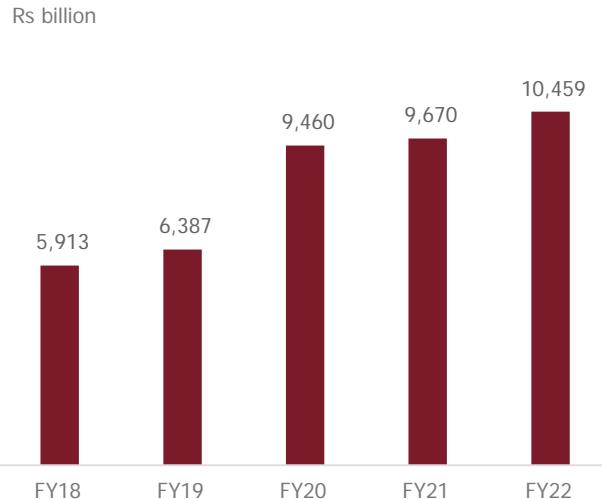
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Source: CRISIL Quantix

### Trend in loans and advances



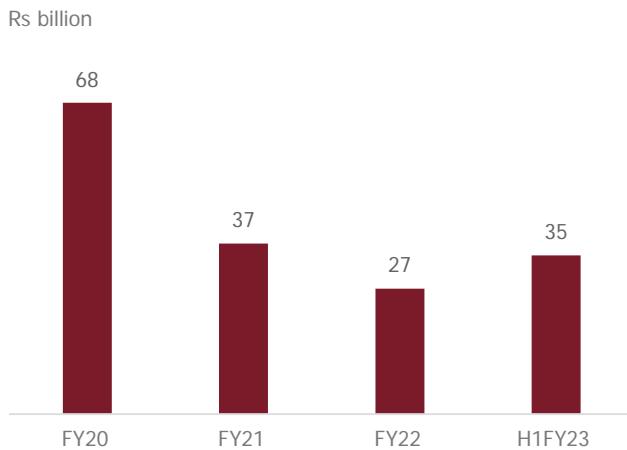
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

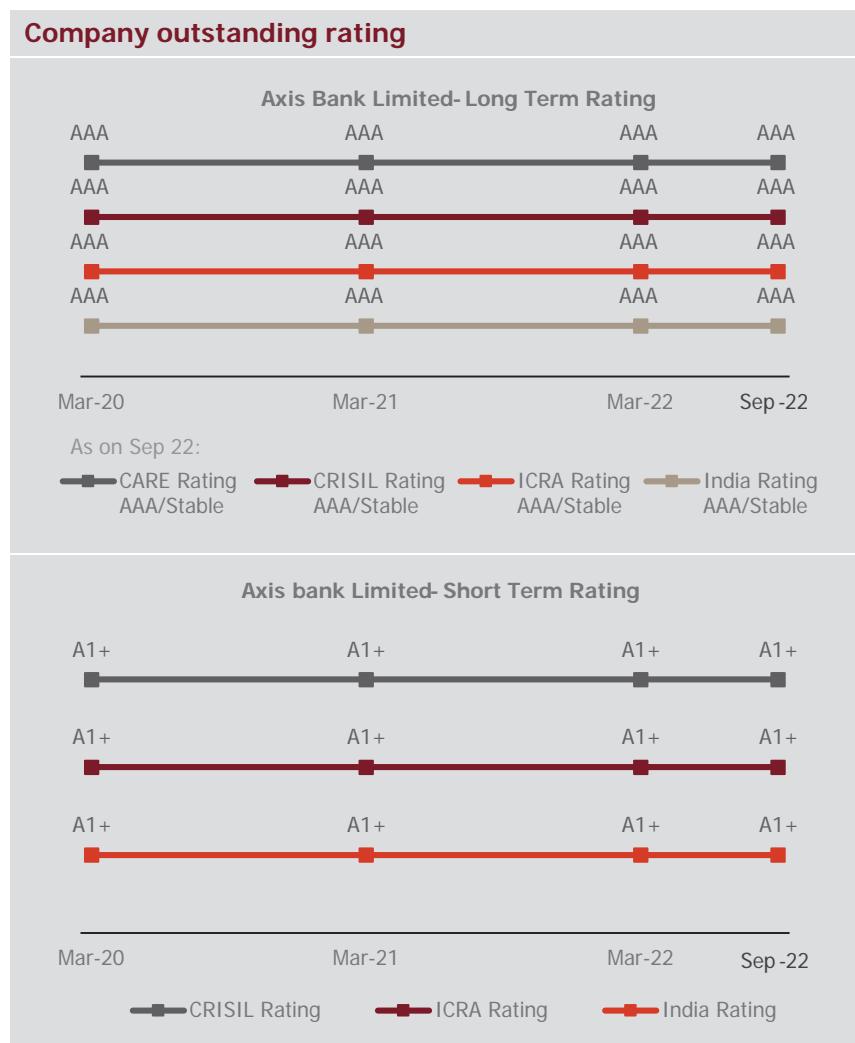
Bank of Baroda is amongst the five largest public sector banks with loans and advances of Rs 7,772 billion and deposits of Rs 19,459 billion as on March 31, 2022. BOB is a large player in both the corporate and retail segments. Its domestic presence has grown over the past four years and amalgamation with Vijaya Bank has resulted in a strong network of 8,168 domestic branches. The bank has strong international presence as indicated by 96 offices in 19 countries. On the asset quality front, its gross NPAs improved as on March 31, 2022, but remain average.

The bank's financial position is supported by strong expectation of support from the Government of India, established franchise and strong market position, stable resource profile and adequate capitalisation. These strengths are partially offset by modest asset quality and profitability.

## Axis Bank Limited



<b>Company name</b>	Axis Bank Limited
<b>Incorporation year</b>	1994
<b>About company</b>	Axis Bank commenced operations in 1994 as UTI Bank and was renamed in July 2007. It is among the top three private sector banks in India with a widespread network of 4,758 branches and extension counters as on March 31, 2022.



## Key financial parameters (FY22)

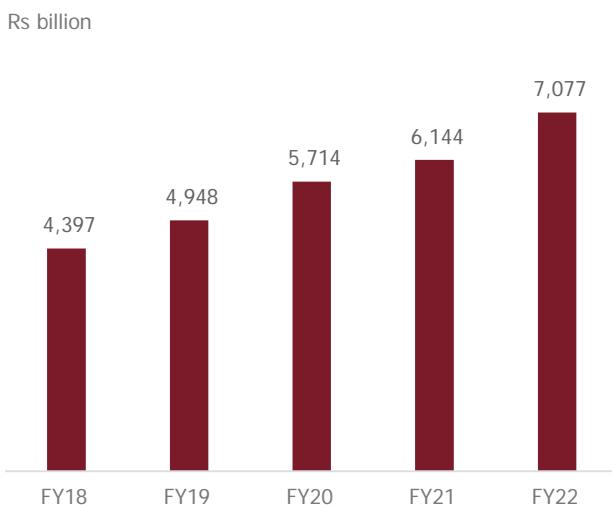
Figures in Rs billion

	Loans and advances	7,077		GNPA (%)	3.0%
	Total assets	11,754		ROA (%)	1.2%
	Total borrowings	1,851		NIM (%)	3.1%
	Deposits	8,217		CAR (%)	18.5%
	Networth	1,152			

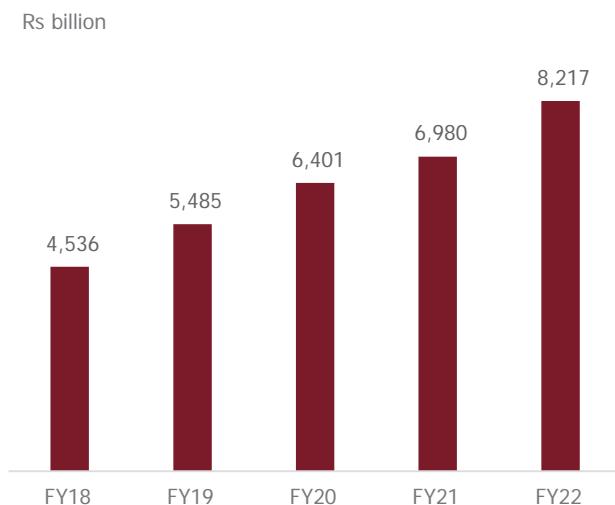
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Source: CRISIL Quantix

### Trend in loans and advances



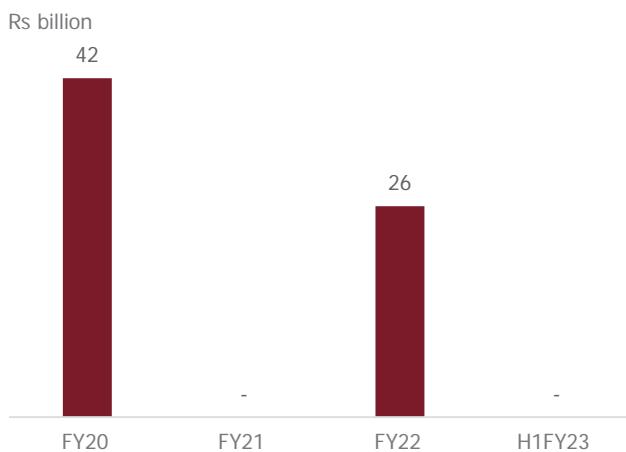
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

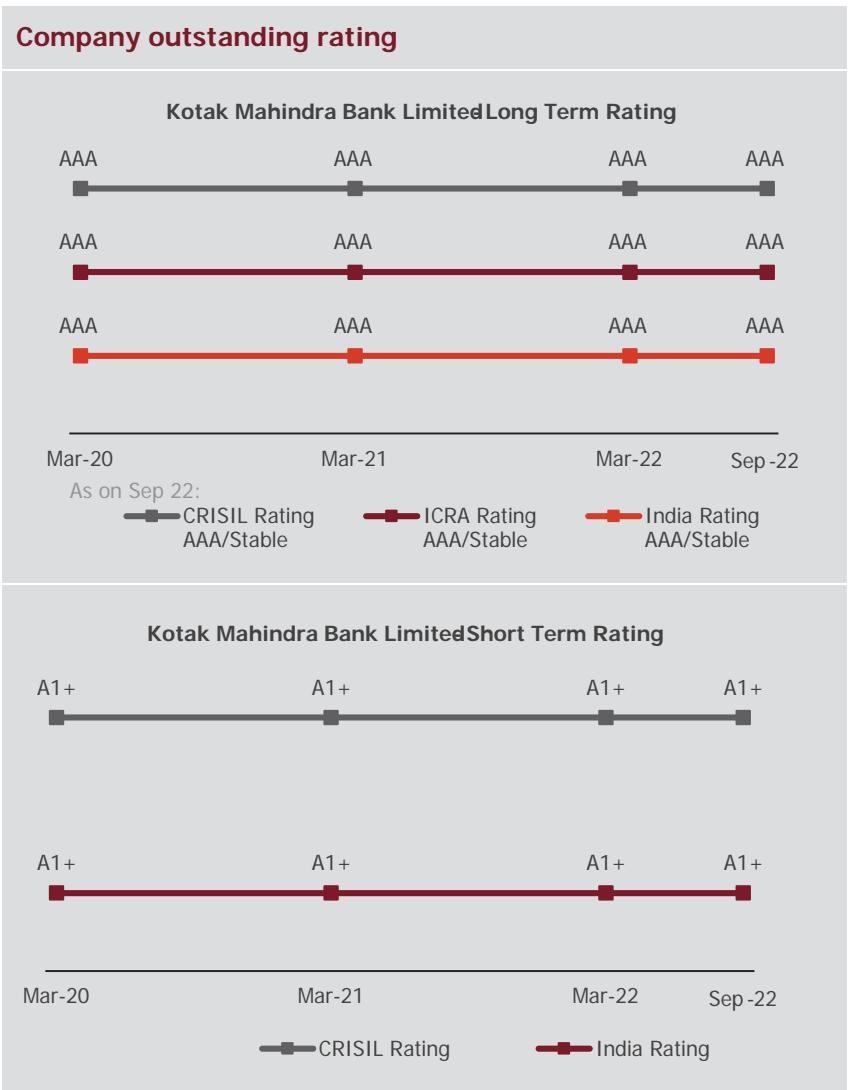
Axis Bank is amongst the top three private sector banks with loans and advances aggregating Rs 7,077 billion and deposits of Rs 8,217 billion as on March 31, 2022. Its advances increased at a CAGR of 13% over the five fiscals through 2022, driven by stronger growth in retail loans (~19% CAGR). The overall loan portfolio is well balanced, with retail loans constituting 55%, followed by corporate (35%) and SME (10%). The bank has prominent presence in retail segments, such as housing finance, rural lending, auto loans and personal loans.

The resource profile of the bank remains healthy, with stable low-cost CASA deposits comprising ~45% as on March 31, 2022. The bank's financial position is supported by strong capitalisation, healthy resource profile and sound market position. The strengths are partially offset by average asset quality of the portfolio.



# Kotak Mahindra Bank Limited

<b>Company name</b>	Kotak Mahindra Bank Limited
<b>Incorporation year</b>	1985
<b>About company</b>	<p>Kotak Mahindra Bank Limited (Kotak Bank) is the flagship company of the Kotak group and has diversified operations covering commercial vehicle financing, consumer loans, corporate finance and asset reconstruction. Through its subsidiaries, the bank is engaged in investment banking, equity broking, securities-based lending and car finance.</p>



## Key financial parameters (FY22)

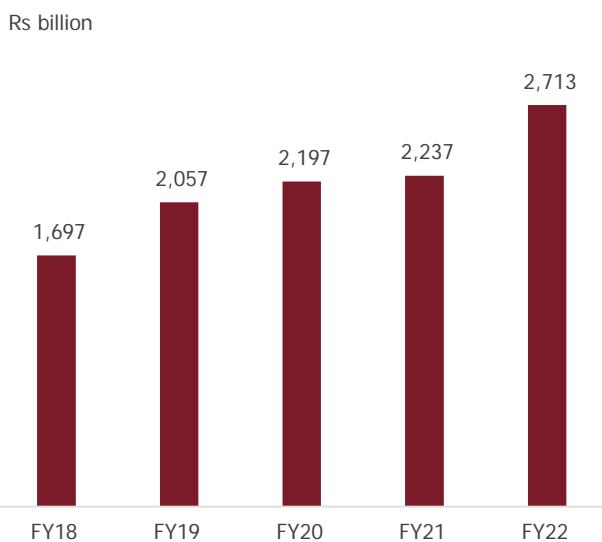
Figures in Rs billion

	Loans and advances	2,713		GNPA (%)	2.3%
	Total assets	4,293		ROA (%)	2.1%
	Total borrowings	260		NIM (%)	4.1%
	Deposits	3,117		CAR (%)	22.7%
	Networth	718			

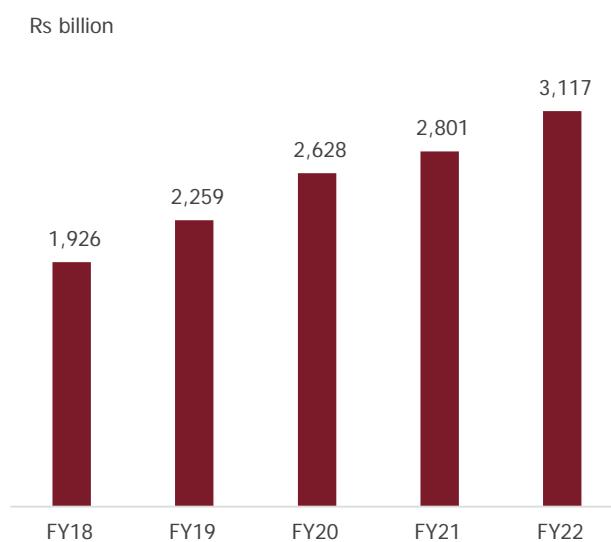
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

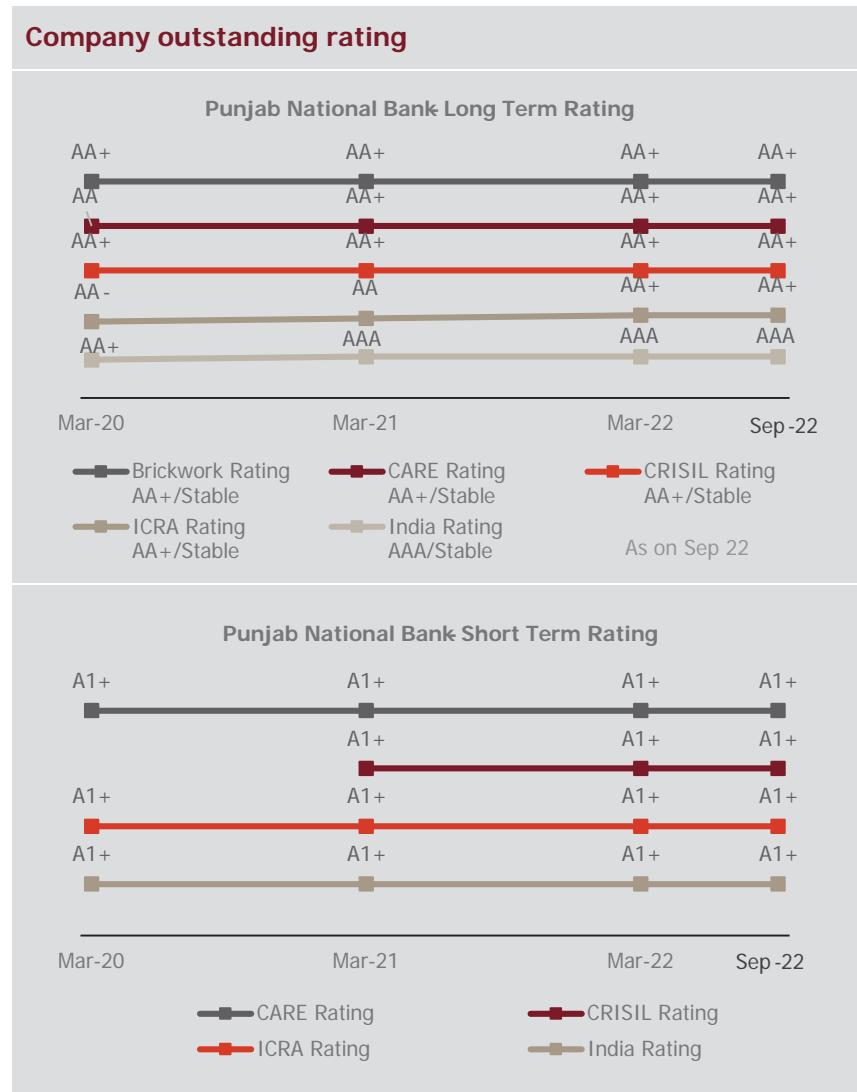
Kotak Bank has a diversified business risk profile covering commercial vehicle financing, consumer loans, corporate finance and asset reconstruction. As on March 31, 2022, the Kotak group had a network of 1,700 branches and 2,705 ATMs which enable the bank to reach out to a wide customer base. The bank lending has attained significant scale over years with loans and advances aggregating Rs 2,713 billion as on March 31, 2022. The wholesale book constituted ~31% and retail segments such as auto loans, mortgage loans, personal loans and agriculture loans comprised the remaining 69%.

Kotak Bank had a comfortable resource profile with CASA deposits at 60.7% as on March 31, 2022. Its financial position is supported by strong capitalisation, healthy asset quality and comfortable earnings.



# Punjab National Bank

<b>Company name</b>	Punjab National Bank
<b>Incorporation year</b>	1955
<b>About company</b>	<p>Punjab National Bank (PNB) is amongst the largest public sector banks in India. The Government of India held ~73% in the bank as on March 31, 2022. The bank was amalgamated with United Bank of India and Oriental Bank of Commerce in March 2020.</p>



## Key financial parameters (FY22)

Figures in Rs billion

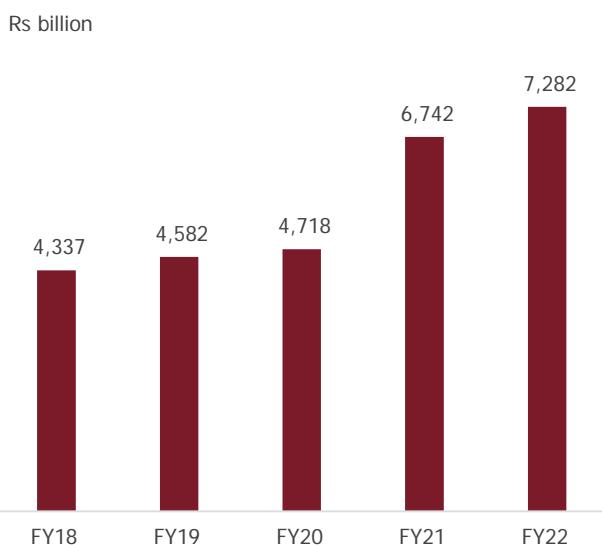
	Loans and advances	7,282
	Total assets	13,084
	Total borrowings	457
	Deposits	11,462
	Networth	881

	GNPA (%)	11.8%
	ROA (%)	0.3%
	NIM (%)	2.2%
	CAR (%)	14.5%

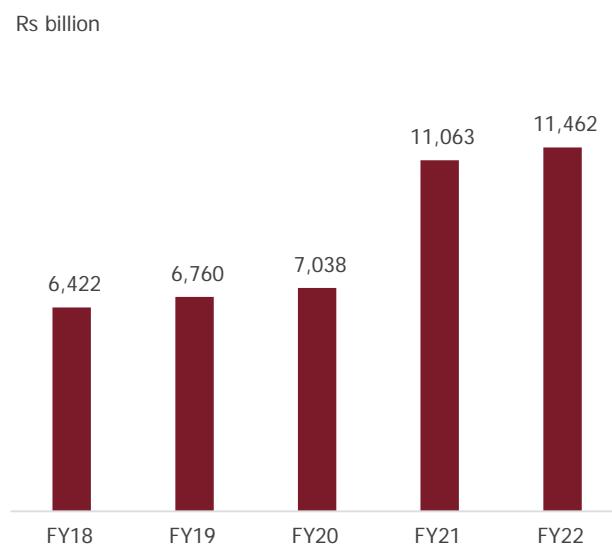
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



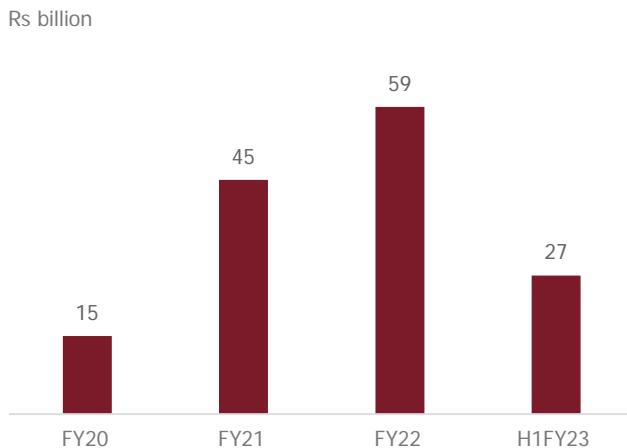
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

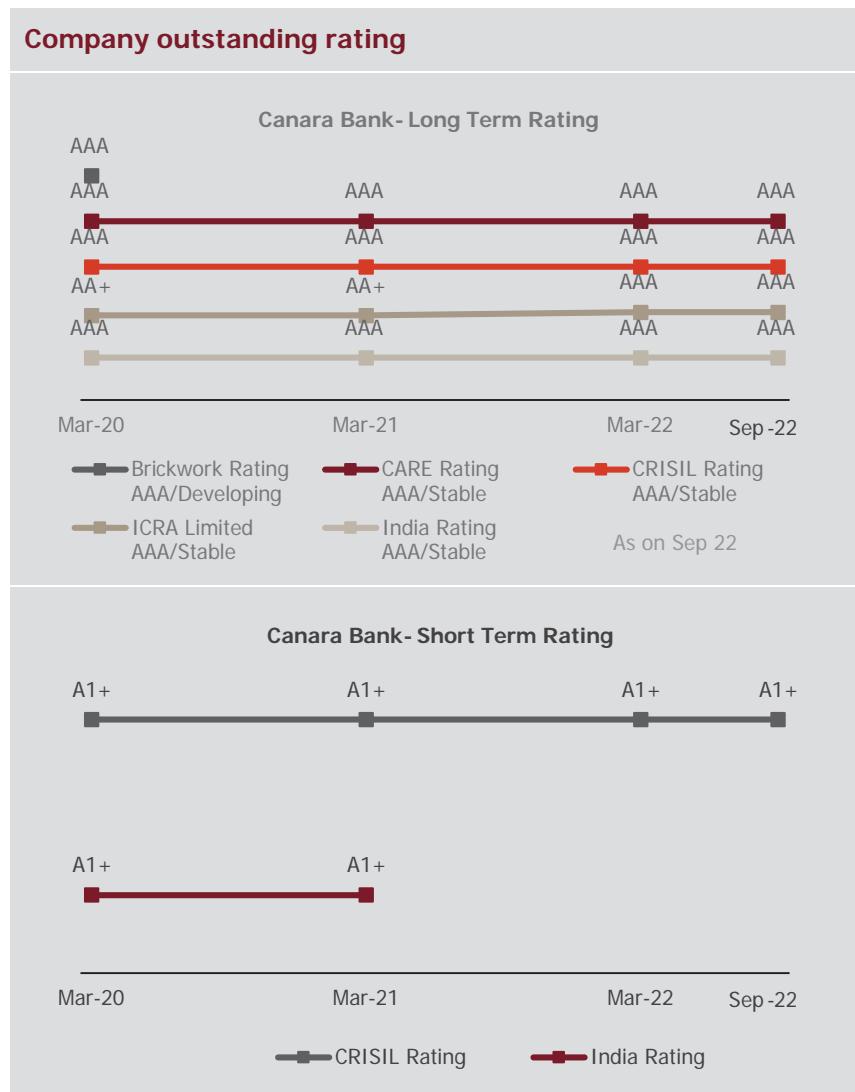
Punjab National Bank has a strong presence and has increased its market share with loans and advances aggregating Rs 7,282 billion and deposits aggregating Rs 11,462 billion as on March 31, 2022. The bank has a pan-India presence through a network of 10,098 branches as on March 31, 2022. PNB has increased its share of retail, agriculture and MSME advances to 50% as of March 2022 with retail loans at 18%, MSME at 16% and corporate book at 49%. The retail loans primarily constitute housing loans, followed by auto and personal loans.

The bank remains adequately capitalised with Tier I and overall capital adequacy ratio at 11.7% and 14.5%, respectively, as on March 31, 2022, well above the regulatory requirement. Its financial position is supported by strong expectation of support from the Government of India, established market position and healthy resource profile. These strengths are partially offset by modest asset quality and profitability.

## Canara Bank



<b>Company name</b>	Canara Bank
<b>Incorporation year</b>	1955
<b>About company</b>	<p>Canara Bank is one of the larger public sector banks by assets and has a pan-India presence. Besides banking, it undertakes factoring, asset management, insurance, and retail and institutional broking services through its subsidiaries and associates.</p>



## Key financial parameters (FY22)

Figures in Rs billion

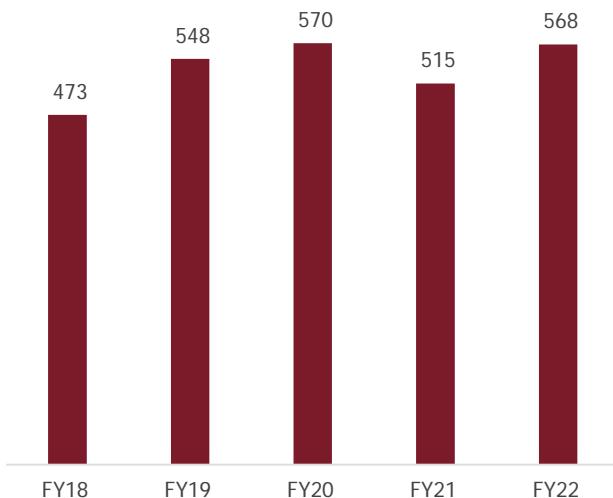
	Loans and advances	7,036		GNPA (%)	7.5%
	Total assets	12,196		ROA (%)	0.5%
	Total borrowings	463		NIM (%)	2.2%
	Deposits	10,864		CAR (%)	14.9%
	Networth	576			

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

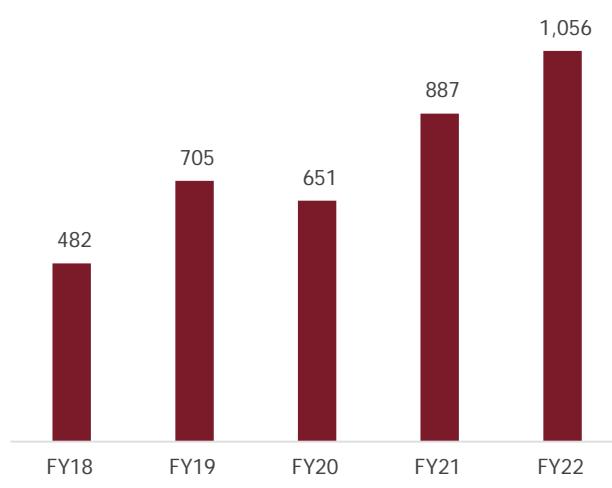
### Trend in loans and advances

Rs billion



### Trend in deposits

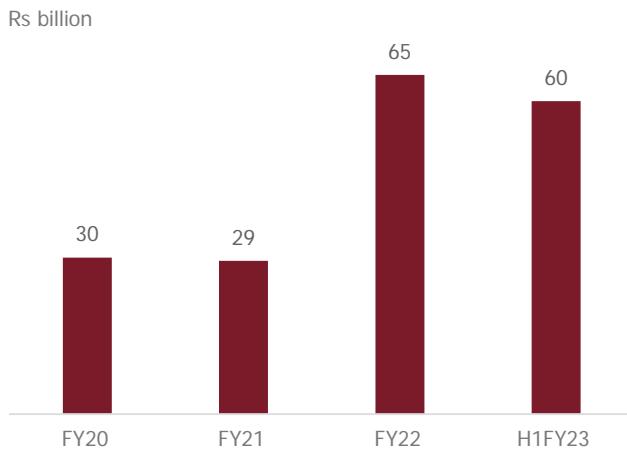
Rs billion



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Canara Bank is one of the larger public sector banks with Government of India ownership of ~63% as on March 31, 2022. The bank was amalgamated with Syndicate Bank with effect from April 1, 2020. The merged entity enjoys the benefits of larger balance sheet, optimised capital utilisation and wider geographic reach. Canara Bank has a strong domestic branch network, comprising 9,734 branches and 10,817 ATMs. Its revenue is diversified across businesses, products and geographies, augmenting the strong market position.

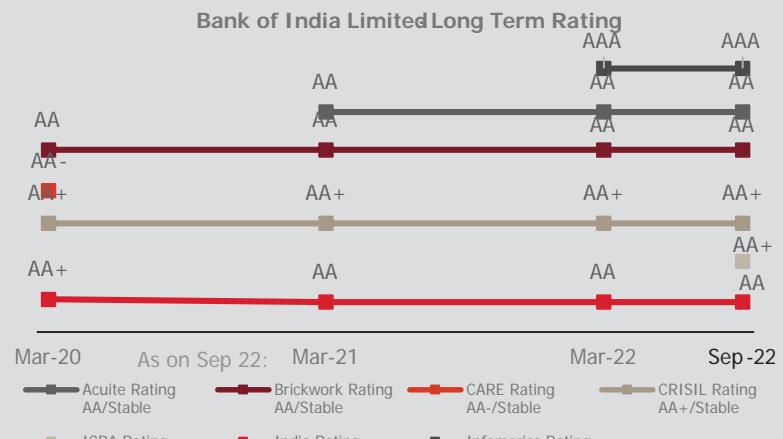
The bank has a diversified portfolio and has a strong franchise in the large and mid-size corporate banking segments—corporate loans formed ~43% of the total advances, retail 17%, SME loans 16% and agriculture loans 24% as on March 31, 2022. The bank's financial position is supported by healthy market position and support from the Government of India.



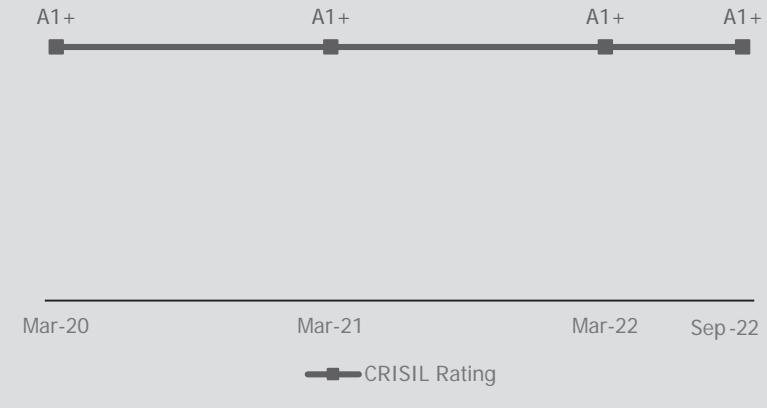
# Bank of India

<b>Company name</b>	Bank of India
<b>Incorporation year</b>	1906
<b>About company</b>	<p>Bank of India (BoI) is the one of the largest public sectors banks in India with a network of 5,105 branches and 7,949 ATMs and cash recycler machines across India as on March 31, 2022. A significant number of its branches cater to rural and semi-urban areas.</p>

## Company outstanding rating



## Bank of India Limited Short Term Rating



## Key financial parameters (FY22)

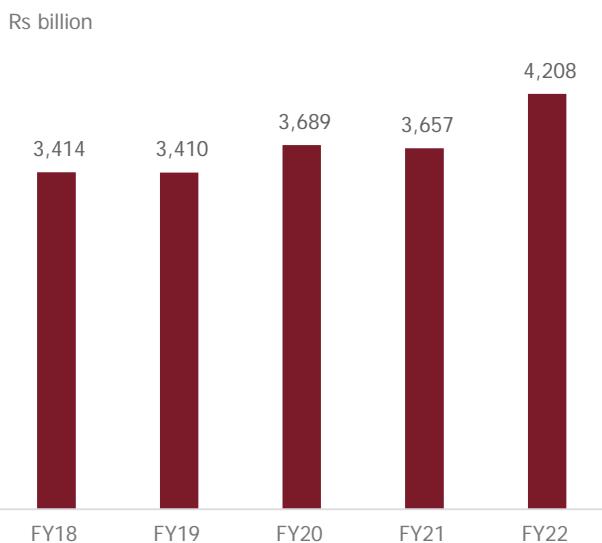
Figures in Rs billion

	Loans and advances	4,208		GNPA (%)	10.0%
	Total assets	7,277		ROA (%)	0.5%
	Total borrowings	268		NIM (%)	1.9%
	Deposits	6,279		CAR (%)	17.0%
	Networth	482			

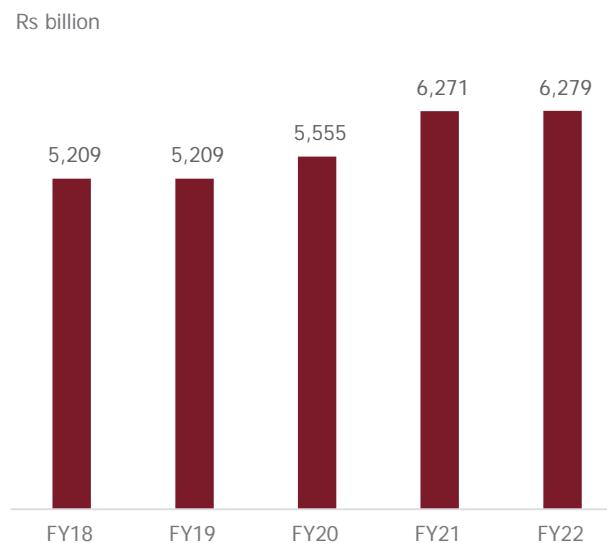
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits

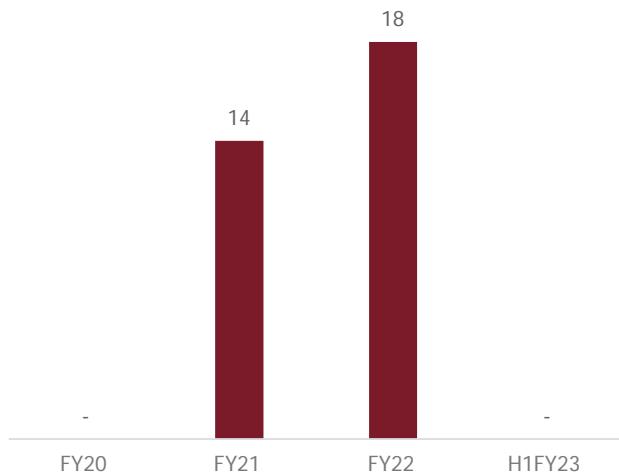


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Bank of India is among the large public sector banks with loans and advances of Rs 4,208 billion and deposits of Rs 6,279 billion as on March 31, 2022. The bank has strong presence in the corporate segment, with the bulk of business and earnings coming from large corporate clients. The resource profile of the bank is supported by a large deposit base and adequate low-cost deposits driven by presence in rural and semi-urban areas. Its financial position is supported by established market position and comfortable resource profile. The strengths are partially offset by weak asset quality and modest earnings.

## The Federal Bank Limited



<b>Company name</b>	The Federal Bank Limited
<b>Incorporation year</b>	1931
<b>About company</b>	Headquartered in Aluva, Kerala, The Federal Bank Limited (Federal Bank) is a mid-sized private sector bank. It had a network of 1,282 branches as on March 31, 2022.



## Key financial parameters (FY22)

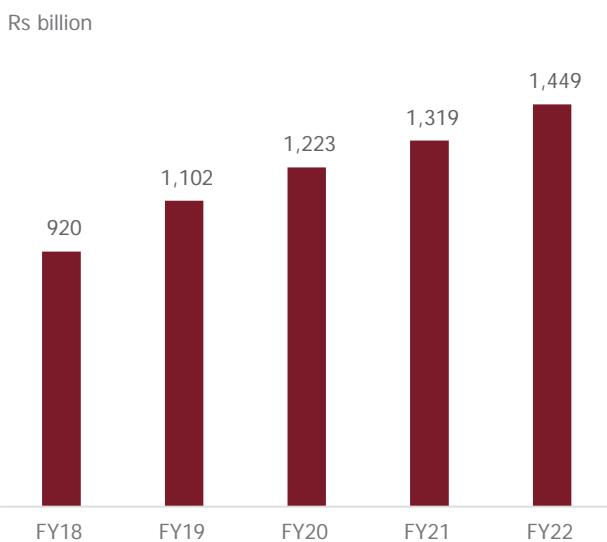
Figures in Rs billion

	Loans and advances	1,449		GNPA (%)	2.8%
	Total assets	2,212		ROA (%)	0.9%
	Total borrowings	154		NIM (%)	2.8%
	Deposits	1,817		CAR (%)	15.8%
	Networth	187			

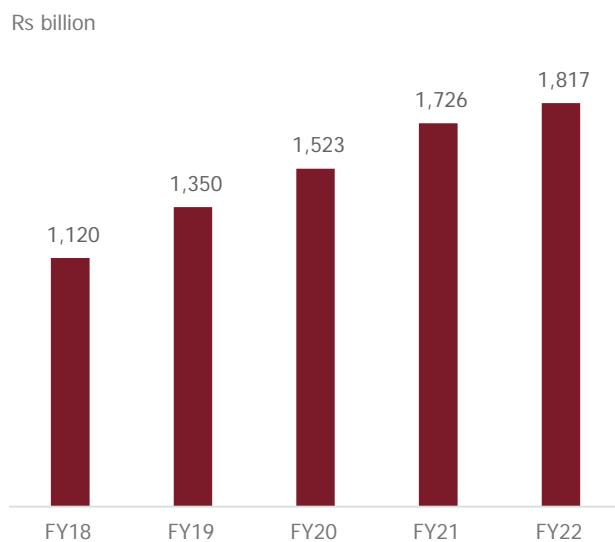
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance

Rs billion



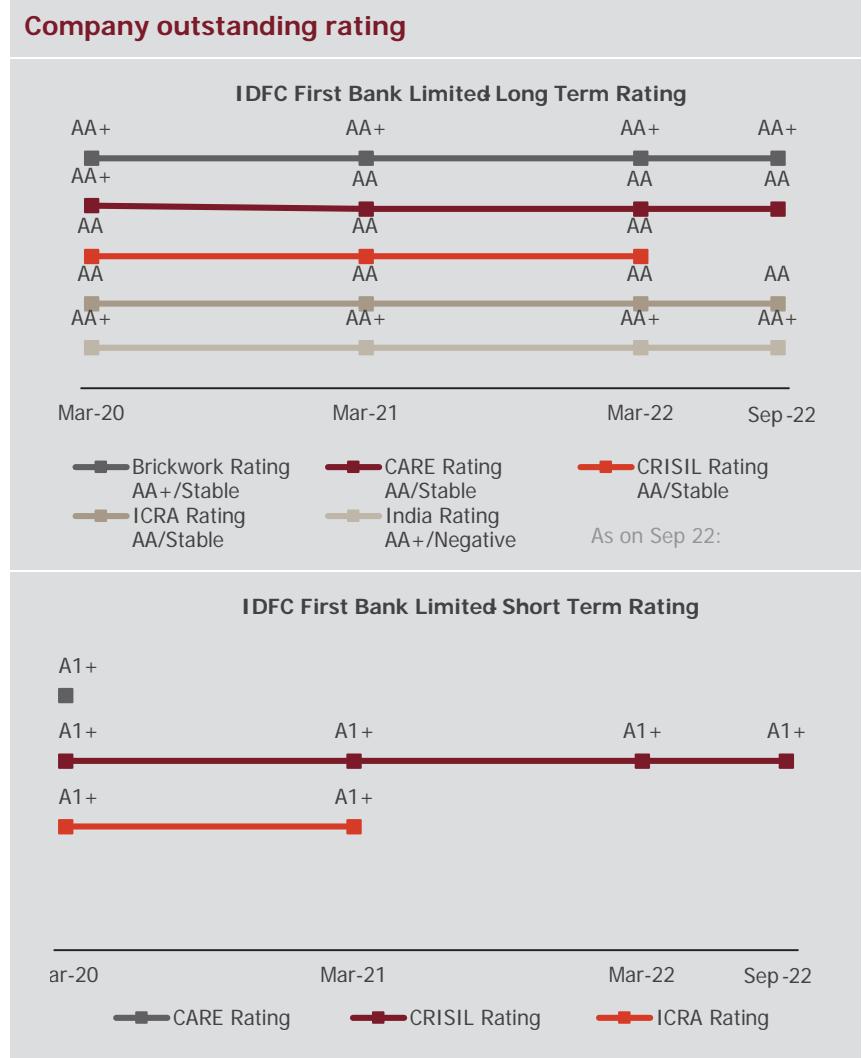
Source: Prime database, CCIL -FTRAC, Crisil Research

Federal Bank is a mid-sized private sector bank with operations concentrated in south India, primarily Kerala, Tamil Nadu, Andhra Pradesh and Telangana, which collectively accounted for 75% and 59% of deposits and advances, respectively, as on March 31, 2022. The concentration risk is mitigated by the relatively better economic performance of this region. The bank's financial risk profile is supported by comfortable capitalisation and healthy resource profile, with strong brand equity in Kerala. These strengths are partially offset by average asset quality and profitability.



# IDFC FIRST Bank Limited

<b>Company name</b>	IDFC FIRST Bank Limited
<b>Incorporation year</b>	2014
<b>About company</b>	<p>IDFC FIRST Bank Limited (IDFC FIRST) came into effect on December 18, 2018, after the merger of IDFC Bank and Capital First Limited. The bank has three business verticals: corporate banking, consumer banking and rural banking.</p>



## Key financial parameters (FY22)

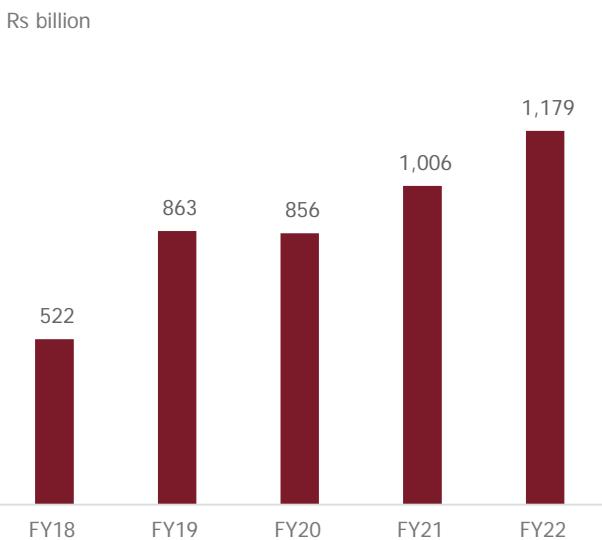
Figures in Rs billion

	Loans and advances	1,179		GNPA (%)	3.7%
	Total assets	1,899		ROA (%)	0.1%
	Total borrowings	530		NIM (%)	5.5%
	Deposits	1,056		CAR (%)	16.7%
	Networth	206			

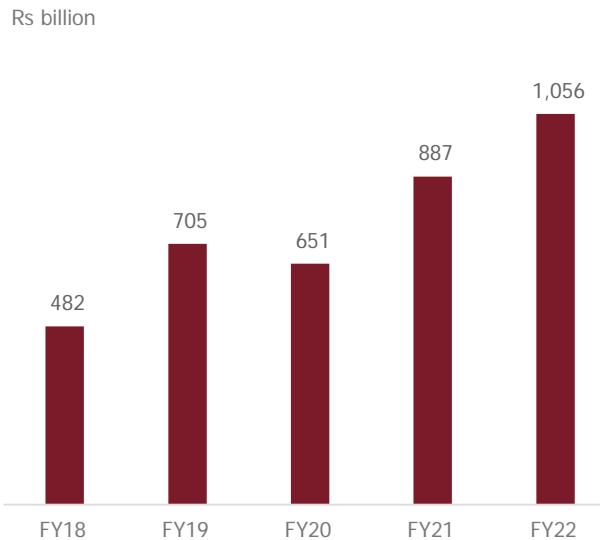
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



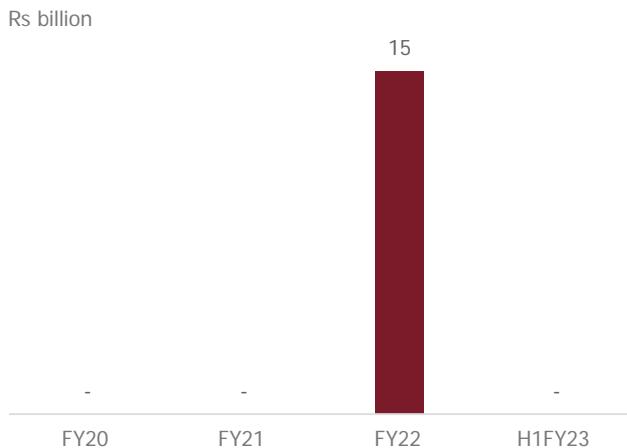
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

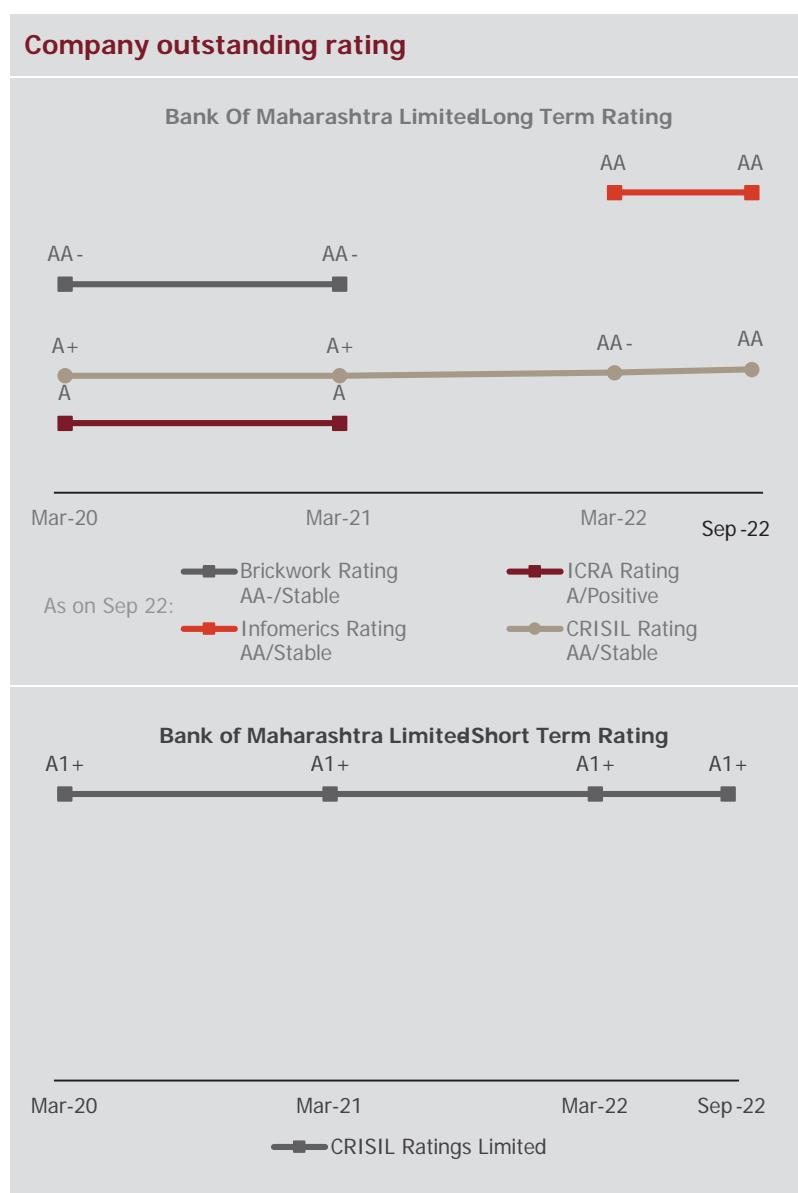
Post-merger of IDFC Bank and Capital First Limited in December 2018, the bank's loans and advances grew at a healthy CAGR of 11% from March 2019, aggregating to Rs 1,179 billion as on March 31, 2022. The growth has been across retail product offerings, with home loans being the primary driver along with small commercial loans. The share of retail loans in overall loans and advance aggregated to 72%, wholesale at 23% and priority sector lending and others at 5% as on March 31, 2022.

The bank had 641 branches as on March 31, 2022, up from 596 branches a year earlier. Its financial position is supported by healthy capitalisation and strengthened liability franchise. However, these strengths are partially offset by subdued profitability on account of higher credit cost and operating expenses.



## Bank Of Maharashtra

<b>Company name</b>	Bank Of Maharashtra
<b>Incorporation year</b>	1955
<b>About company</b>	Bank Of Maharashtra (BoM) is a medium-sized public sector bank, with government of India holding ~90% stake as on March 31, 2022. The bank has a branch network of over 2,029 branches and 2,165 ATMs with 55% of its branches in rural and semi-urban areas.



## Key financial parameters (FY22)

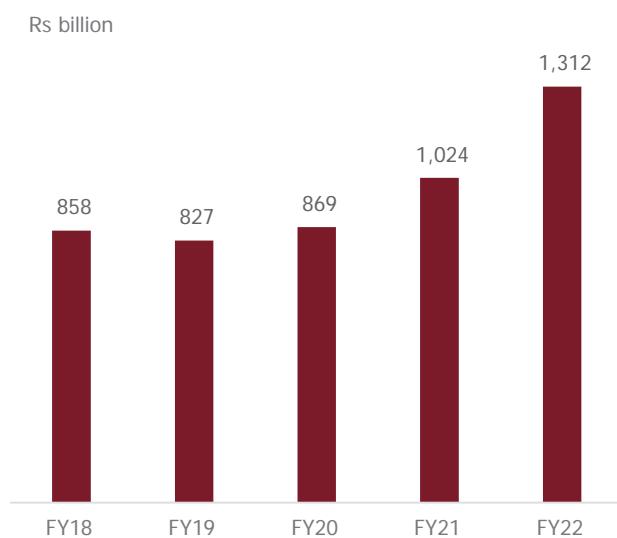
Figures in Rs billion

	Loans and advances	1,312		GNPA (%)	3.9%
	Total assets	2,290		ROA (%)	0.5%
	Total borrowings	77		NIM (%)	2.8%
	Deposits	2,023		CAR (%)	16.5%
	Networth	123			

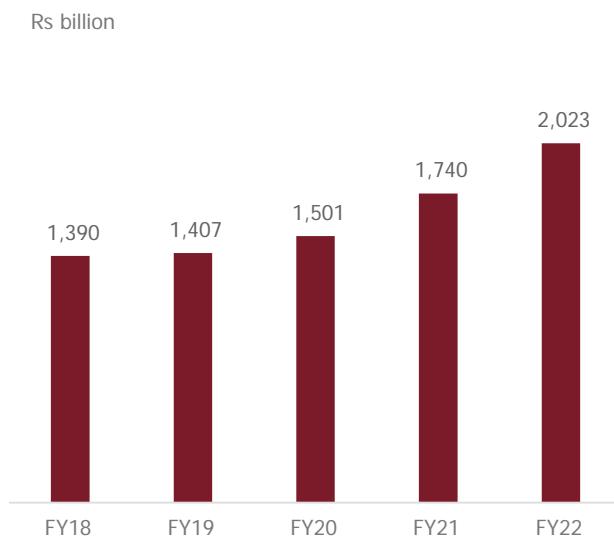
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



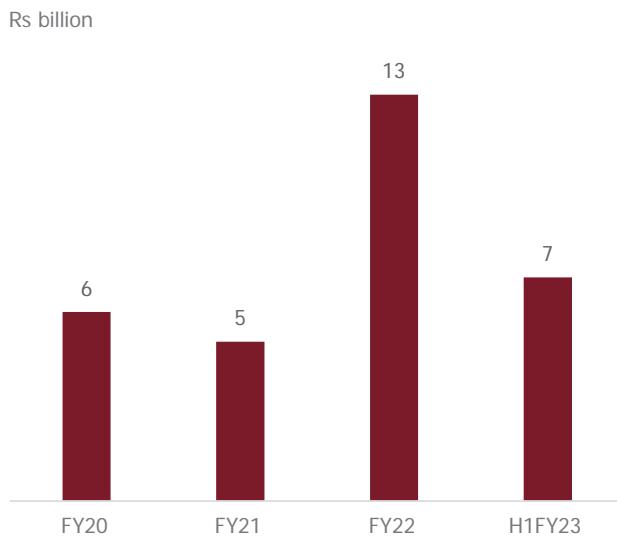
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

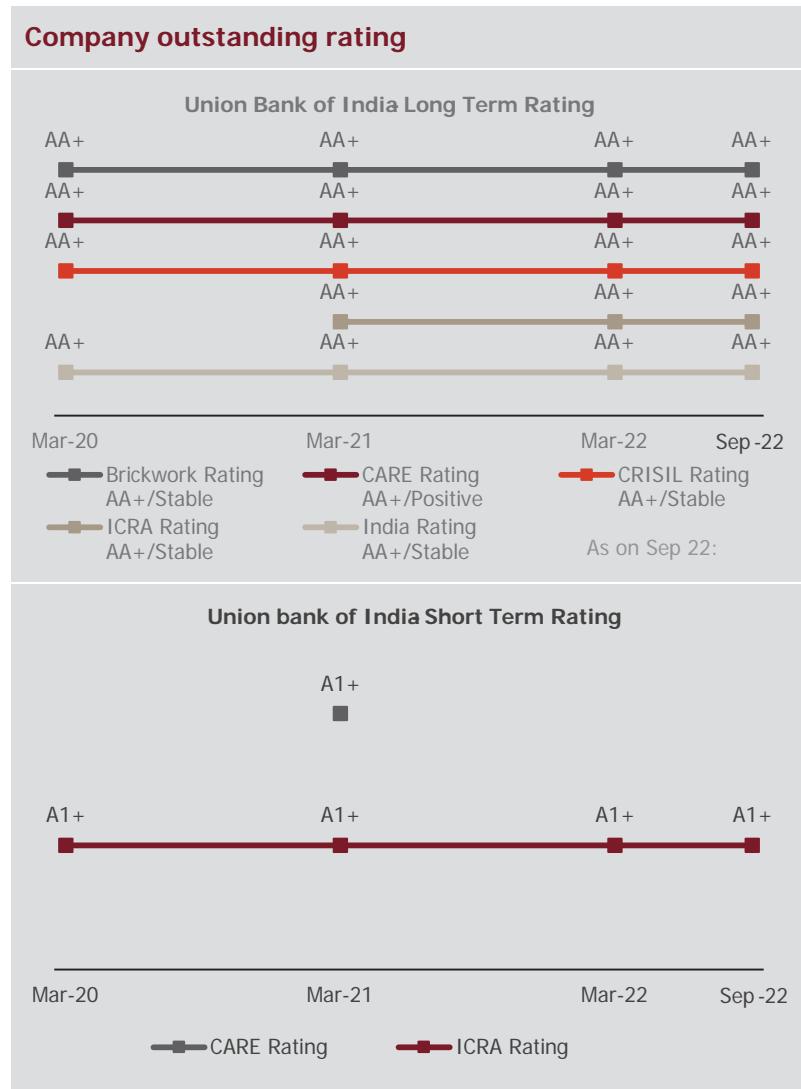
Bank of Maharashtra is a mid-sized public sector bank with operations concentrated in Maharashtra. Loans and advances aggregated to Rs 1,312 billion and deposits Rs 2,023 billion as on March 31, 2022. The retail portfolio accounted for 26.19% of total advances, corporate 40%, MSME 20% and agriculture loans 14% as on March 31, 2022.

The bank had above-industry level CASA deposits, which stood at ~56% of total deposits. Further, the financial position is supported by strong support from the government and a comfortable resource profile. These strengths are partially offset by high regional concentration in revenue and modest, albeit improving, asset quality.



# Union Bank of India

<b>Company name</b>	Union Bank of India
<b>Incorporation year</b>	1919
<b>About company</b>	<p>Union Bank of India (Union Bank) was nationalised in 1969. The government of India held 84% equity as on March 31, 2022. Union Bank is among the larger public sector banks in India by asset size, with a branch network of 8,870 domestic branches as on March 31, 2022.</p>



## Key financial parameters (FY22)

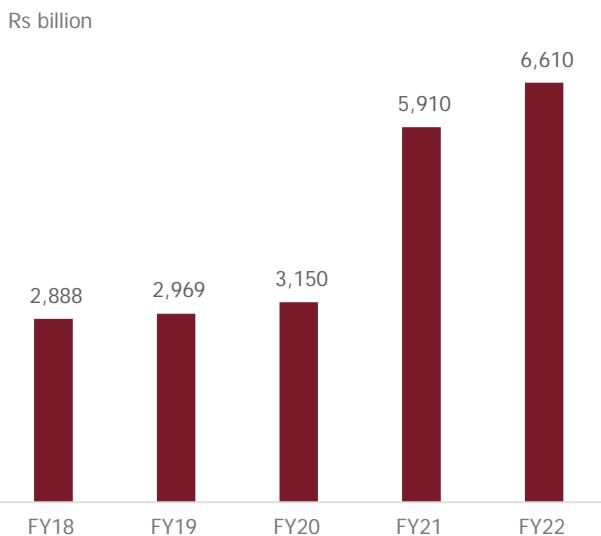
Figures in Rs billion

	Loans and advances	6,610		GNPA (%)	11.1%
	Total assets	11,858		ROA (%)	0.5%
	Total borrowings	512		NIM (%)	2.5%
	Deposits	10,324		CAR (%)	14.5%
	Networth	656			

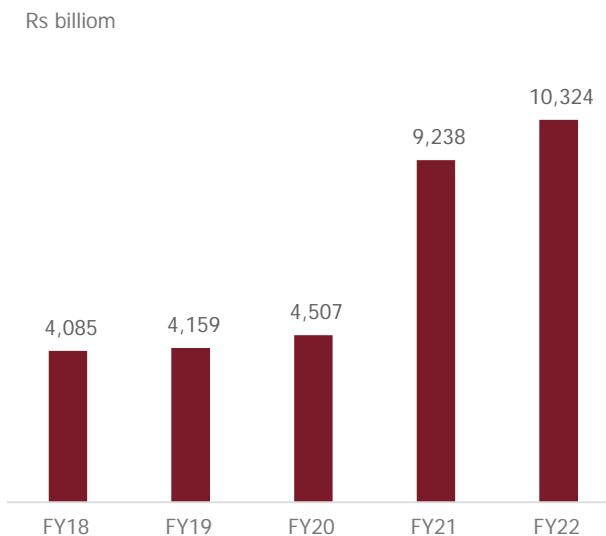
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



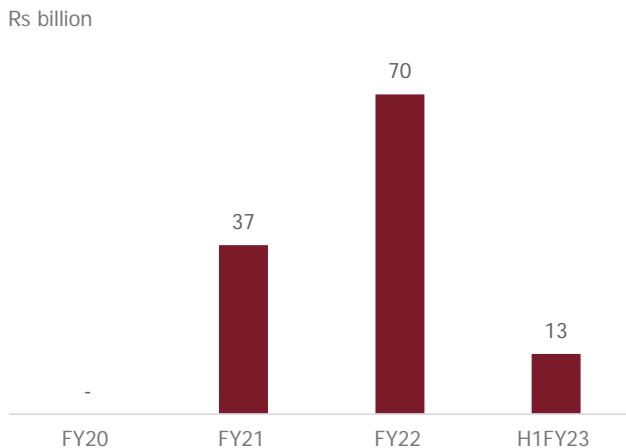
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

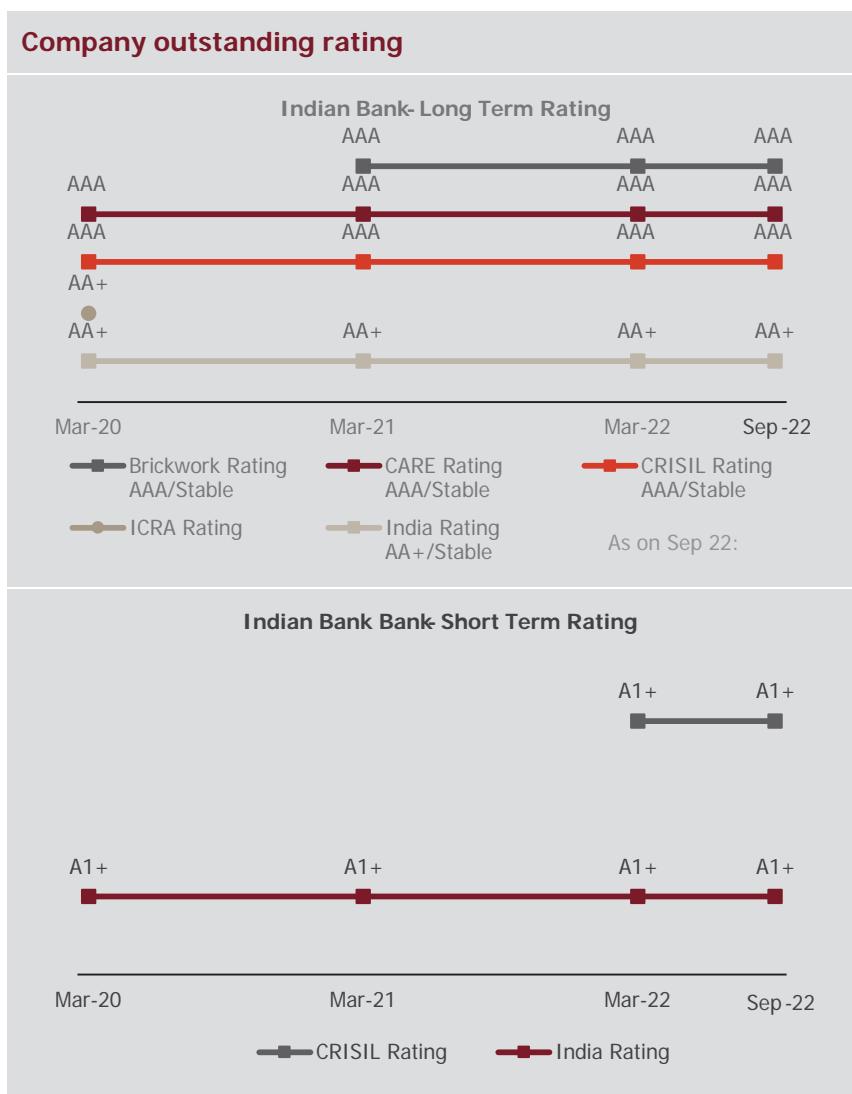
Union Bank is one of the large public sector banks in India, with loans and advances aggregating to Rs 6,610 billion as on March 31, 2022. The bank got amalgamated with Andhra Bank and Corporation Bank w.e.f. April 1, 2020. The merged entity enjoys the benefits of sizeable balance sheet, optimised capital utilisation and wider geographic reach. The bank's loan portfolio primarily comprises corporate loans at 46% followed by retail at 19%, agriculture at 19% and MSME loans at 16%. Within retail, housing loans accounted for 52% of the loan book followed by vehicle loans at 10%, mortgage loans at 9% and education loans at 5%.

The bank benefits from its sizeable branch network of more than 8,700 branches and wide reach in rural and semi-urban areas. This facilitates a low-cost, stable resource base. Its financial risk profile is supported by strong support from the government of India and sizeable scale of operations backed by extensive branch network; these strengths are partially offset by modest asset quality and average, albeit improving, earnings profile.

## Indian Bank



<b>Company name</b>	Indian Bank
<b>Incorporation year</b>	1955
<b>About company</b>	<p>Indian Bank is a medium-sized public sector bank with government of India holding ~80% stake. The bank had a strong domestic branch network of 5,732 branches and 4,925 ATMs, including 3 overseas branches (Singapore, Colombo and Jaffna), as on March 31, 2022.</p>



## Key financial parameters (FY22)

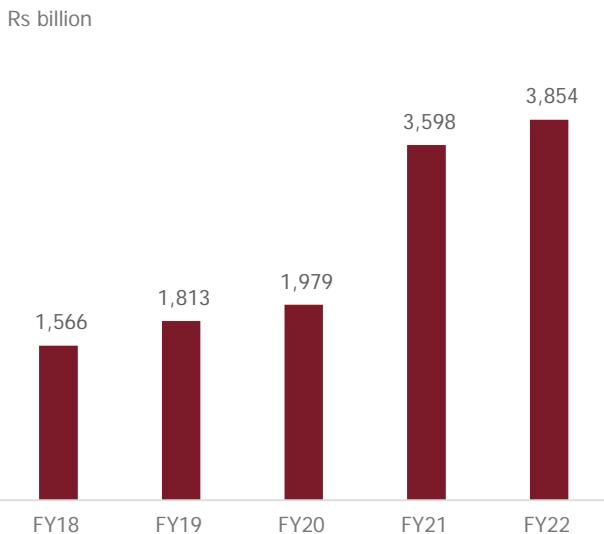
Figures in Rs billion

	Loans and advances	3,854		GNPA (%)	8.6%
	Total assets	6,617		ROA (%)	0.6%
	Total borrowings	171		NIM (%)	2.6%
	Deposits	5,936		CAR (%)	16.5%
	Networth	375			

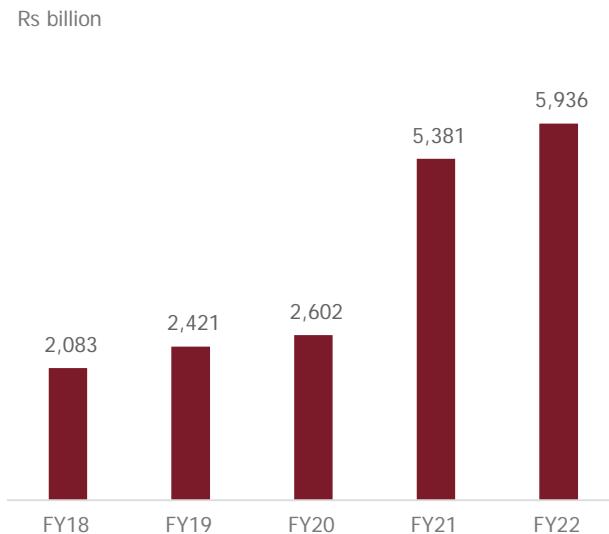
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



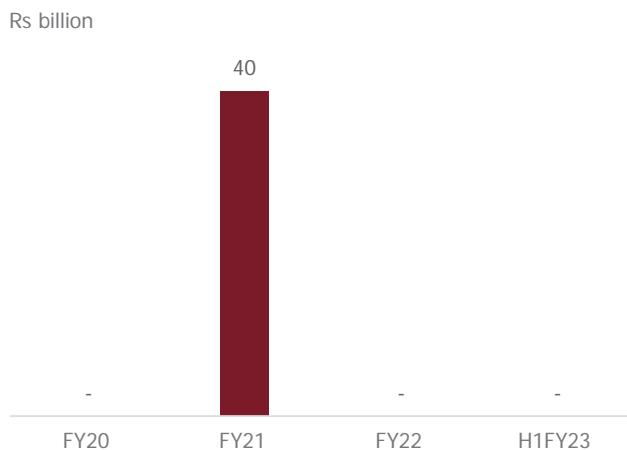
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

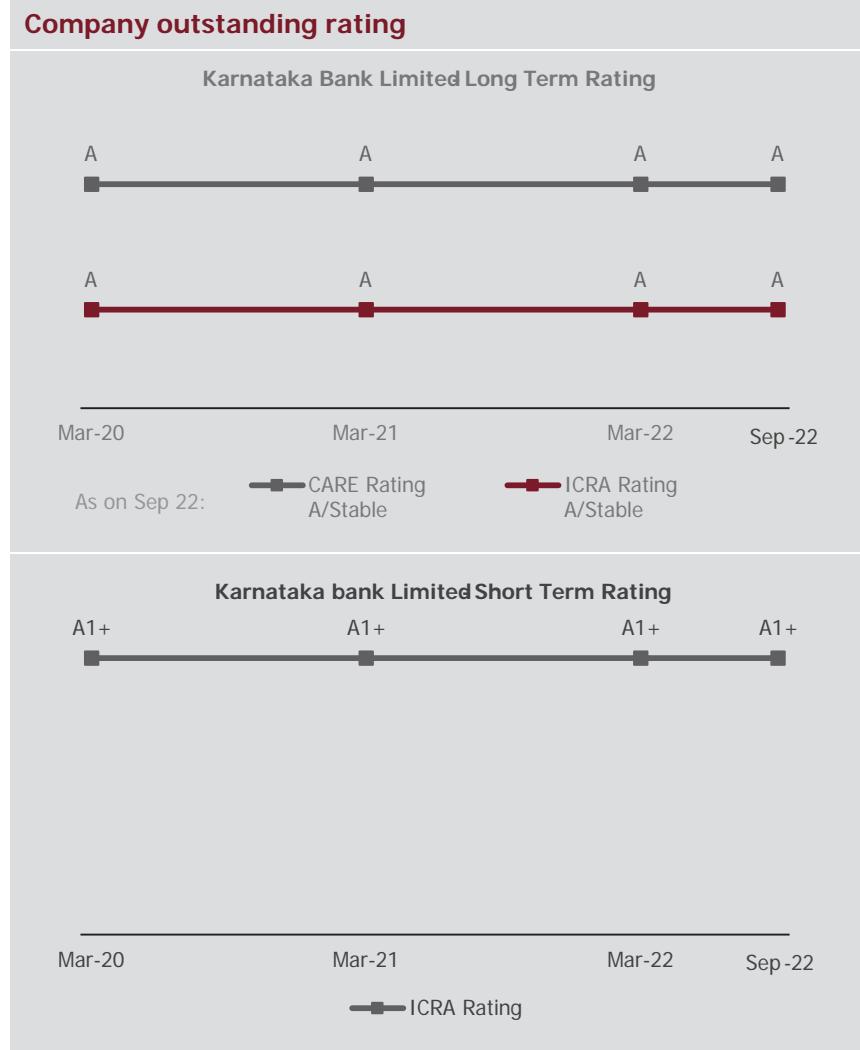
Indian bank is a mid-sized government-owned bank, with loans and advances aggregating to Rs 3,854 billion as on March 31, 2022. The bank got amalgamated with Allahabad Bank w.e.f. April 1, 2020. Its loan portfolio primarily constitutes of corporate loans at 39% followed by agriculture loans at 23%, retail loans at 19% and MSME loans at 18%. Within retail, home loans accounted for around 66%.

Post amalgamation, the merged entity enjoys the benefits of larger balance sheet, optimised capital utilisation and wider geographic reach leading to deeper penetration. The financial position is supported by adequate capitalisation and healthy resource profile.



# The Karnataka Bank Limited

<b>Company name</b>	The Karnataka Bank Limited
<b>Incorporation year</b>	1924
<b>About company</b>	<p>Karnataka Bank Ltd (KBL) is a Mangalore-based private sector bank. The bank has over nine decades of professional banking experience and national presence, with a network of 877 branches, 1,448 ATMs/cash recyclers spread across 22 states and 2 union territories as on March 31, 2022.</p>



## Key financial parameters (FY22)

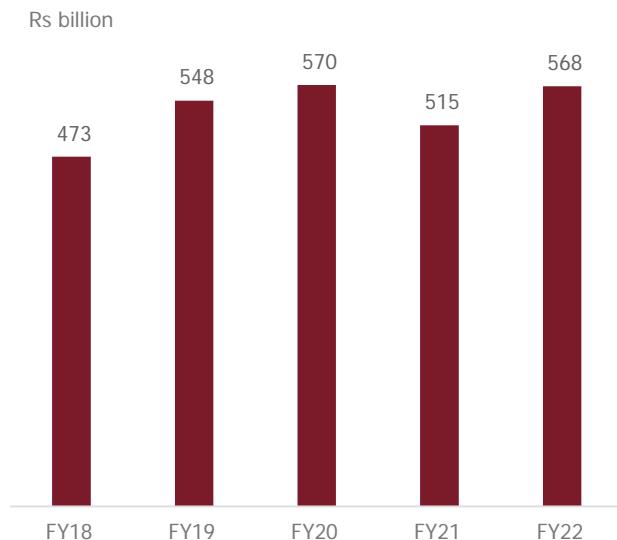
Figures in Rs billion

	Loans and advances	568		GNPA (%)	3.9%
	Total assets	917		ROA (%)	0.6%
	Total borrowings	23		NIM (%)	2.8%
	Deposits	804		CAR (%)	15.7%
	Networth	66			

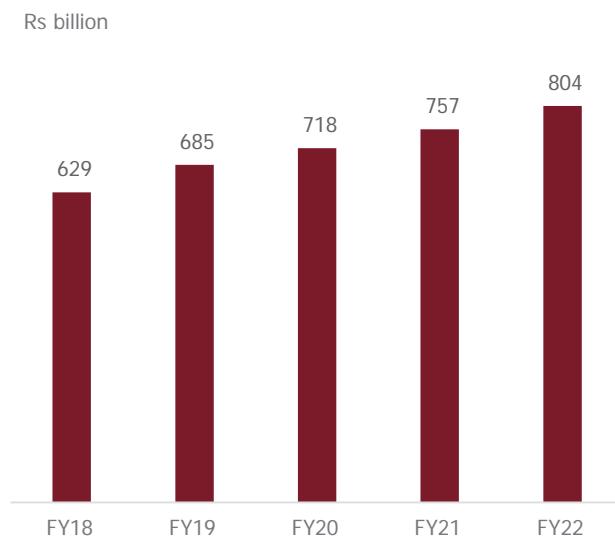
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits

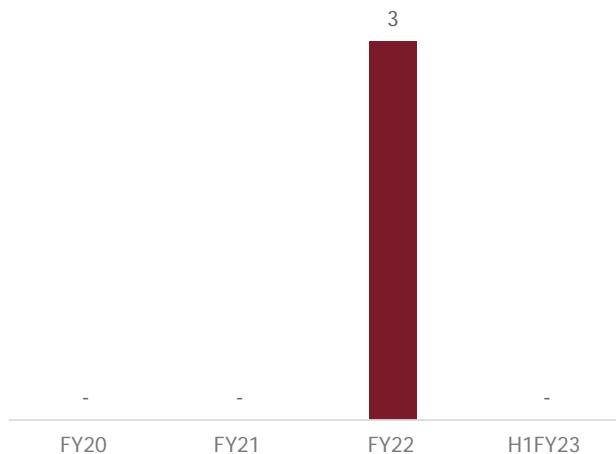


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance

Rs billion



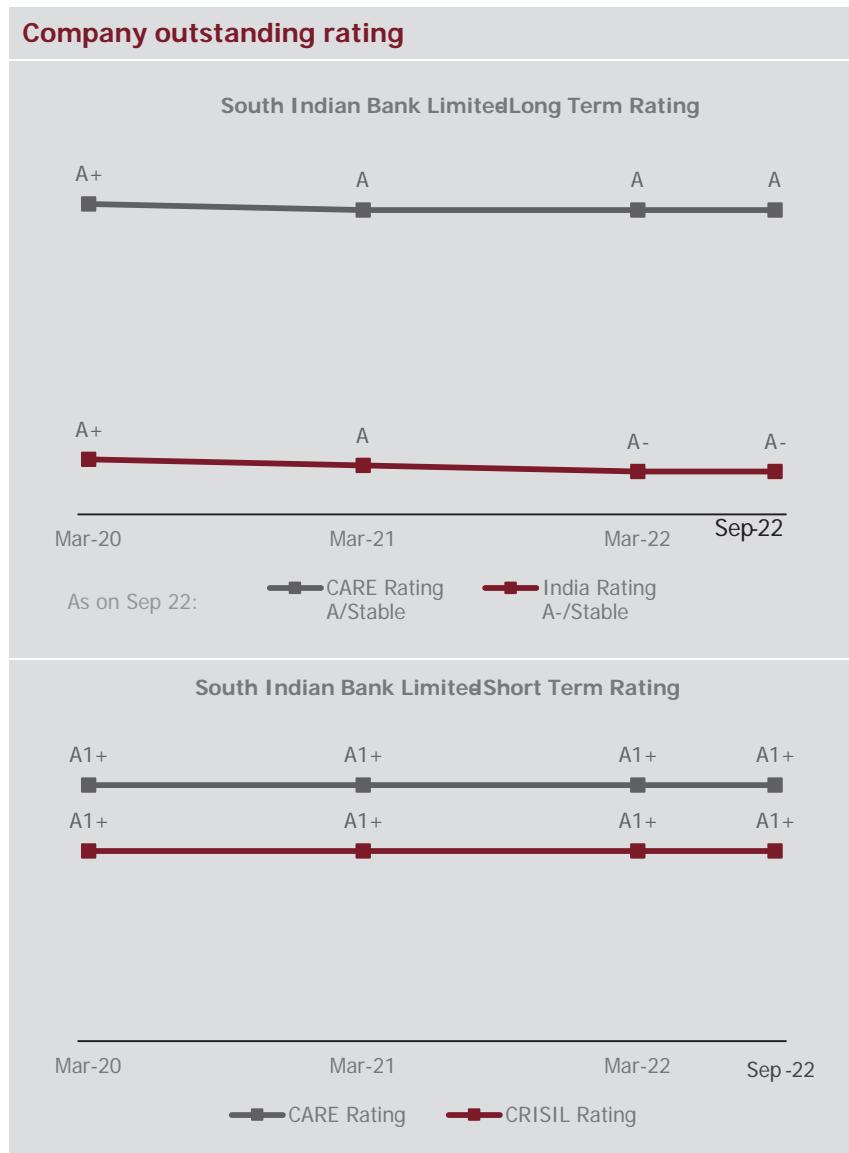
Source: Prime database, CCIL -FTRAC, Crisil Research

The Karnataka Bank is a private sector bank with loans and advances aggregating to Rs 568 billion and deposits at Rs 804 billion as on March 31, 2022. The bank has a network of 877 branches with concentration in south India. Its financial position is supported by adequate capitalisation, consistent improvement in profitability and sticky and granular deposit base.

## South Indian Bank Limited



<b>Company name</b>	South Indian Bank Limited (SIB)
<b>Incorporation year</b>	1929
<b>About company</b>	Founded in 1929 and headquartered in Thrissur (Kerala), SIB is a private sector bank. As on March 31, 2022, it had a network of 938 branches and 1,270 ATMs.



## Key financial parameters (FY22)

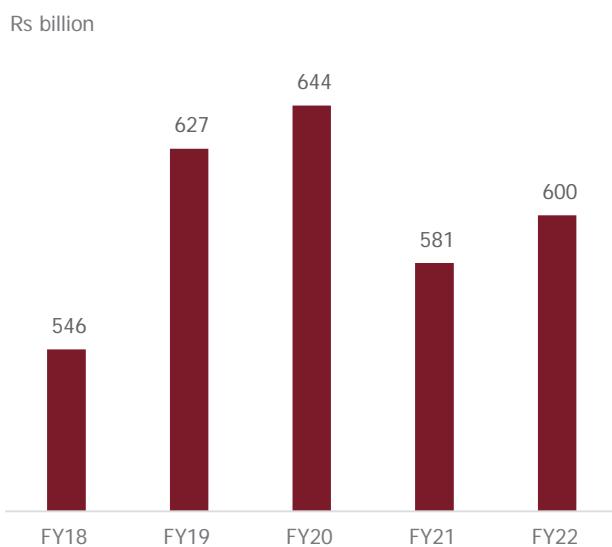
Figures in Rs billion

	Loans and advances	600		GNPA (%)	5.9%
	Total assets	998		ROA (%)	0.05%
	Total borrowings	33		NIM (%)	2.3%
	Deposits	891		CAR (%)	15.9%
	Net worth	55			

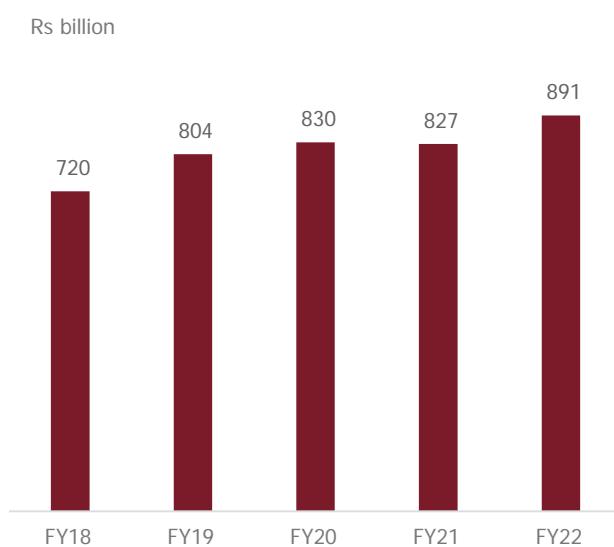
Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



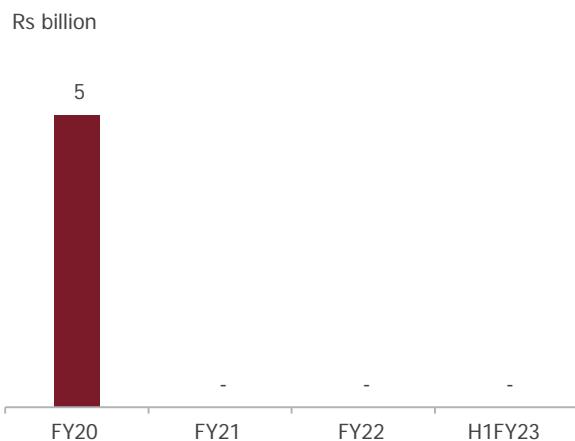
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification /adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



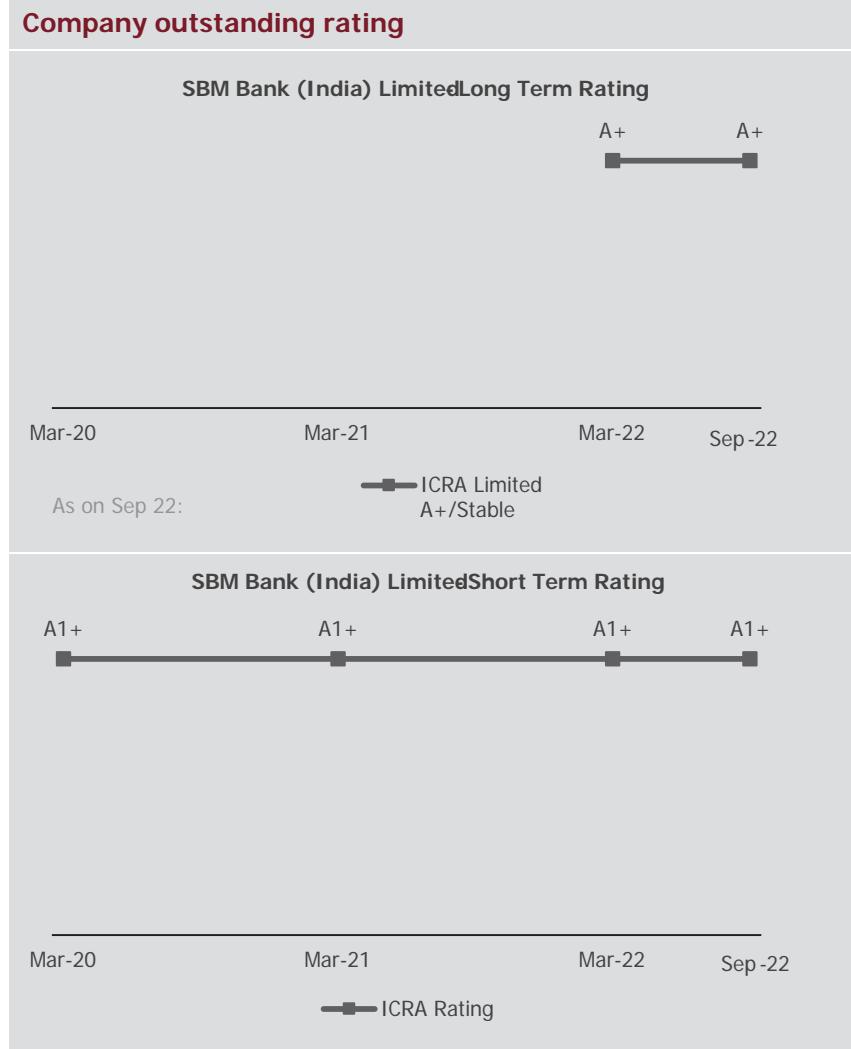
Source: Prime database, CCIL -FTRAC, Crisil Research

South Indian Bank is a midsize private sector bank with operations primarily in and around Kerala. Loans and advances of the bank aggregated to Rs 600 billion as on March 31, 2022, with concentration of exposure to retail SME and agricultural advances. The financial position of the bank is supported by adequate capital support and a stable resource profile with high retail deposits. These strengths are partly offset by moderate asset quality and a subdued earnings profile.

# SBM Bank (India) Ltd



<b>Company name</b>	SBM Bank (India) Limited
<b>Incorporation year</b>	2017
<b>About company</b>	<p>SBM Bank (India) Limited (SBIL) has been operating in India since 1994 as a branch in Mumbai as a part of SBM Bank (Mauritius) Ltd India under the branch model. SBIL was incorporated on March 30, 2017, to operate as a wholly owned subsidiary of a foreign bank as per the RBI WOS framework dated November 06, 2013. The bank commenced operations on December 1, 2018.</p>



## Key financial parameters (FY22)

Figures in Rs billion

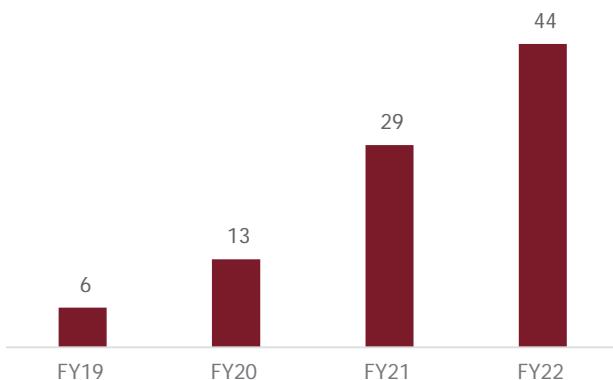
	Loans and advances	44		GNPA (%)	2.1%
	Total assets	81		ROA (%)	0.3%
	Total borrowings	3		NIM (%)	2.0%
	Deposits	68		CAR (%)	17.3%
	Net worth	7			

Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

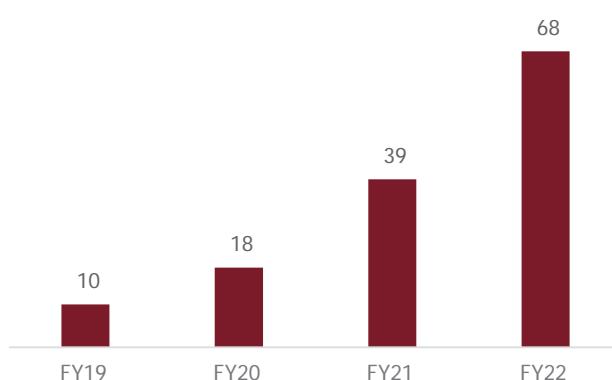
### Trend in loans and advances

Rs billion



### Trend in deposits

Rs billion



Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

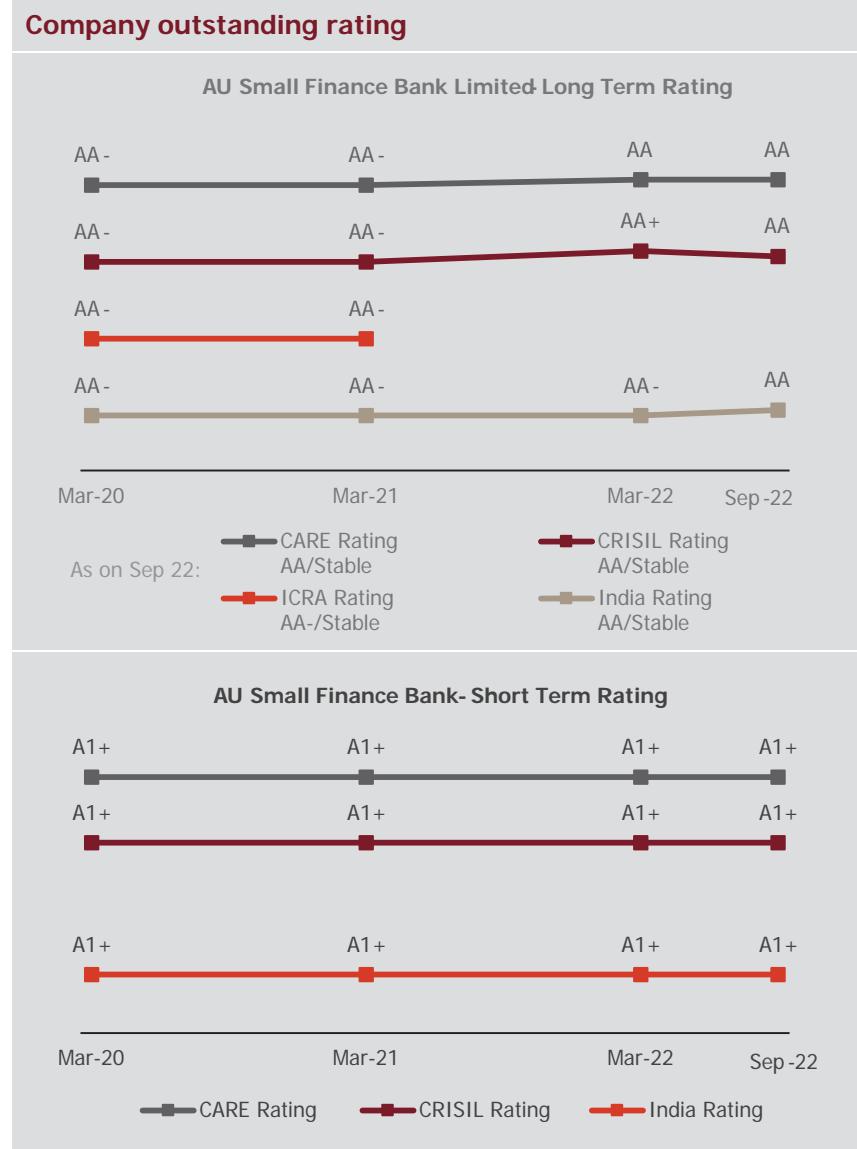
SBM (India) Limited has been granted a licence to carry out banking operations under the wholly owned subsidiary model in India. The bank has 11 branches in India, with portfolio primarily in Mumbai (41%), followed by Delhi (29%), Chennai and Hyderabad (10-11% each). Total loans and advances, and deposits of the bank aggregated to Rs 44 billion and Rs 68 billion, respectively, as on March 31, 2022. The bank's financial profile is supported by an improved credit profile and adequate capitalisation.

# Player profile for small finance banks

## AU Small Finance Bank Limited



<b>Company name</b>	AU Small Finance Bank Limited
<b>Incorporation year</b>	1996
<b>About company</b>	AU Small Finance Bank Limited commenced small finance bank operations in April 2017. The bank operates in the retail asset financing segment, primarily vehicle financing.



## Key financial parameters (FY22)

	Loans and advances	461
	Total assets	690
	Total borrowings	60
	Deposits	526
	Net worth	74

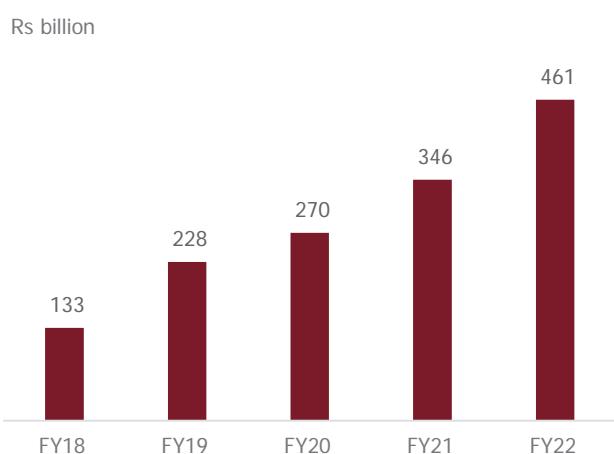
Figures in Rs billion

	GNPA (%)	2.0%
	ROA (%)	1.9%
	NIM (%)	5.4%
	CAR (%)	21.0%

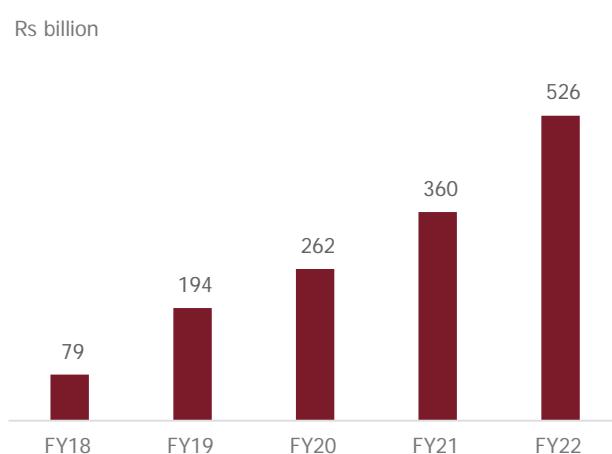
Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



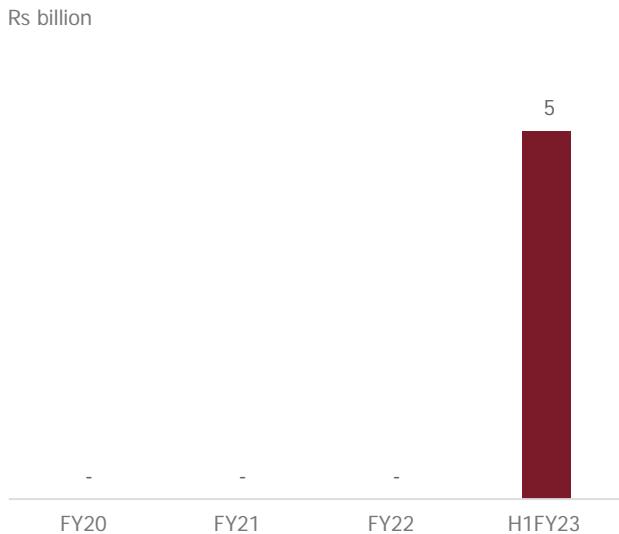
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

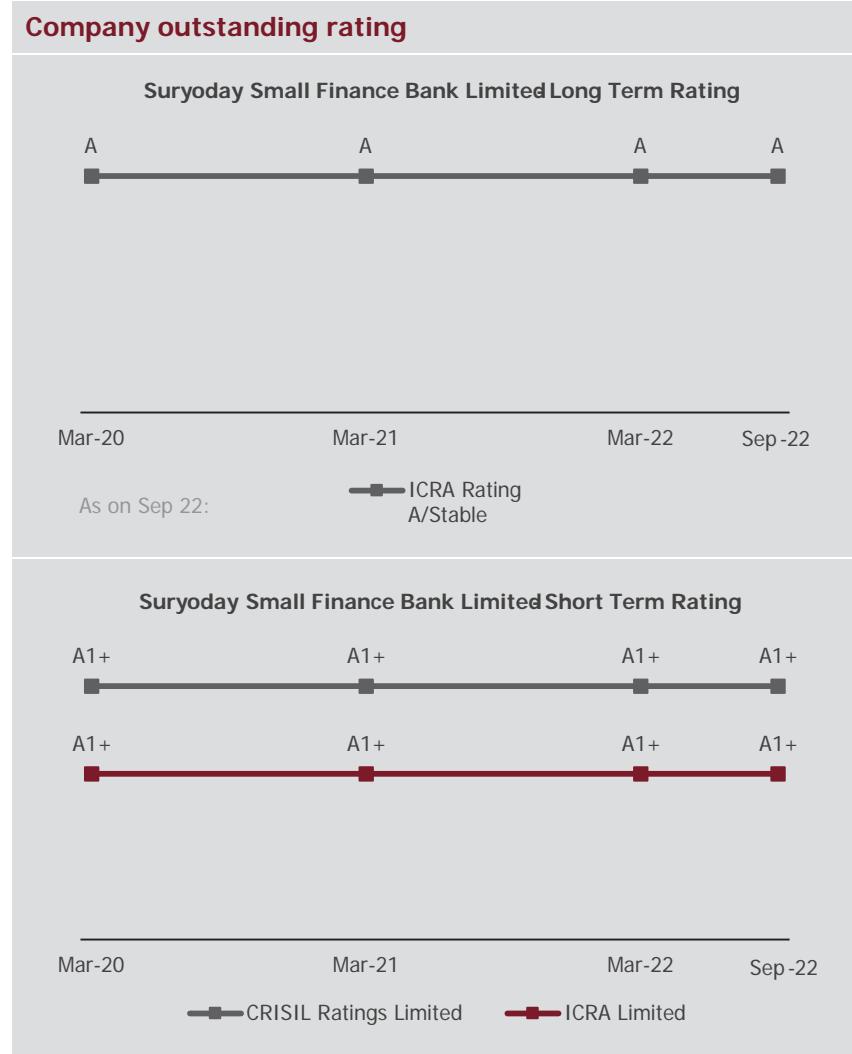
AU Small Finance Bank has an established market position in Rajasthan, and has expanded operations to Maharashtra, Gujarat and other states over the years. The bank's main focus is retail asset financing, primarily vehicle financing, along with segments such as housing, gold loans and personal loans. In terms of portfolio mix, as on March 31, 2022, over 80% of the book was deployed in retail loans with vehicle loans forming the largest portion (~36%), followed by small business loans to MSMEs (35%).

The bank's financial profile is supported by adequate capitalisation, a sustained ramp-up in deposit franchise, and a track record of maintaining above-average asset quality metrics. These strengths are partly offset by a moderate, though improving, scale of operations and geographic concentration.

## Suryoday Small Finance Bank Limited



<b>Company name</b>	Suryoday Small Finance Bank Limited
<b>Incorporation year</b>	2008
<b>About company</b>	<p>Suryoday Small Finance Bank Limited (Suryoday SFB) started as a non-banking financial institution called Suryoday Micro Finance Ltd and received an RBI licence to operate as a small finance bank in 2016. The bank primarily provides micro loans to women in urban and semi-urban areas under the joint liability group model of lending.</p>



## Key financial parameters (FY22)

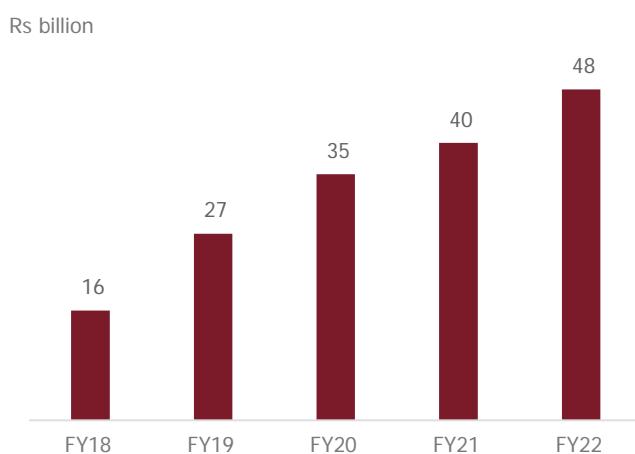
Figures in Rs billion

	Loans and advances	48		GNPA (%)	11.8%
	Total assets	82		ROA (%)	-1.2%
	Total borrowings	26		NIM (%)	7.8%
	Deposits	38		CAR (%)	37.9%
	Net worth	15			

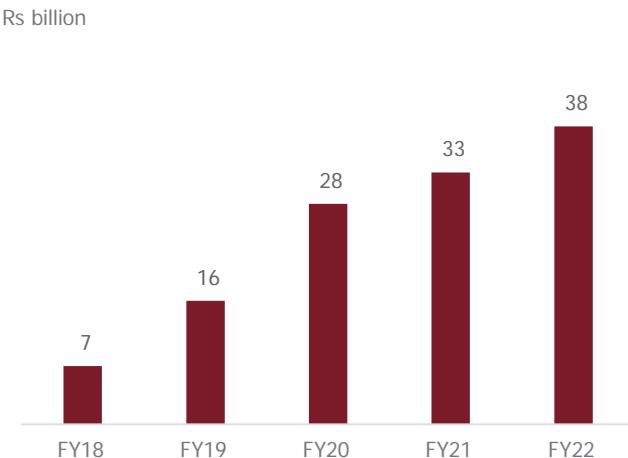
Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



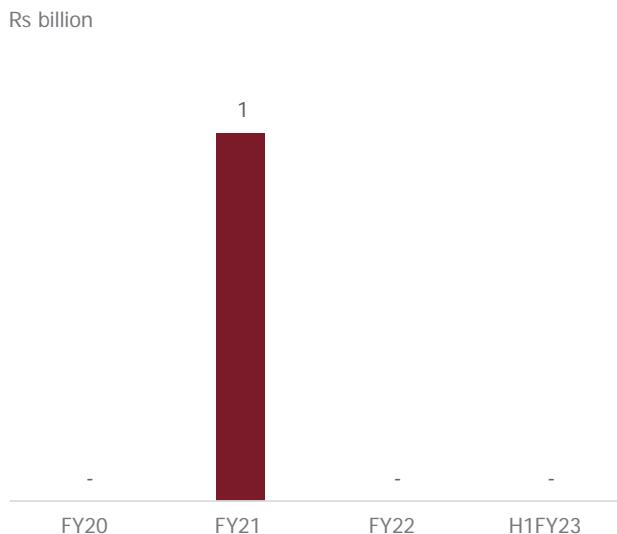
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Suryoday Small Finance Bank Limited started its operations as a small finance bank in January 2017. As on March 31, 2022, loans and advances of the bank stood at Rs 48 billion and deposits at Rs 38 billion. The bank's portfolio is dominated by the microfinance segment. However, post conversion to a bank, it has significantly scaled up its non-microfinance portfolio, albeit at a small base.

The bank's financial profile is supported by its strong capitalisation, ability to ramp up term deposit franchise and experienced management team. These strengths are partly offset by a weak earnings profile owing to higher credit cost and gross NPA.

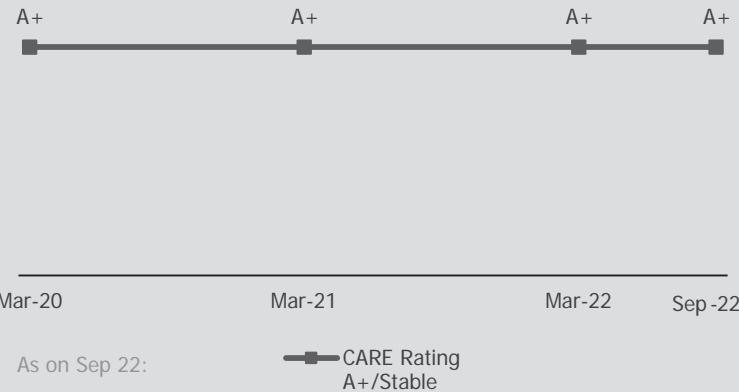


# Ujjivan Small Finance Bank Limited

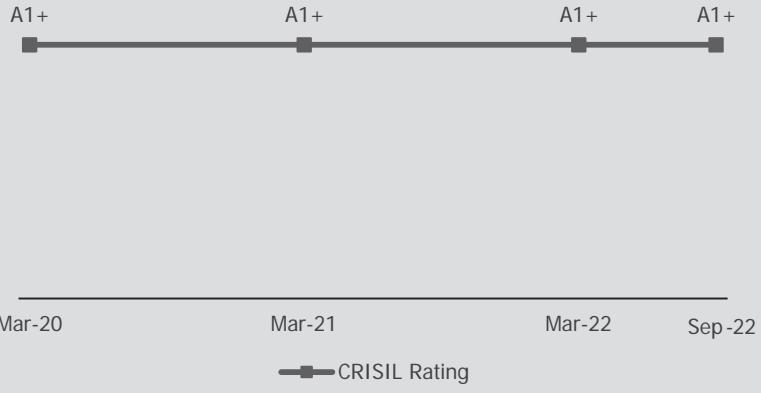
<b>Company name</b>	Ujjivan Small Finance Bank Limited
<b>Incorporation year</b>	2016
<b>About company</b>	<p>Ujjivan Small Finance Bank Limited (Ujjivan SFB), commenced its SFB operations in February 2017, by transfer of assets and liabilities of Ujjivan Financial Services L td. As on March 31, 2022, the bank had a network of 450+ branches spread across 24 states.</p>

## Company outstanding rating

### Ujjivan Small Finance Bank Limited Long Term Rating



### Ujjivan Small Finance Bank Limited Short Term Rating



## Key financial parameters (FY22)

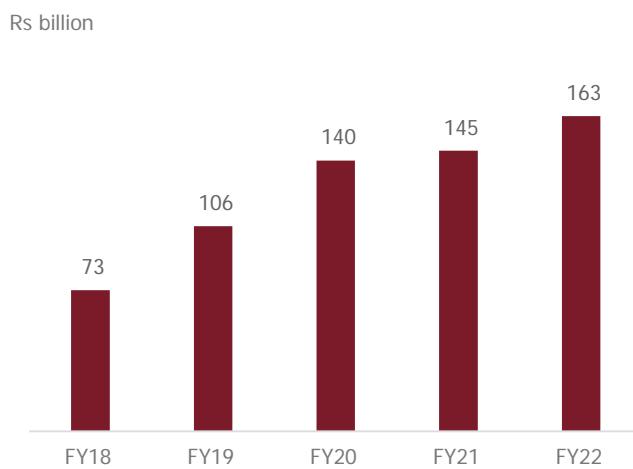
	Loans and advances	163
	Total assets	236
	Total borrowings	18
	Deposits	182
	Net worth	26

	GNPA (%)	7.3%
	ROA (%)	-1.9%
	NIM (%)	8.1%
	CAR (%)	19.0%

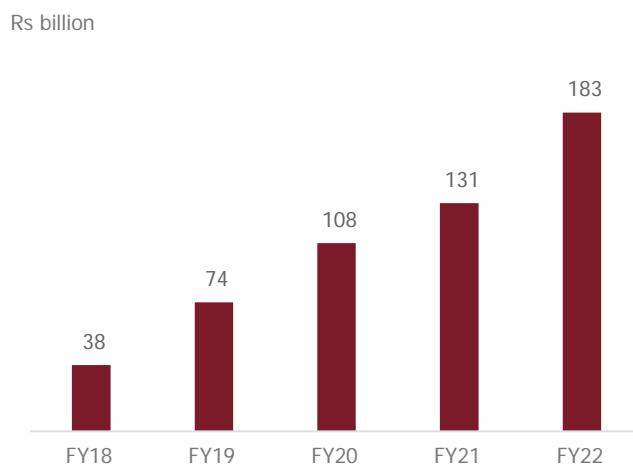
Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



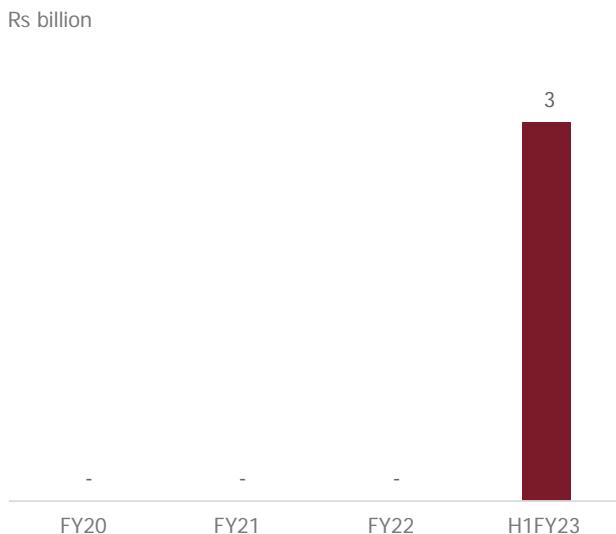
### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022, and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Ujjivan Small Finance Bank is among the larger small finance banks in the country, with loans and advances, and deposits aggregating to Rs 163 billion and Rs 183 billion, respectively, as on March 31, 2022. The bank benefits from its strong presence and a long-standing track record of 18 years in the microfinance space in India. The bank's portfolio primarily comprises microfinance loans, followed by affordable housing and SME loans.

The bank's financial profile is supported by its established market position in the microfinance space, adequate capitalisation, and sound risk management systems and processes. However, these strengths are partially offset by vulnerable asset quality (with signs of improvement) and lower CASA and retail deposit base.

## Bandhan Bank Limited



<b>Company name</b>	Bandhan Bank Limited
<b>Incorporation year</b>	2014
<b>About company</b>	<p>Bandhan Bank Limited (Bandhan) is wholly owned by Bandhan Financial Services Pvt Ltd (BFSL). The bank is headquartered in Kolkata and offers group-based individual lending services for the microfinance business.</p>



## Key financial parameters (FY22)

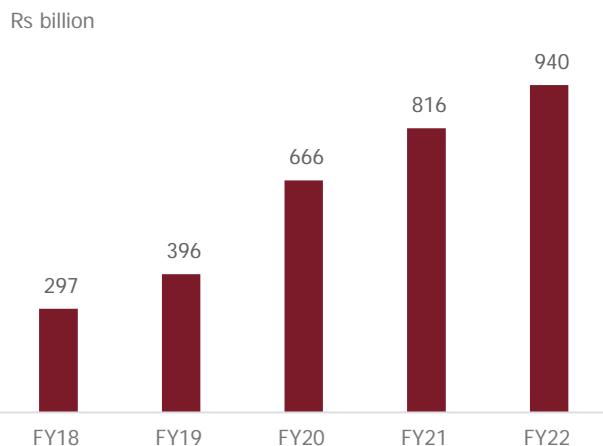
Figures in Rs billion

	Loans and advances	940		GNPA (%)	6.5%
	Total assets	1,391		ROA (%)	0.1%
	Total borrowings	199		NIM (%)	6.9%
	Deposits	963		CAR (%)	20.1%
	Net worth	174			

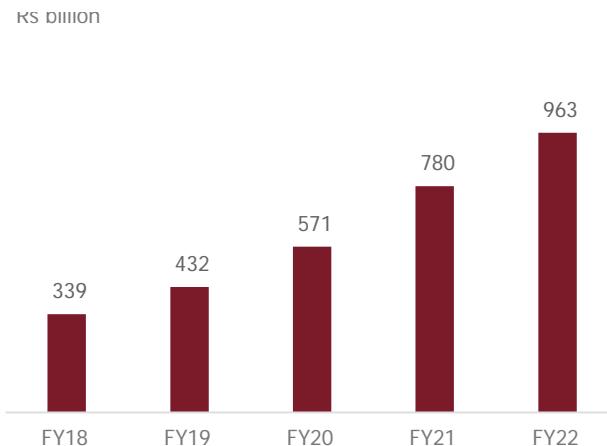
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

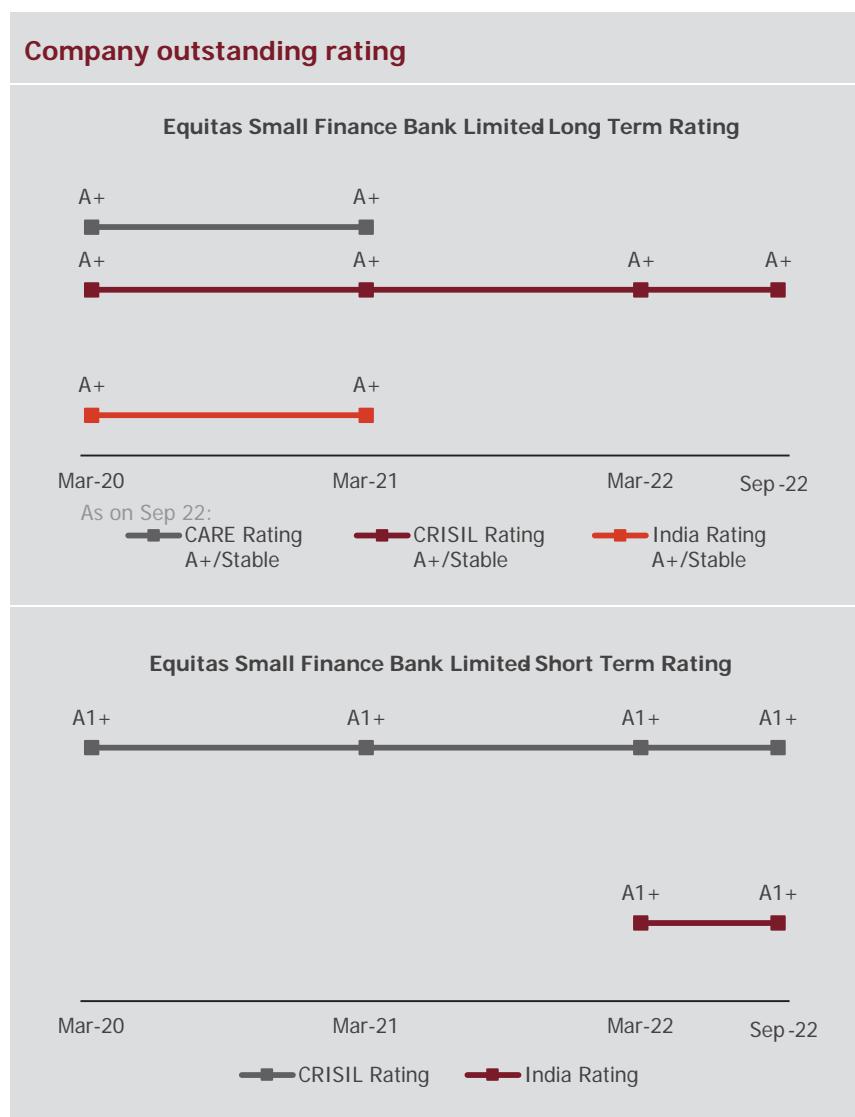
Source: CRISIL Quantix

Bandhan Bank is a wholly owned subsidiary of BFSL, with a network of 1,189 branches as on March 31, 2022. In 2019, the bank acquired Gruh Finance to diversify operations both geographically and across asset classes. Bandhan's loan portfolio has improved after amalgamation with Gruh Finance, with increased share of Gruh's secured asset classes such as housing loans and loans against property. The company's financial position is supported by a strong market position in the micro loan segment and a strong financial risk profile, underpinned by robust capital position and strong operating profitability. These strengths are partially offset by moderate asset quality, regional concentration and exposure to local socio-political risks inherent in the micro loan business.

## Equitas Small Finance Bank Limited



<b>Company name</b>	Equitas Small Finance Bank Limited
<b>Incorporation year</b>	2015
<b>About company</b>	<p>Equitas Small Finance Bank Limited received in-principal approval in September 2015 to transform into a small finance bank from the erstwhile Equitas Holdings Private Limited, which had started operations in 2007 from the microfinance segment. The bank operates with a network of 861 branches as of March 31, 2022.</p>



## Key financial parameters (FY22)

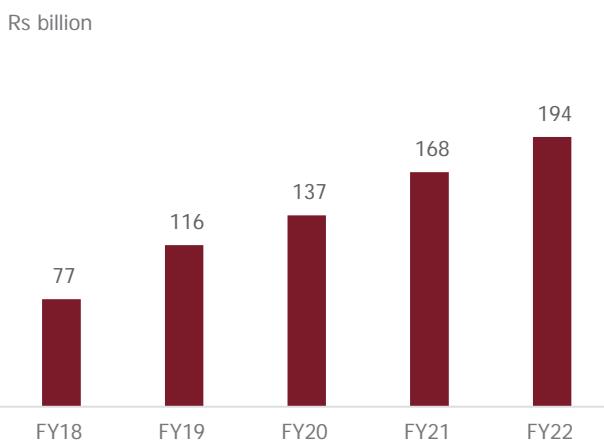
Figures in Rs billion

	Loans and advances	194		GNPA (%)	4.2%
	Total assets	269		ROA (%)	1.1%
	Total borrowings	26		NIM (%)	7.5%
	Deposits	190		CAR (%)	25.2%
	Net worth	42			

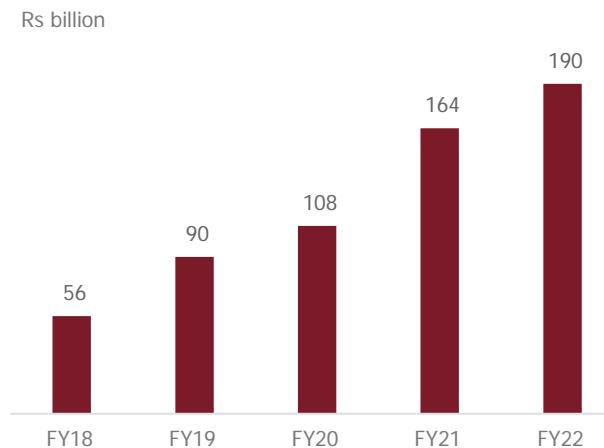
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



### Trend in deposits



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

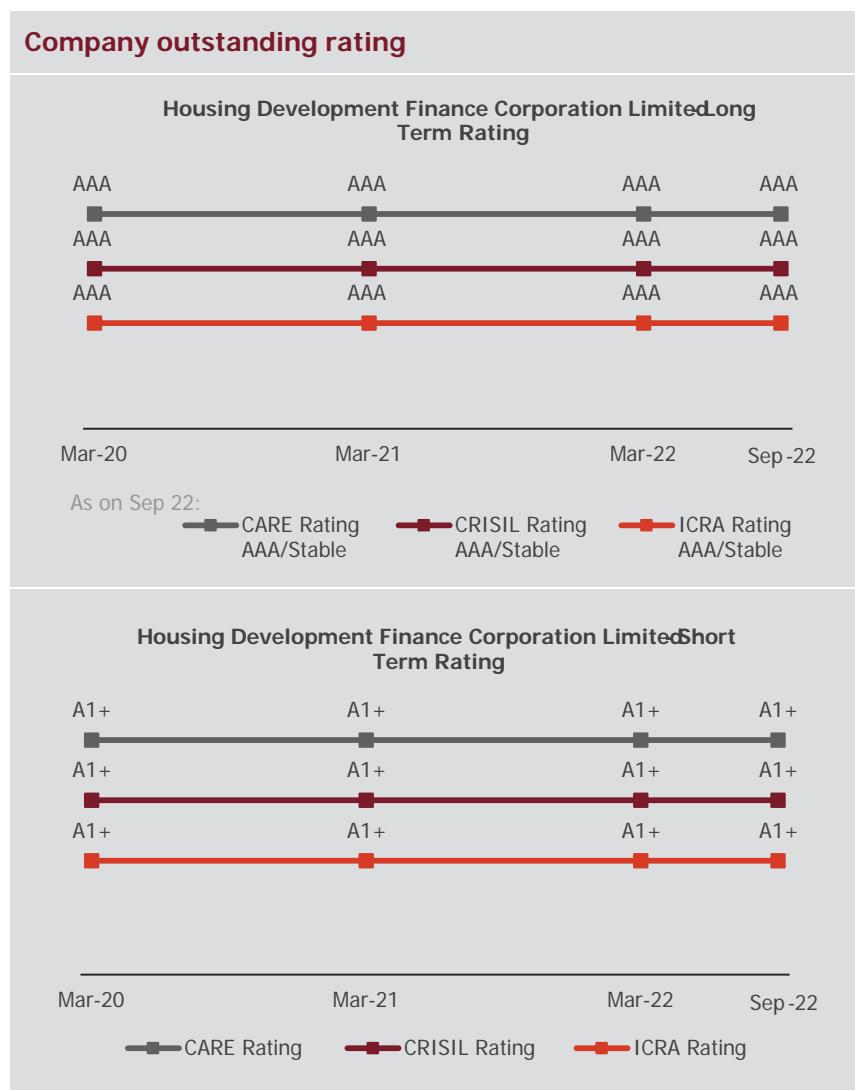
Equitas Small Finance Bank is among the larger SFBs in the country, with a presence in product segments such as small business loans (46%), vehicle loans (25%) and microfinance loans (19%). The bank's loans and advances and deposits aggregated Rs 194 billion and Rs 190 billion, respectively, as of March 31, 2022. The diversity in asset mix has helped the bank curtail the influence of disturbance in any one segment on the overall asset quality of the bank. In terms of geographical diversity, more than 50% of bank's portfolio is housed in Tamil Nadu, which makes the book susceptible to local socio-political issues. Other factors supporting the bank's financial profile include adequate capitalisation and sustained ramp-up in deposit franchise alongside increasing granularity.

## Player profile of non-banking financial companies (NBFCs)/housing finance companies (HFCs)

### Housing Development Finance Corporation Limited



<b>Company name</b>	Housing Development Finance Corporation Limited
<b>Incorporation year</b>	1977
<b>About company</b>	Housing Development Finance Corporation Limited primarily caters to the individual housing loan segment along with loan exposure to corporate entities, lease rental discounting and construction finance.



## Key financial parameters (FY22)

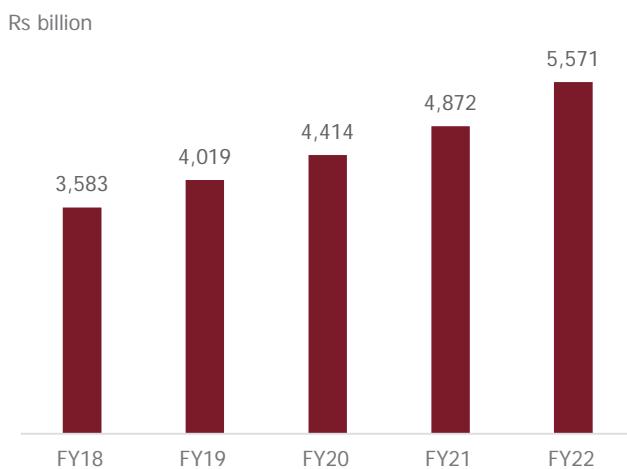
Figures in Rs billion

	Loans and advances	5,571		GNPA (%)	2.3%
	Total assets	6,427		ROA (%)	2.3%
	Total borrowings	5,016		NIM (%)	2.8%
	Networth	1,199		CAR (%)	22.8%

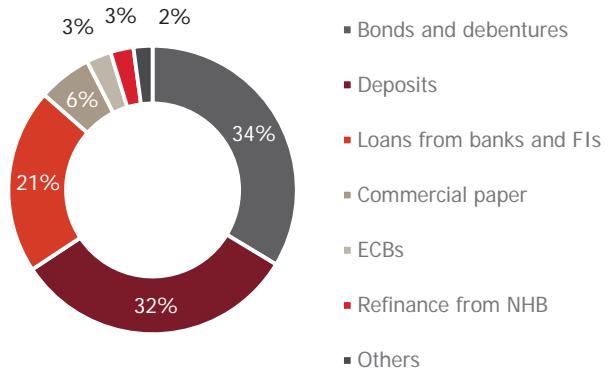
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

### Trend in loans and advances



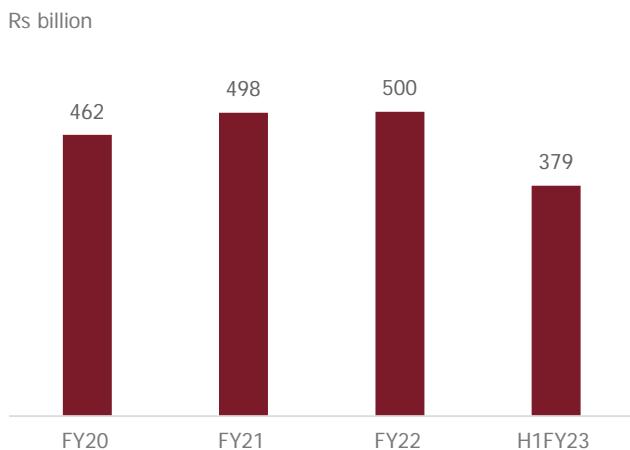
### Borrowing mix profile (FY22)



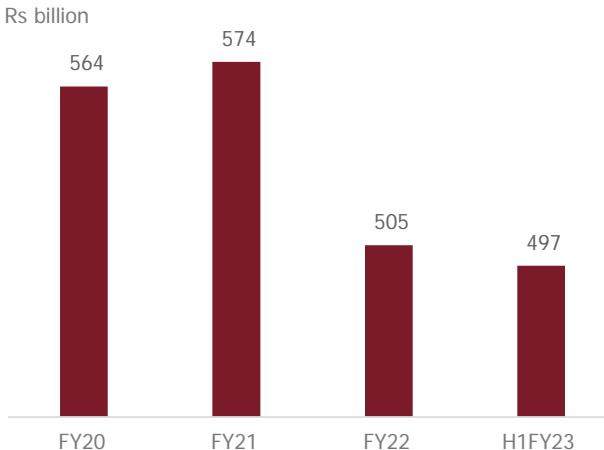
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Housing Development Finance Corporation Limited has a track record of over 40 years of profitable growth in individual and corporate housing finance segments. It has maintained its position as one of the top players in India, with CAGR of around 14% in outstanding loans (excluding loans sold) in the five fiscals ended March 31, 2022. The portfolio consisted of individual home loans at 79%, loans to corporate entities at 5%, lease rental discounting at 7% and construction finance at 9% as on March 31, 2022.

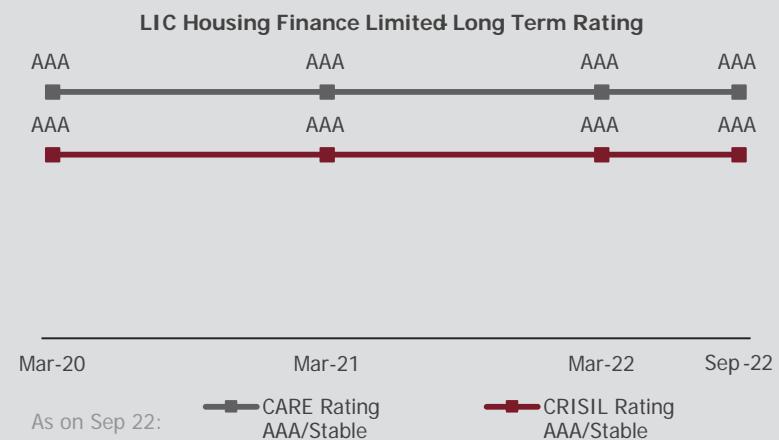
The borrowing mix primarily consisted of market borrowings in the form of bonds and debentures (34%), deposits (32%), loans from banks and financial institutions (FIs; 21%) and commercial papers (6%) as on March 31, 2022. The bank's diversified resource profile lends flexibility to its borrowings. Further, strong resource-raising capabilities, high fixed deposit renewals and substantial proportion of floating rate home loans in the portfolio mitigate the inherent tenure mismatch and interest rate risk in the housing finance business. The financial risk profile is supported by strong market position, healthy asset quality and diversified and stable risk profile. These strengths are partially offset by exposure to intense competition in the housing finance industry.



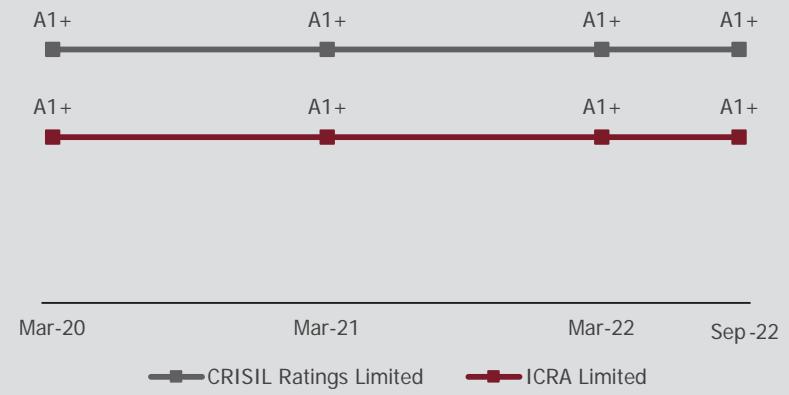
# LIC Housing Finance Limited

<b>Company name</b>	LIC Housing Finance Limited
<b>Incorporation year</b>	1989
<b>About company</b>	<p>LIC Housing Finance Limited (LIC Housing) is promoted by Life Insurance Corporation (LIC) and other FIs. The company lends in the retail housing loan segment with a share of 81.3% towards individual housing loans; and LAP and developer loan portfolio at 13.5% and 5.2%, respectively</p>

## Company outstanding rating



## LIC Housing Finance Limited Short Term Rating



## Key financial parameters (FY22)

Figures in Rs billion

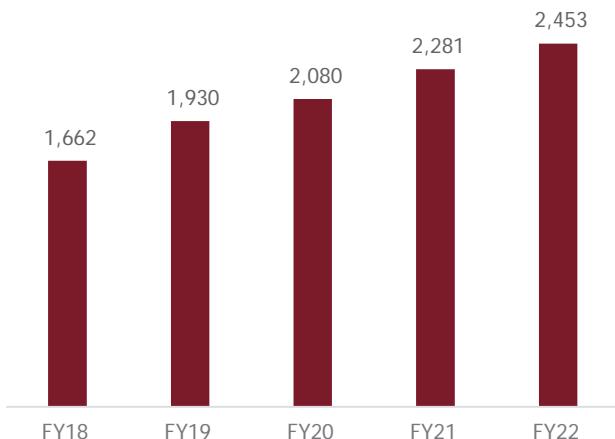
	Loans and advances	2,453		GNPA (%)	4.7%
	Total assets	2,561		ROA (%)	0.9%
	Total borrowings	2,242		NIM (%)	2.3%
	Networth	246		CAR (%)	18.1%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

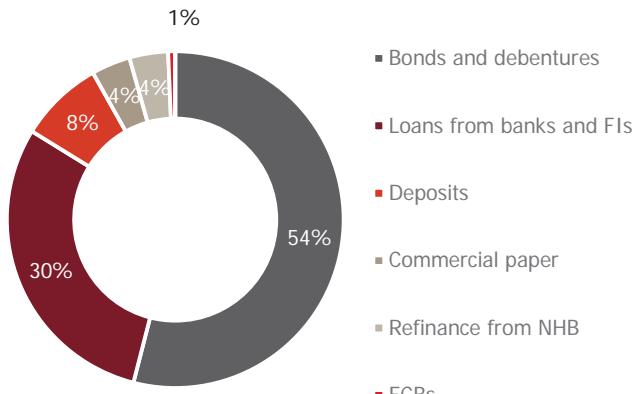
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing profile (FY22)

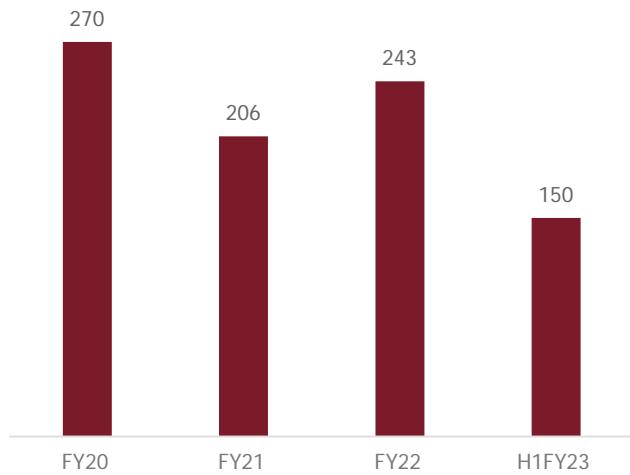


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

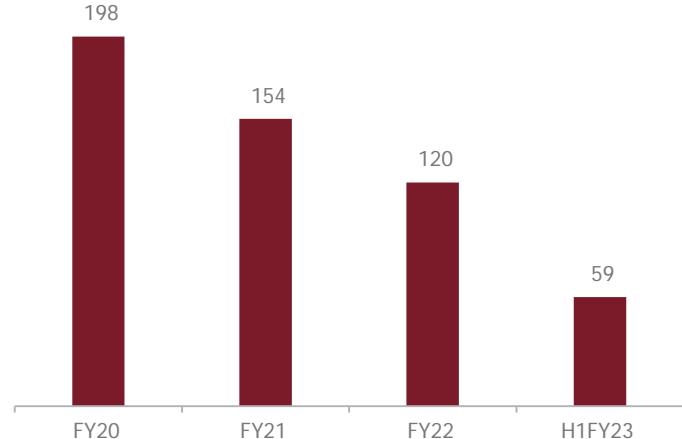
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

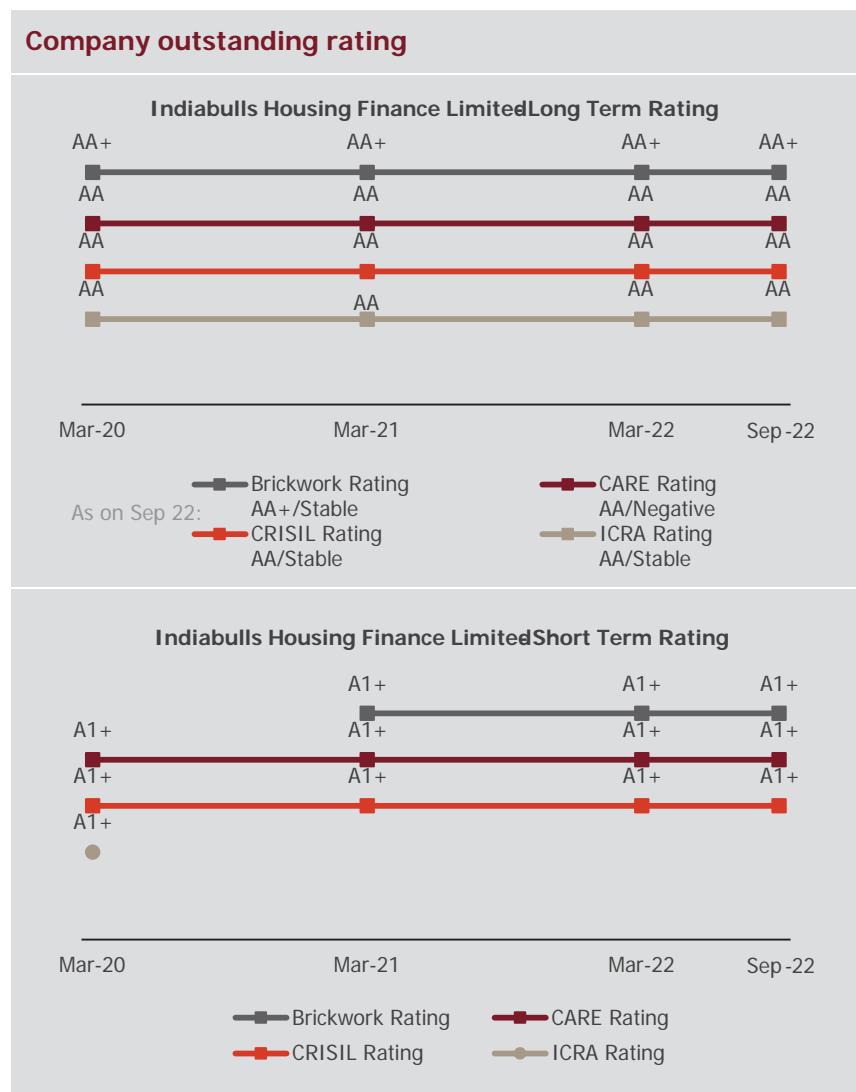
LIC Housing is among the top housing financer with LIC being its single-largest shareholder with a stake of 45.24% as on March 31, 2022. The company has strong presence in Tier II and III cities and superior client servicing with quick turnaround time, which has supported its healthy market position. LIC Housing has a diversified borrower profile and benefits from the strong brand of its parent, LIC, which is reflected in competitive borrowing cost and varied investors.

Borrowing mix primarily consists of market borrowings in the form of bonds and debentures (54%), loans from banks and FIs (30%), deposit (8%) and commercial paper and refinance from National Housing Bank (NHB) at 4% each. Financial risk profile is supported by strong parentage, sound asset quality in the individual housing loan segment and adequate capitalisation. These strengths are partially offset by exposure to intense competition in the housing finance industry.

## Indiabulls Housing Finance Limited



<b>Company name</b>	Indiabulls Housing Finance Limited
<b>Incorporation year</b>	2005
<b>About company</b>	<p>Indiabulls Housing Finance Limited is registered with NHB and is among the larger housing financing companies in India. The company operates in the retail housing finance and commercial real estate segments.</p>



## Key financial parameters (FY22)

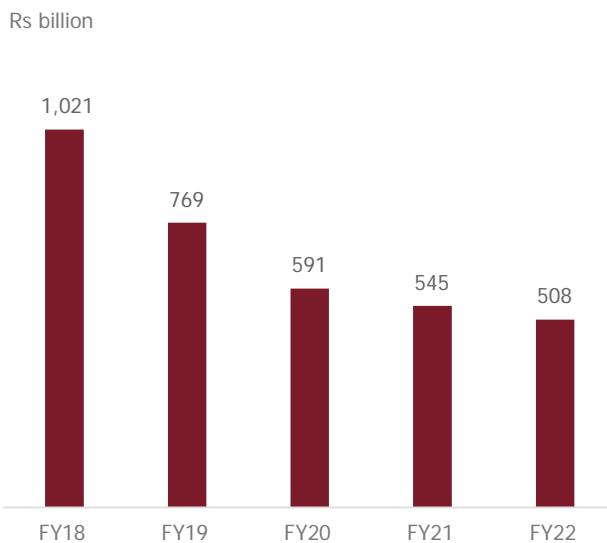
Figures in Rs billion

	Loans and advances	508		GNPA (%)	4.1%
	Total assets	763		ROA (%)	0.9%
	Total borrowings	567		NIM (%)	2.9%
	Networth	156		CAR (%)	22.5%

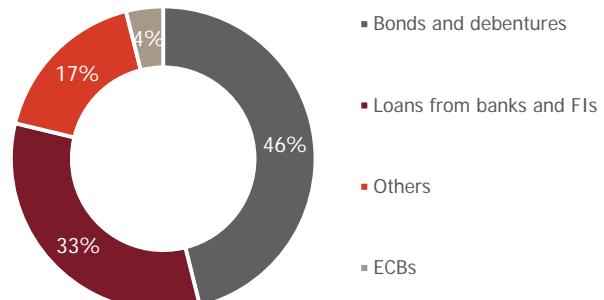
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



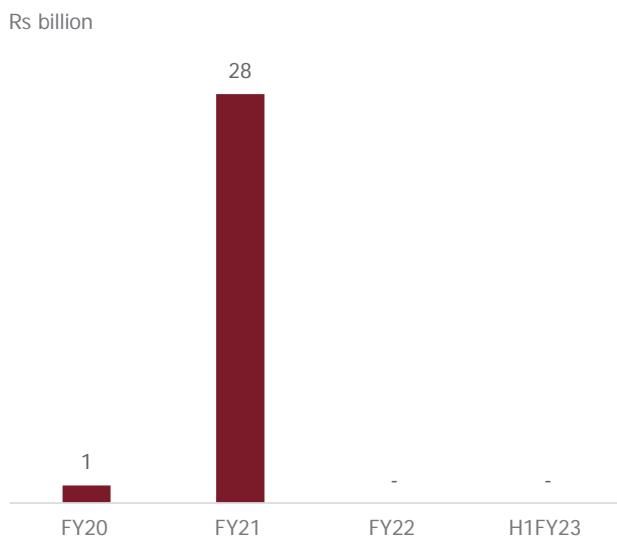
### Borrowing profile (FY22)



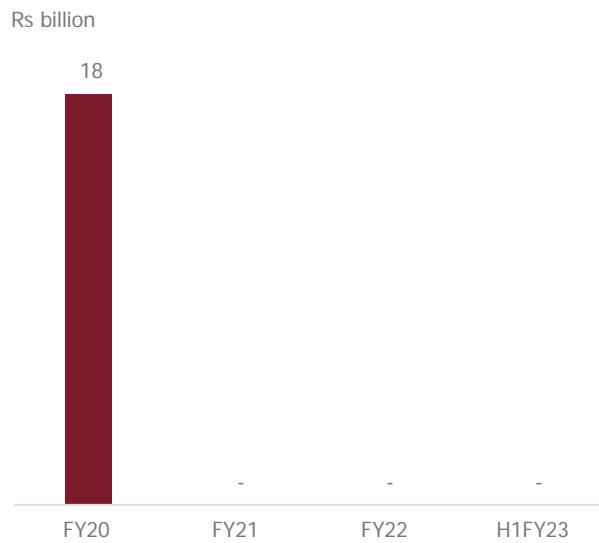
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



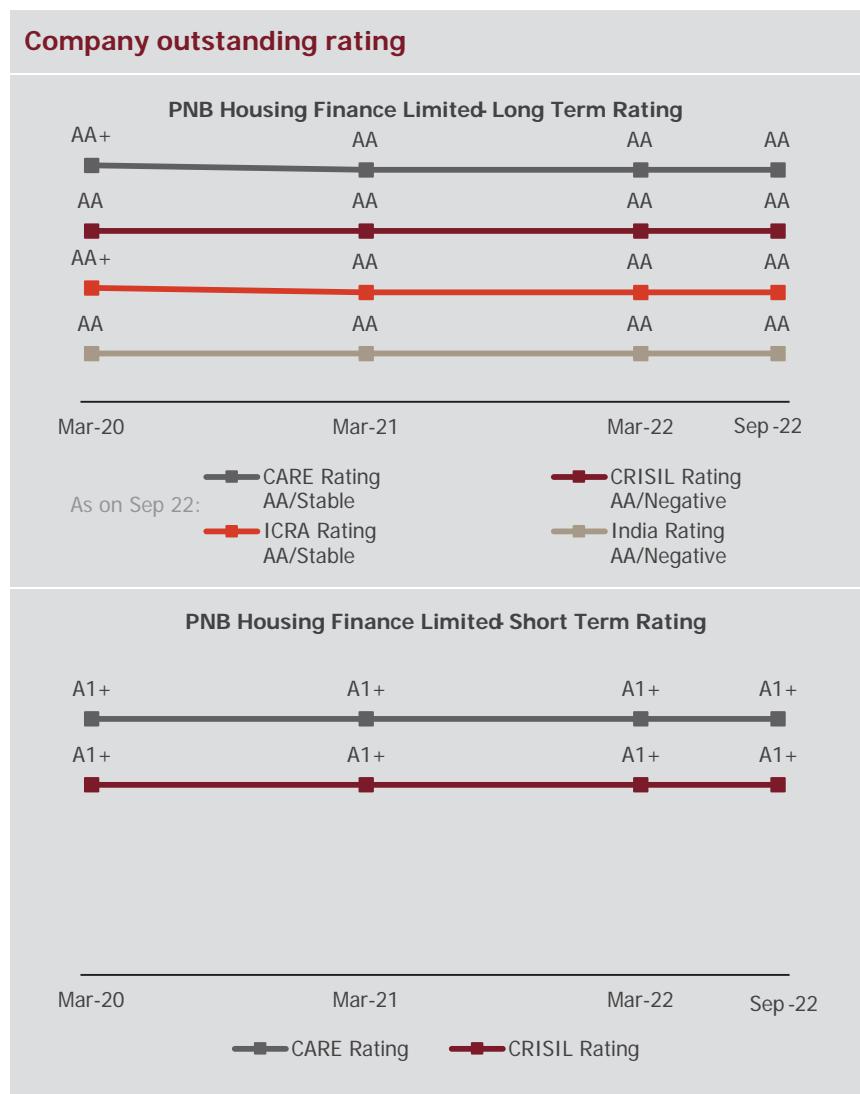
Source: Prime database, CCIL -FTRAC, Crisil Research

The total loans and advances of Indiabulls Housing Finance Ltd stood at Rs 508 billion as on March 31, 2022. The share of housing loans continues to dominate the overall loan portfolio. Financial risk profile is primarily supported by successful scaling up of the new asset-light business model, improvement in asset quality and increase in fund mobilisation levels on a steady-state basis. These strengths are partially offset by asset quality risks arising from the commercial real estate portfolio and exposure to intense competition in the housing finance industry. Borrowing mix consists of market borrowings in the form of bonds and debentures (46%) and loans from banks and FIs (33%) as of March 2022.

# PNB Housing Finance Limited



<b>Company name</b>	PNB Housing Finance Limited
<b>Incorporation year</b>	1988
<b>About company</b>	PNB Housing Finance Limited is an NHB - registered housing finance company promoted by Punjab National Bank. The company operates in the individual housing loan segment and also has loan exposure to construction finance and LAP



## Key financial parameters (FY22)

Figures in Rs billion

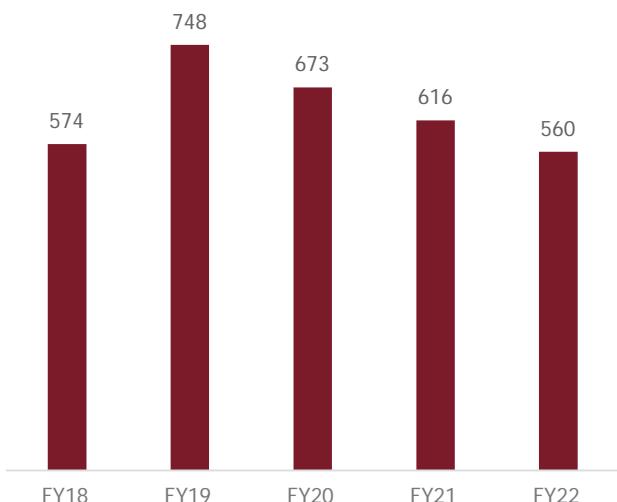
	Loans and advances	560		GNPA (%)	8.4%
	Total	659		ROA (%)	1.2%
	Total Borrowings	544		NIM (%)	2.6%
	Net worth	98		CAR (%)	23.4%

Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

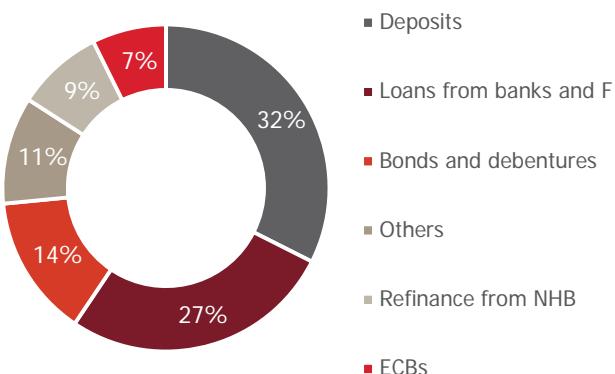
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



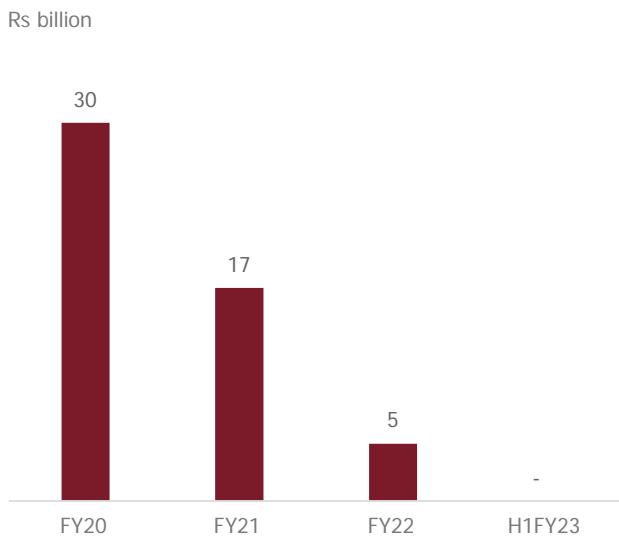
### Borrowing profile (FY22)



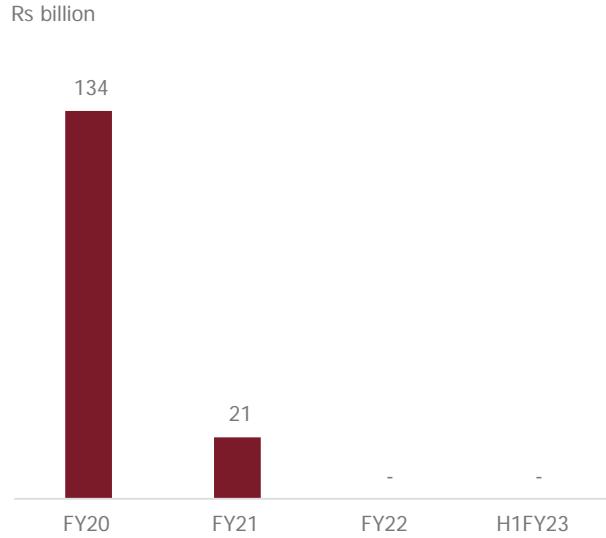
Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



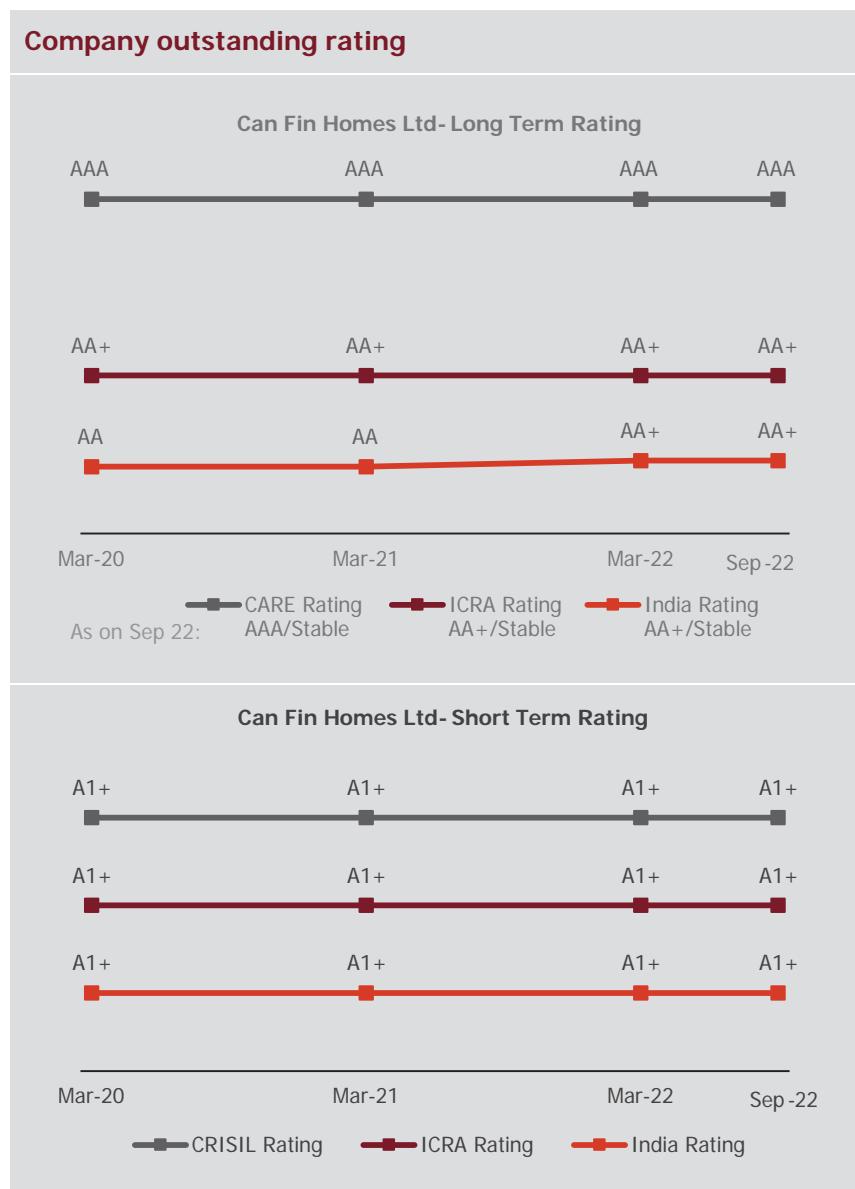
Source: Prime database, CCIL -FTRAC, Crisil Research

PNB Housing Finance Limited is predominantly engaged in financing of retail housing loans along with exposure to wholesale segments like construction finance and lease rental discounting. Company's financial profile is supported by its established market position in housing space, well diversified resource profile and brand sharing benefits from the parentage of PNB. These strengths are partially offset by asset quality risk arising from the wholesale book. Borrowing mix of the company primarily consist of deposit from public (32%), loans from banks and FIs (27%), market borrowings in form of bonds and debentures (14%) and refinance from NHB (9%).

## Can Fin Homes Limited



<b>Company name</b>	Can Fin Homes Limited
<b>Incorporation year</b>	1987
<b>About company</b>	<p>Can Fin Homes Limited (CFHL) is promoted by Canara Bank, HDFC Limited and UTI – it is a deposit-taking HFC registered with NHB. The company primarily operates in the affordable housing segment.</p>



## Key financial parameters (FY22)

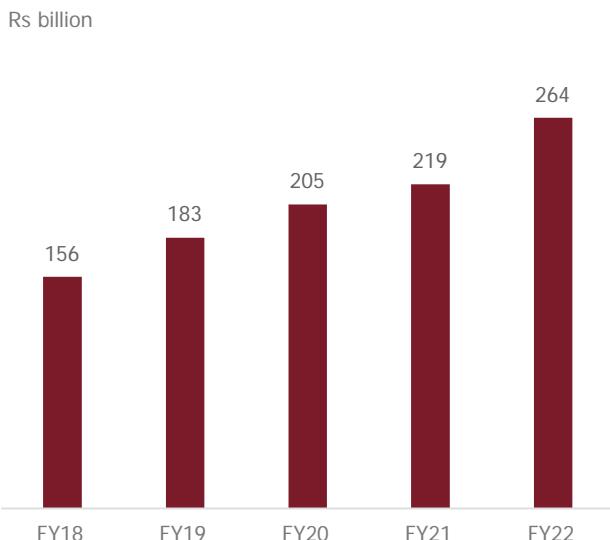
Figures in Rs billion

	Loans and advances	264		GNPA (%)	0.6%
	Total Assets	279		ROA (%)	1.9%
	Total Borrowings	248		NIM (%)	3.3%
	Net worth	31		CAR (%)	23.2%

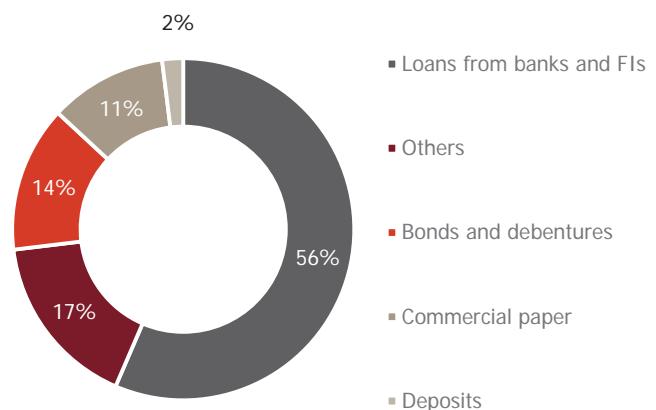
Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

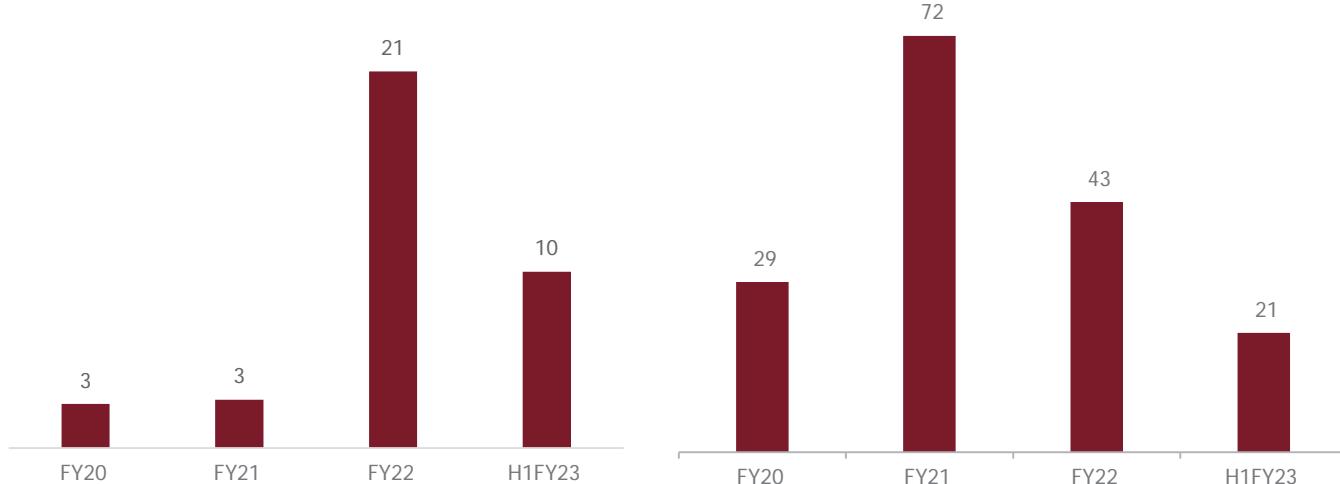


Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

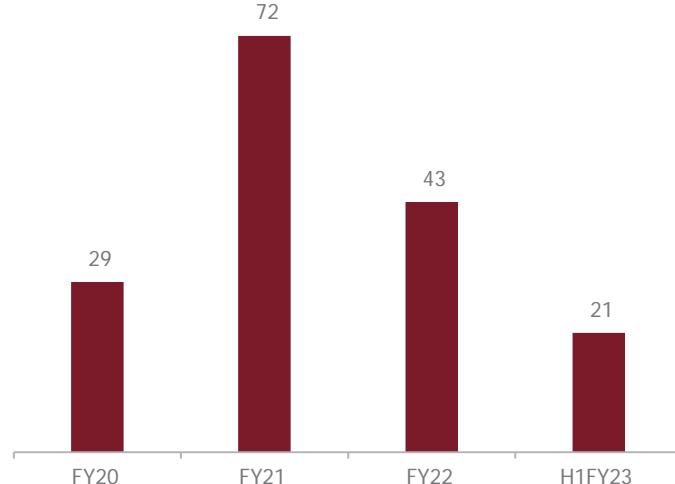
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Can Fin Homes Limited is a deposit-taking HFC registered with National Housing Board, headquartered in Bengaluru. The company has a presence in 21 states and union territories. The companies' loans and advance stood at Rs. 264 billion as of March 31, 2022, with housing loans accounting for the major share in the portfolio. Further, the salaried and professional segment constitutes 74% of the outstanding loan book.

Borrowing mix of the company primarily consist of loans from banks and FIs (56%), market borrowings in the form of bonds and debentures (14%) and commercial paper (11%). Financial risk profile is supported by healthy asset quality, adequate capitalisation and strong parental support.



# Bajaj Housing Finance Limited

<b>Company name</b>	Bajaj Housing Finance Limited
<b>Incorporation year</b>	2008
<b>About company</b>	Bajaj Housing Finance Limited is the housing finance arm of Bajaj Finance Limited and is registered with NHB as a housing finance company. The company portfolio primarily comprises home loans followed by LAP and developer financing.



## Key financial parameters (FY22)

Figures in Rs billion

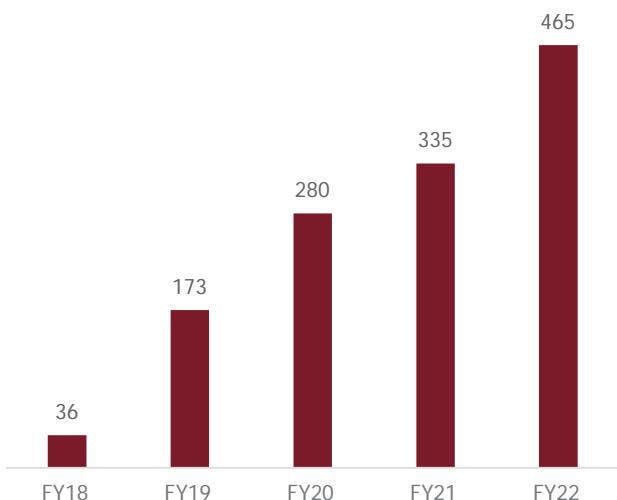
	Loans and advances	465		GNPA (%)	0.3%
	Total assets	485		ROA (%)	1.6%
	Total borrowings	415		NIM (%)	3.1%
	Networth	67		CAR (%)	19.7%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

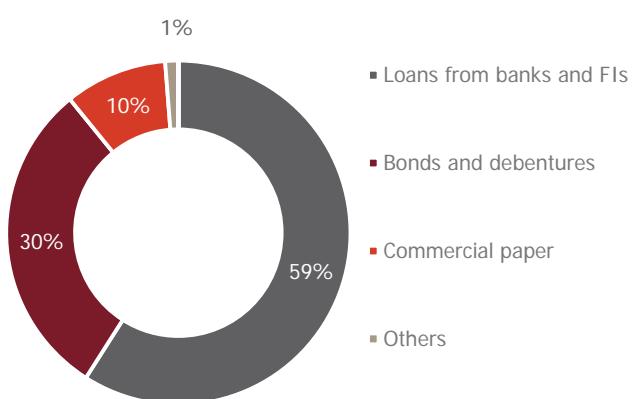
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing profile (FY22)

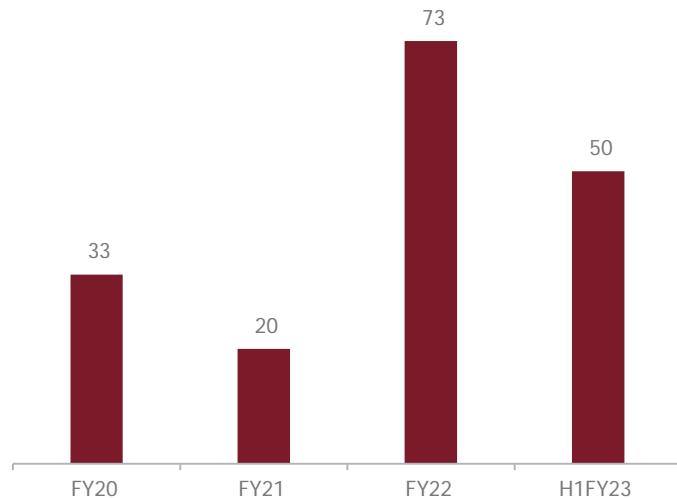


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

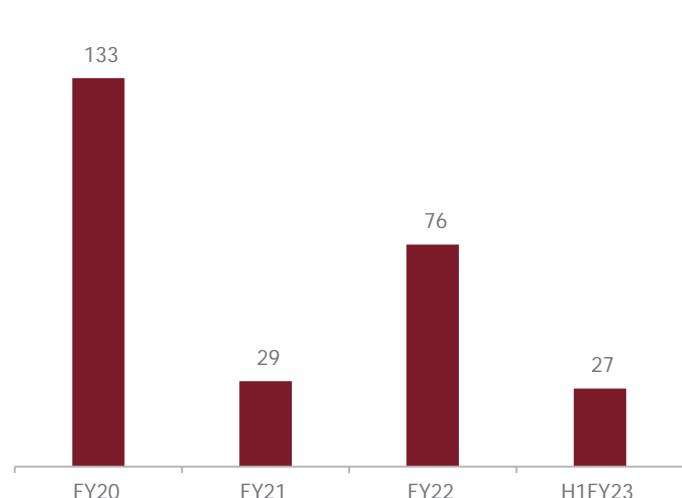
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

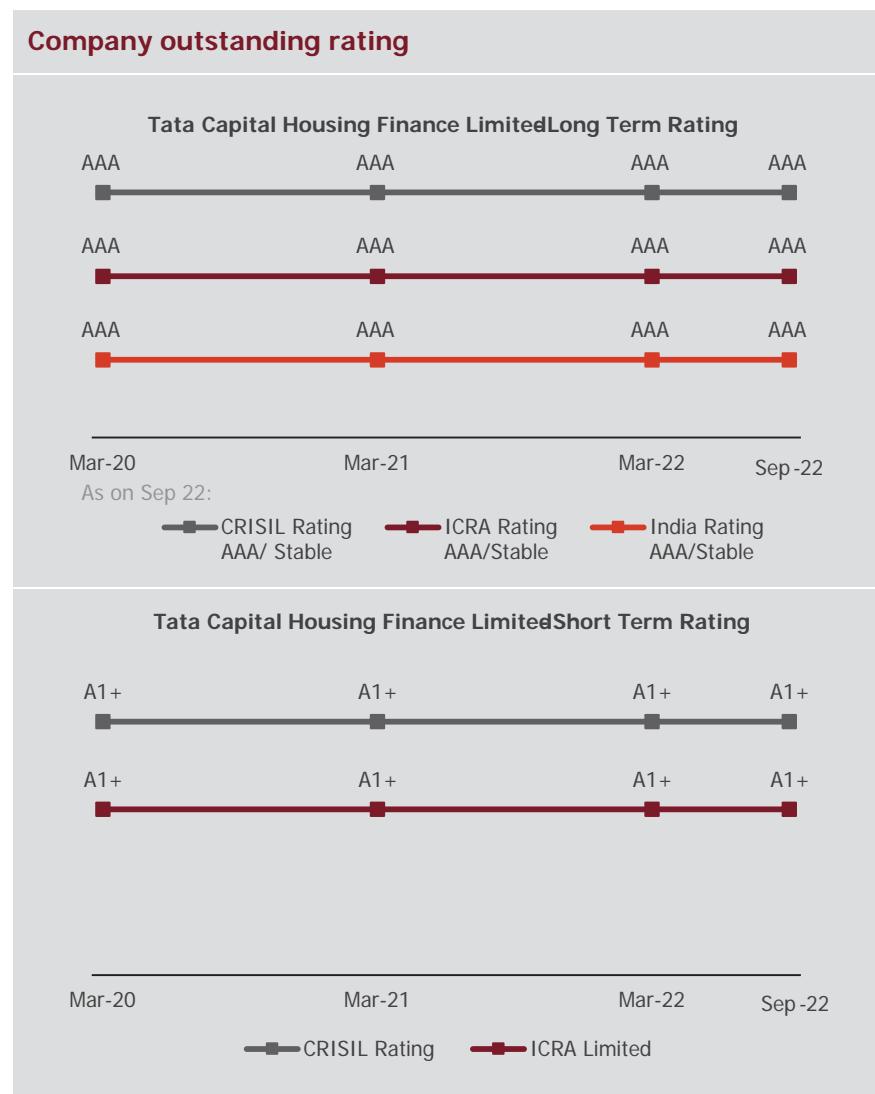
Bajaj Housing Finance Limited started its housing finance operations in July 2017 and has attained significant size and scale in the past three years, with loans and advances of Rs 465 billion as on March 31, 2022. Consequently, its share in the overall asset under management of the Bajaj Finance group increased to 28% as on March 31, 2022, from 22% as on March 31, 2020.

Borrowing mix consists of bank borrowings at 59% of overall borrowing followed by market borrowings in the form of bonds and debenture at 30% and commercial paper at 10% as on March 31, 2022. Given that the operations are still in its nascent stage, the company has been able to tap diversified sources of funds on the back of the strong brand of its parent.

## Tata Capital Housing Finance Limited



<b>Company name</b>	Tata Capital Housing Finance Limited
<b>Incorporation year</b>	2008
<b>About company</b>	Tata Capital Housing Finance Limited is a wholly owned subsidiary of Tata Capital Limited (TCL) and was established to expand the existing product line of TCL in the mortgage finance (home loans and LAP) and construction finance segments.



## Key financial parameters (FY22)

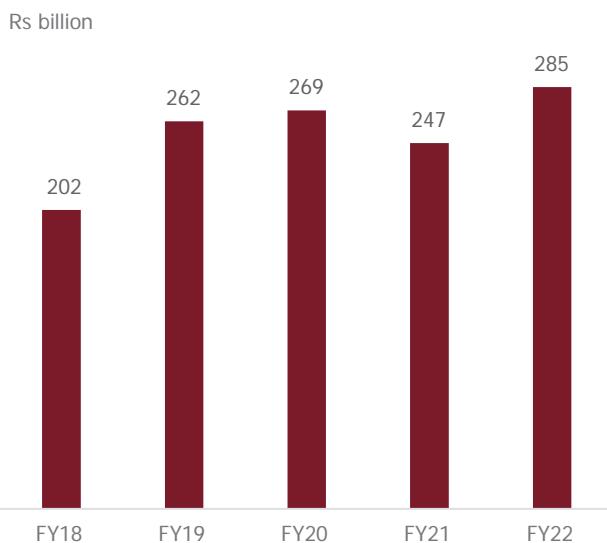
Figures in Rs billion

	Loans and advances	285		GNPA (%)	1.6%
	Total assets	313		ROA (%)	2%
	Total borrowings	274		NIM (%)	4.1%
	Networth	36		CAR (%)	17.8%

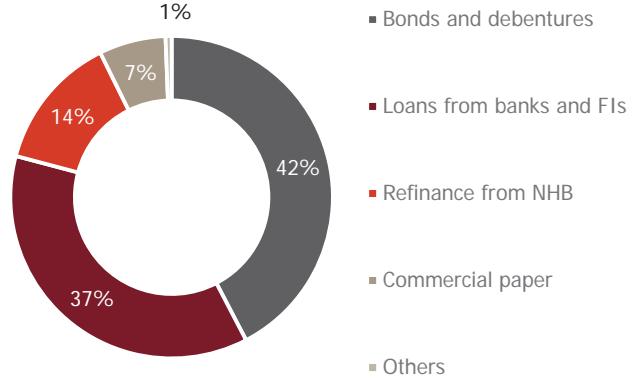
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

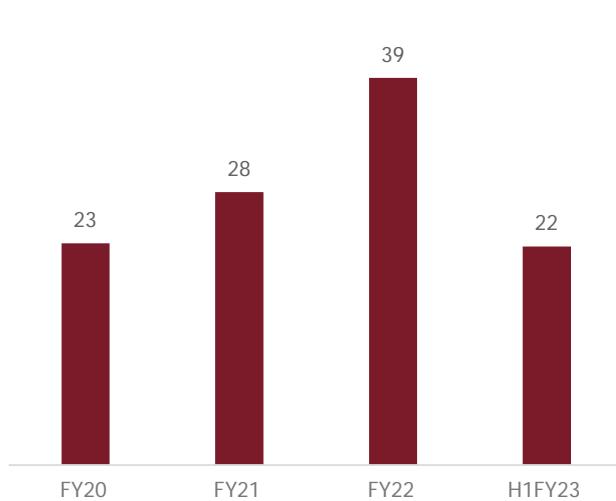


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

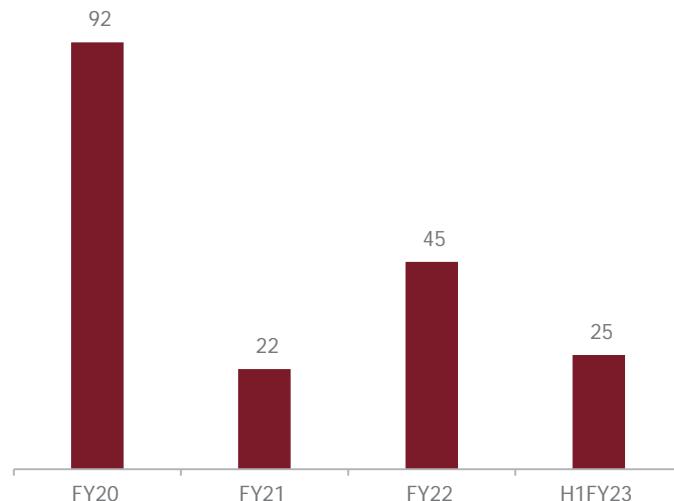
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

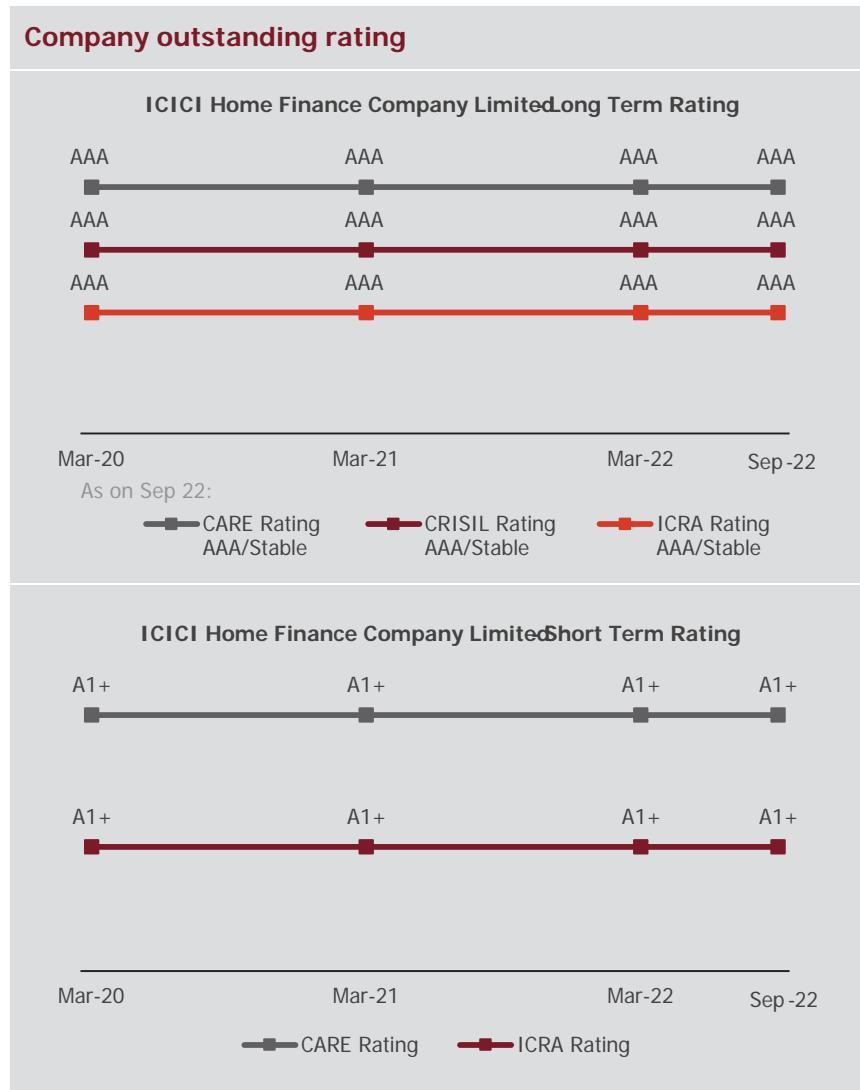
Tata Capital Housing Finance Limited is a wholly owned subsidiary of TCL and caters to the mortgage finance and construction finance segments. Of the total assets under management, 82% is retail loans comprising home loan, LAP and affordable housing, while the balance 18% is to builders/corporates.

Borrowing mix consists of market borrowings in the form of bonds and debentures (42%), loans from banks and FIs (37%), refinance from NHB (14%) and commercial papers (7%). Financial risk profile is supported by comfortable capitalisation, diversified resource profile and strong support from the ultimate parent. These strengths are partially offset by average, though improving, asset quality and exposure to intense competition in the housing finance industry.



# ICICI Home Finance Company Limited

<b>Company name</b>	ICICI Home Finance Company Limited
<b>Incorporation year</b>	1999
<b>About company</b>	ICICI Home Finance Company Limited is a wholly-owned subsidiary of ICICI Bank Limited. The company predominately lends to the housing finance, LAP and developer financing segments



## Key financial parameters (FY22)

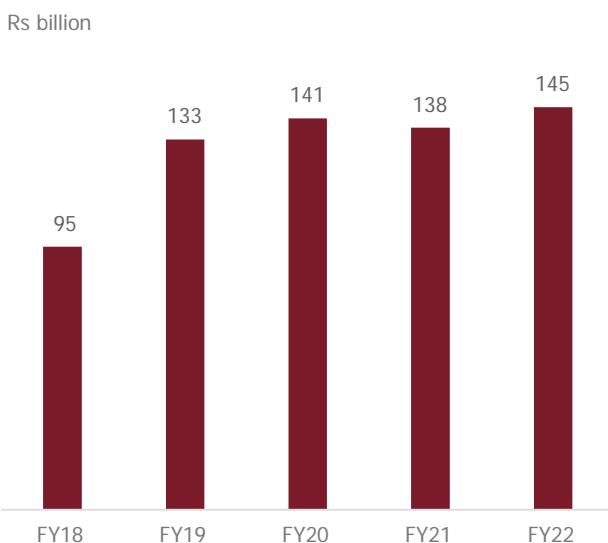
Figures in Rs billion

	Loans and advances	145		GNPA (%)	5.9%
	Total assets	160		ROA (%)	1.0%
	Total borrowings	126		NIM (%)	3.8%
	Networth	21		CAR (%)	21.9%

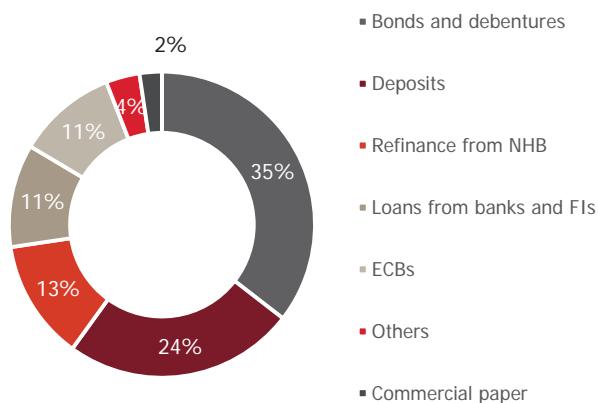
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## Trend in loans and advances



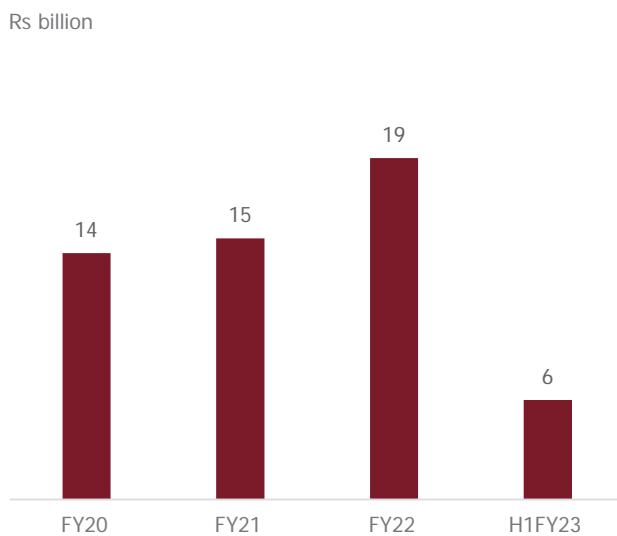
## Borrowing profile (FY22)



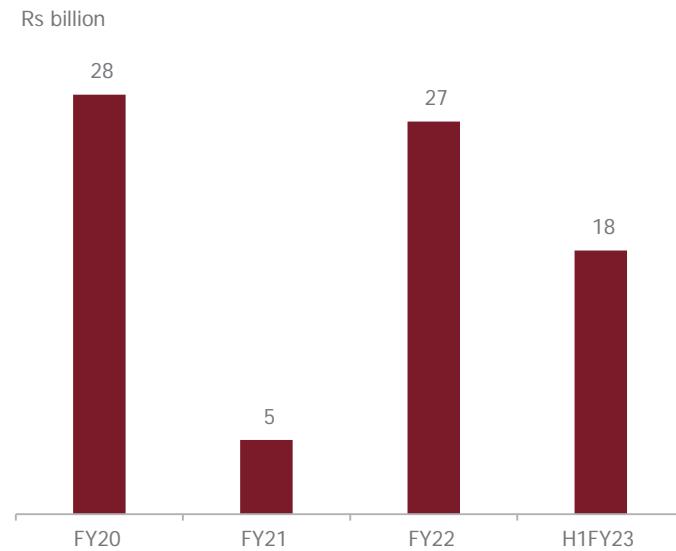
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

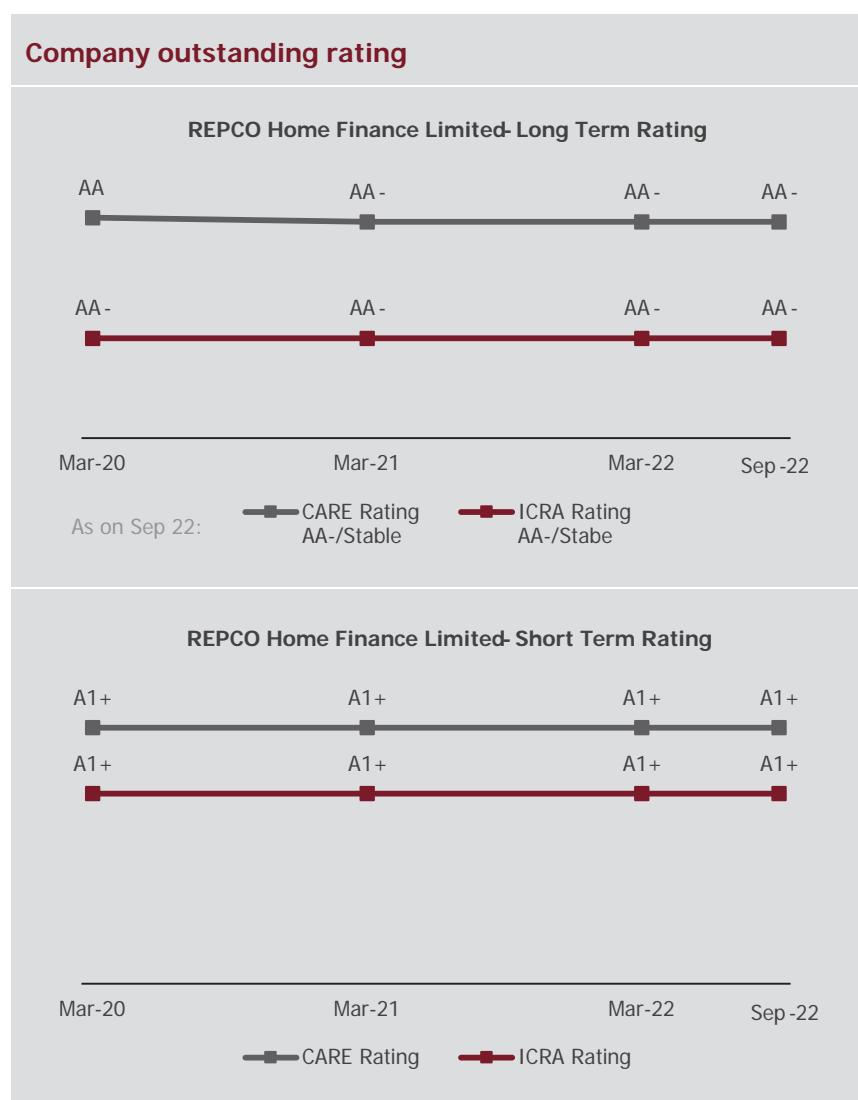
ICICI Housing Finance Limited is a wholly owned subsidiary of ICICI Bank and registered with the National Housing Board as an HFC. The loans and advances of the company aggregated to Rs 145 billion as on March 31, 2022. The company provides housing loans (with increased focus towards affordable housing), LAP, lease rental discounting, developer financing and gold financing. The company has significantly scaled-up its distribution and credit capacities to deepen its presence in the home loans and LAP segments.

The borrowing profile of the company is stable and well-diversified with market borrowings in the form of bonds and debentures (35%), deposits (24%), refinance from NHB (13%), loans from banks and FIs (11%) and external commercial borrowings (11%). The company has been successfully tapping the debt capital markets by raising medium and long-term borrowings from several investors at competitive rates. ICICI Housing Finance's financial profile is aided by strong support from the parent, ICICI Bank and a well-diversified resource profile.

## Repco Home Finance Limited



<b>Company name</b>	Repco Home Finance Limited
<b>Incorporation year</b>	2000
<b>About company</b>	<p>Repco Home Finance Limited (RHFL) is a wholly-owned subsidiary of Repco bank and is registered as HFC with the National Housing Board. The company is primarily concentrated in South India with focus on lending retail home loans in tier II and III cities.</p>



## Key financial parameters (FY22)

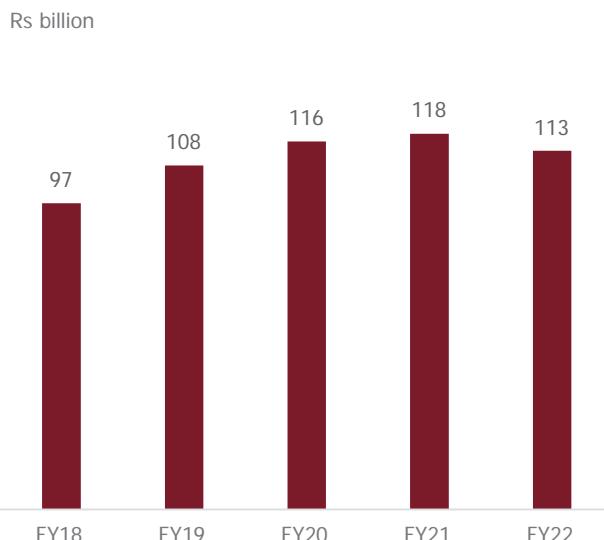
Figures in Rs billion

	Loans and advances	113		GNPA (%)	7.8%
	Total assets	121		ROA (%)	1.6%
	Total borrowings	97		NIM (%)	4.7%
	Networth	22		CAR (%)	33.3%

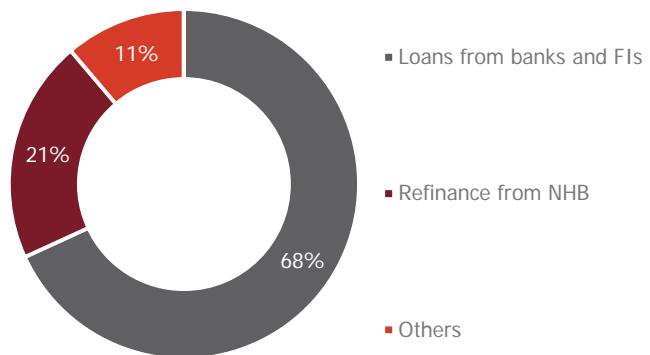
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



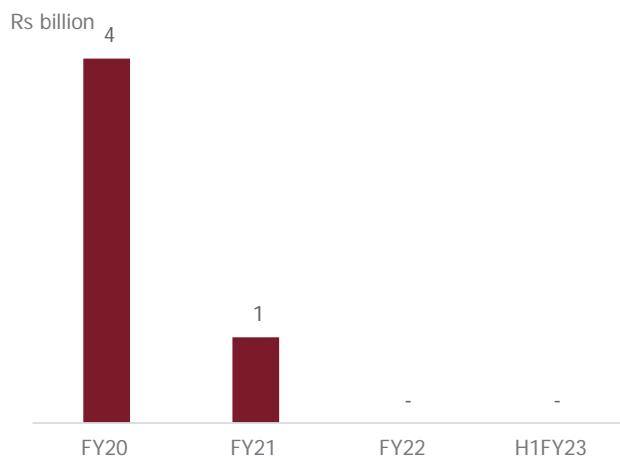
### Borrowing profile (FY22)



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

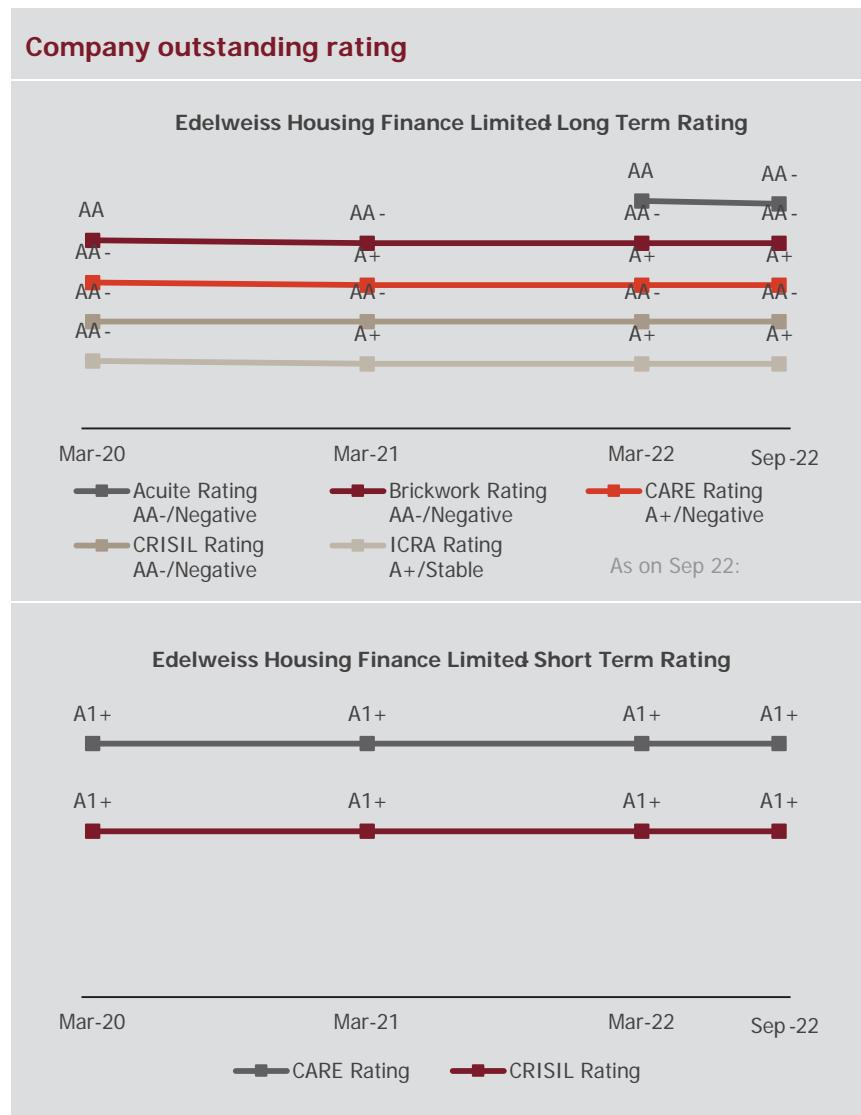
Repco Home Finance Limited has an established franchise in South India, extending housing loans and mortgage loans to salaried as well as the self-employed borrower segments, predominantly in tier II and tier III cities. As on March 31, 2022, the company had 179 points of presence comprising 155 business branches and 24 satellite centres with presence across 12 states and a union territory.

RHFL has been able to maintain a comfortable capital adequacy ratio (CAR) of above 20% over the last five years, which along with improvement in geographical and product diversification supports the financial position of the company. However, these strengths are partially offset by a weak asset quality profile and its impact on earnings.



# Edelweiss Housing Finance Limited

<b>Company name</b>	Edelweiss Housing Finance Limited
<b>Incorporation year</b>	2008
<b>About company</b>	Edelweiss Housing Finance Limited (EHFL) is a part of the Edelweiss group, which primarily lends in the retail segment i.e., mortgage loans (home loans) and LAP



## Key financial parameters (FY22)

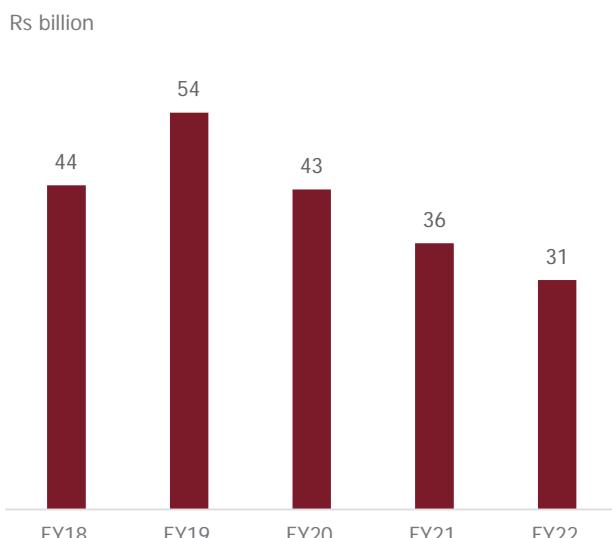
Figures in Rs billion

	Loans and advances	31		GNPA (%)	2.0%
	Total assets	40		ROA (%)	0.3%
	Total borrowings	23		NIM (%)	2.4%
	Networth	8		CAR (%)	28.3%

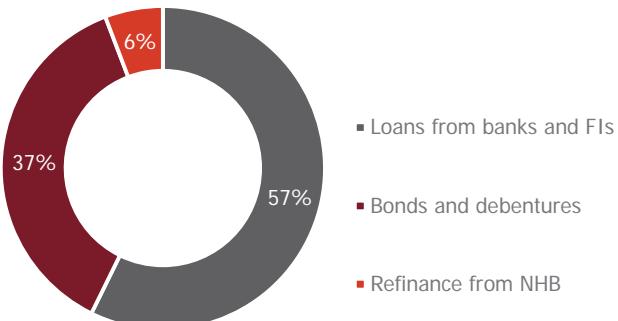
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



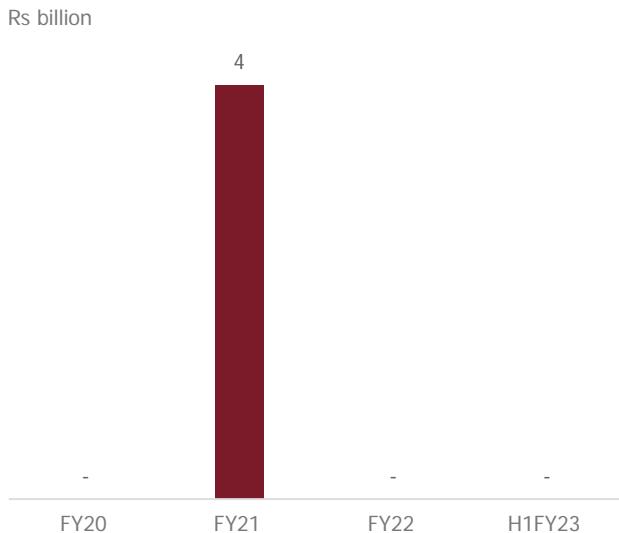
### Borrowing profile (FY22)



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Edelweiss Housing Finance Limited is an HFC registered with the National Housing Bank and was incorporated in 2011 following the group's strategy of creating a larger retail footprint. The company offers home loans and LAP. As on March 31, 2022, the company's loans and advances aggregated to Rs 31 billion.

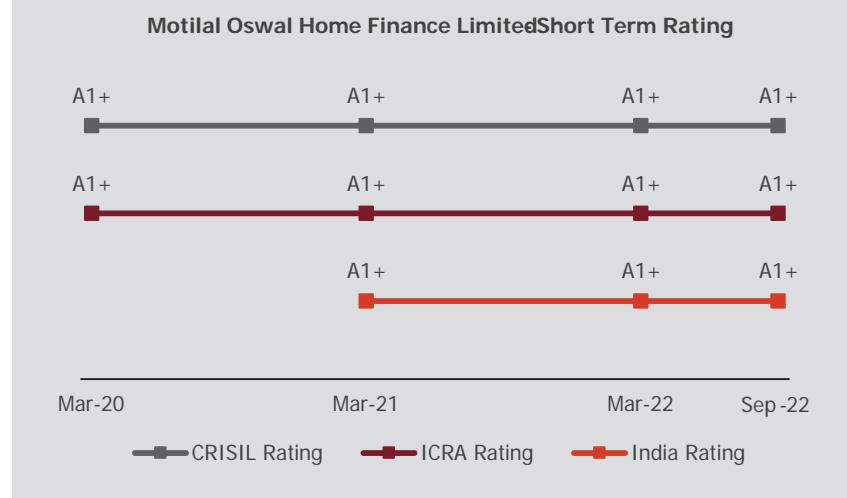
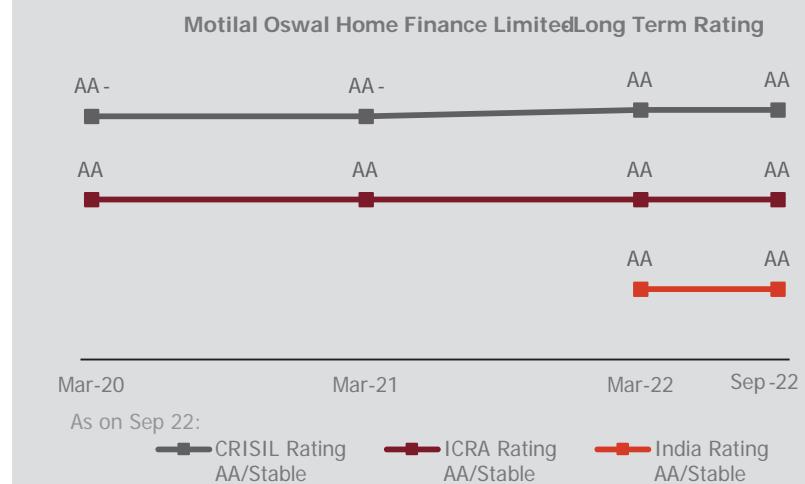
The borrowing mix of the company primarily consists of loans from banks, FIs at 57% and market borrowings in the form of bonds and debentures at 37% and refinance from NHB at 6% as of March 2022. The company's financial profile is aided by adequate capitalisation supported by multiple capital raises and the strength is partially offset by stress in the asset quality of the portfolio.

## Motilal Oswal Home Finance Limited



<b>Company name</b>	Motilal Oswal Home Finance Limited
<b>Incorporation year</b>	2013
<b>About company</b>	Motilal Oswal Home Finance Limited (MOHFL) is the housing finance arm of Motilal Oswal Financial Services Limited. The company started lending operations in May 2014, primarily offering housing loans to individuals. Lending to the affordable housing segment accounts for almost its entire loan book.

### Company outstanding rating



## Key financial parameters (FY22)

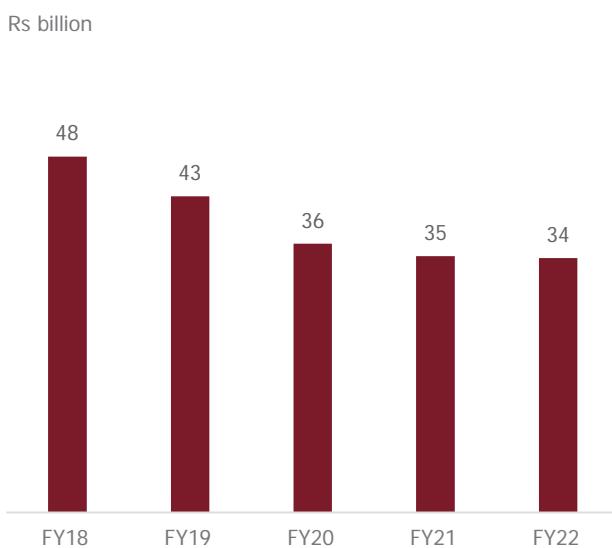
Figures in Rs billion

	Loans and advances	34		GNPA (%)	1.7%
	Total assets	38		ROA (%)	2.5%
	Total borrowings	26		NIM (%)	7.2%
	Networth	10		CAR (%)	51.6%

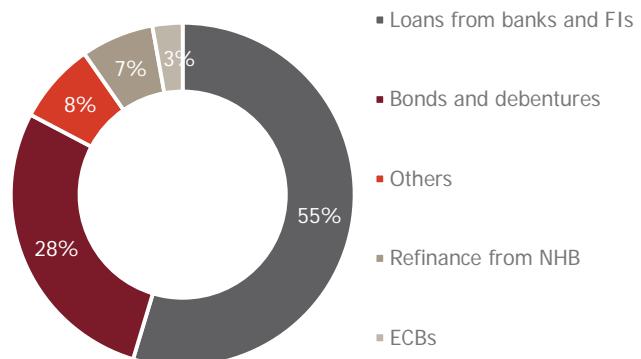
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

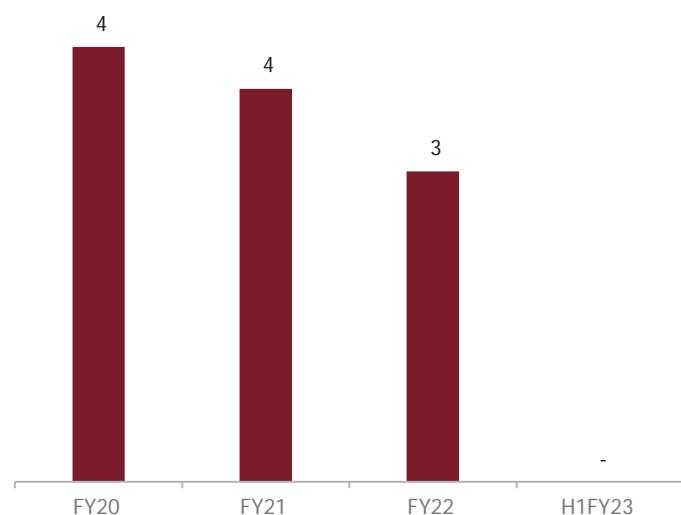


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

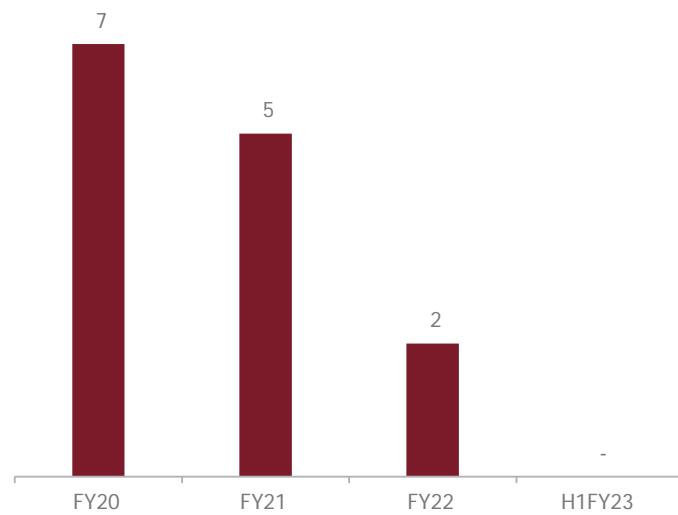
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Motilal Oswal Home Finance Limited primarily lends in the affordable housing finance segment and offers loans to customers in the low- and middle-income group, with average ticket size of Rs. 8.6 lakh. The company is present in nine states through a network of 110 branches.

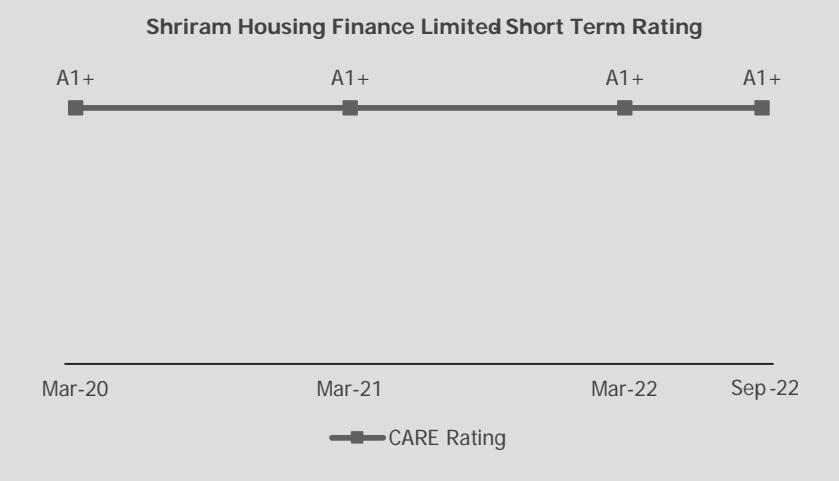
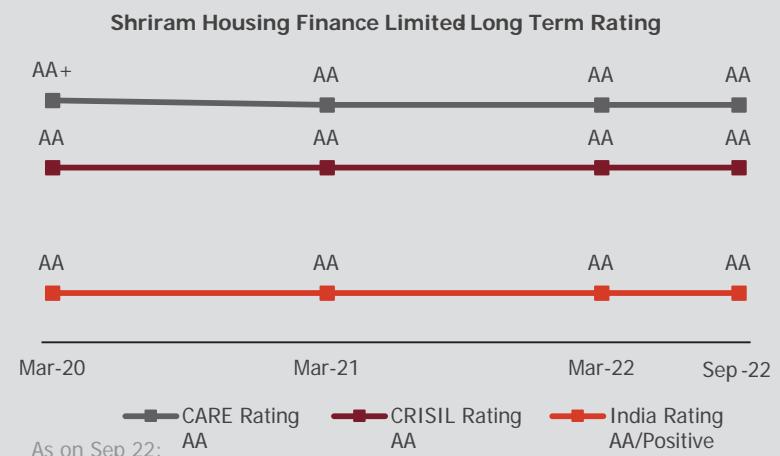
The borrowing mix of the company primarily consists of loans from banks and FIs (55%), market borrowings in the form of bonds and debentures (28%) and refinance from NHB (7%). The financial profile of the company is supported by strong parental support and adequate resource profile and capitalisation. These strengths are partially offset by the limited track record in scaling-up the lending business.



# Shriram Housing Finance Limited

<b>Company name</b>	Shriram Housing Finance Limited
<b>Incorporation year</b>	2010
<b>About company</b>	<p>Shriram Housing Finance Limited (SHFL) started its operations in 2011 after obtaining Certificate of Registration from the National Housing Board. The company primarily offers individual housing loans for construction or purchase of residential property and LAP.</p>

## Company outstanding rating



## Key financial parameters (FY22)

Figures in Rs billion

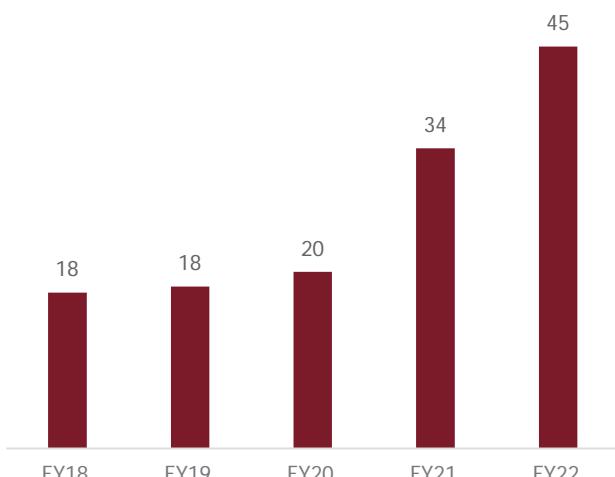
	Loans and advances	45		GNPA (%)	1.7%
	Total assets	52		ROA (%)	1.8%
	Total borrowings	39		NIM (%)	4.3%
	Networth	12		CAR (%)	30.9%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

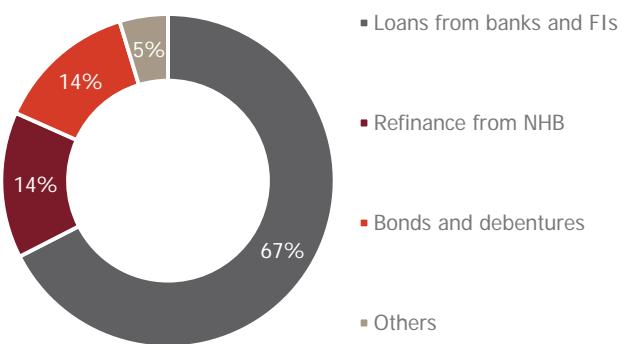
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing profile (FY22)

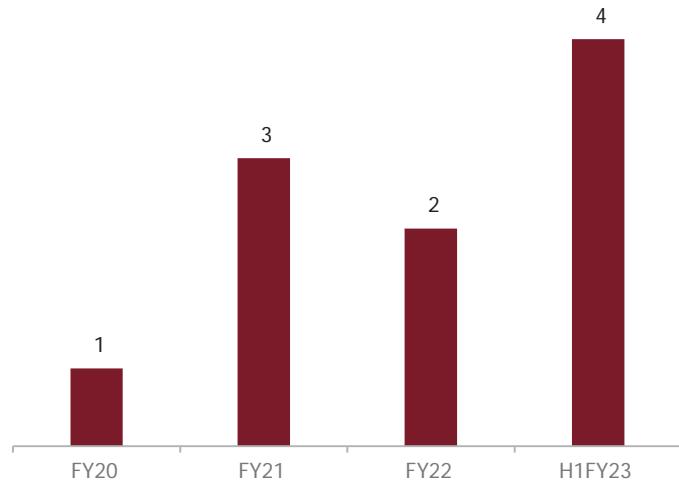


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

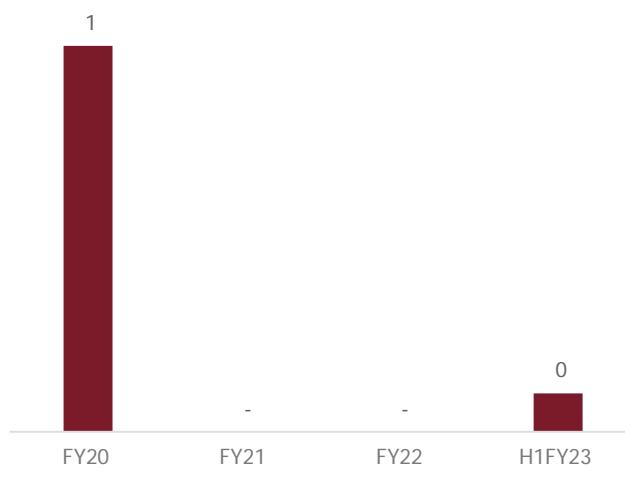
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Shriram Housing Finance Limited predominantly caters to self-employed borrowers and informal salaried customers in tier II and III cities and is focused on the lower income segment. The company had 103 branches across 15 states in India as on March 31, 2022. The loans and advances aggregated to Rs 45 billion as of March 2022, of which majority was towards lending to home loans and LAP at ~94% and balance towards construction and corporate finance.

The borrowing mix of the company primarily consist of loans from banks and FIs (67%), market borrowings in the form of bonds and debentures (14%) and refinance from NHB (14%). The company's financial profile is supported by strong support from its parent, Shriram City and adequate capitalisation and resource profile. These strengths are partially offset by modest asset quality and moderate profitability.

## Aadhar Housing Finance Limited



<b>Company name</b>	Aadhar Housing Finance Limited
<b>Incorporation year</b>	1990
<b>About company</b>	<p>Aadhar Housing Finance Limited (Aadhar Housing; formerly, DHFL Vysya Housing Finance Ltd) was set up in 1990, by the erstwhile Vysya Bank. On November 20, 2017, Aadhar Housing was merged with DHFL Vysya, and the merged entity was renamed as Aadhar Housing. Currently, Blackstone group has majorly shareholding in the company. Aadhar Housing primarily lends individual home loans to the lower- and middle-income group.</p>



## Key financial parameters (FY22)

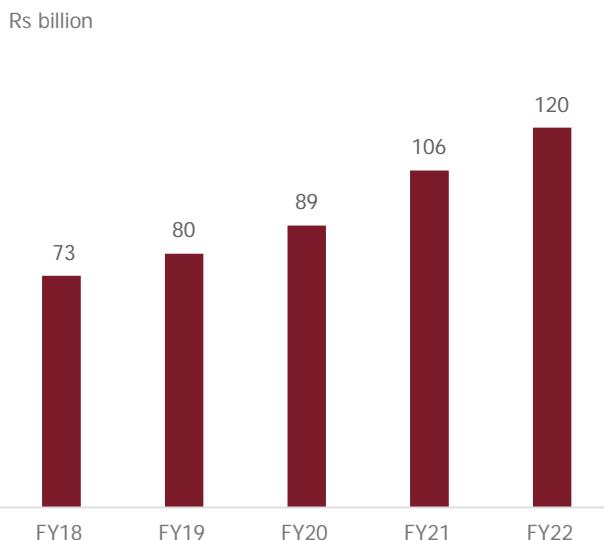
Figures in Rs billion

	Loans and advances	120		GNPA (%)	1.5%
	Total assets	144		ROA (%)	3.2%
	Total borrowings	109		NIM (%)	5.7%
	Networth	31		CAR (%)	45.4%

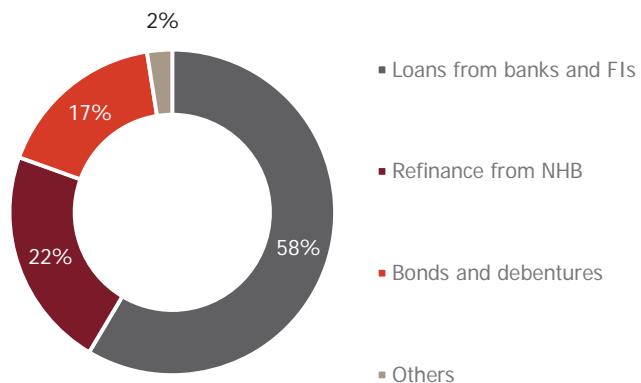
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



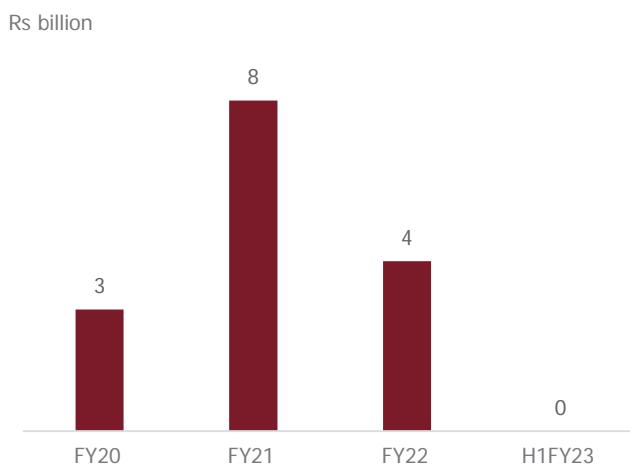
### Borrowing profile (FY22)



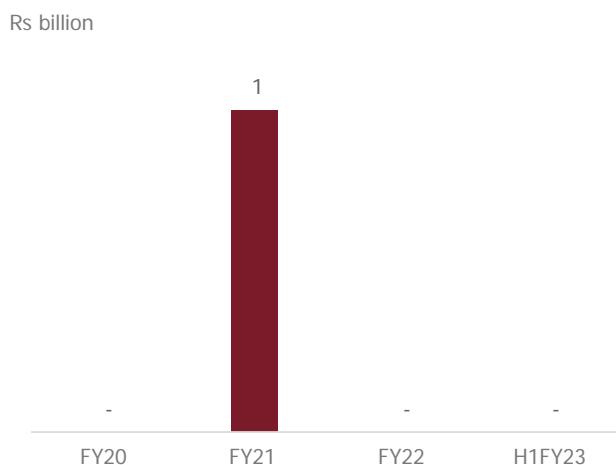
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Aadhar Housing Finance Limited is one of the larger players in the affordable housing finance segment with loans and advances aggregating to Rs 120 billion as on March 31, 2022. The housing loan portfolio constituted ~82% of the total portfolio, non-housing ~17% and project loans ~0.01%. The company focuses on the lower- and middle-income group, specifically comprising the salaried, self-employed, and agricultural income-based population with an average loan ticket size of Rs. 8.8 lakh.

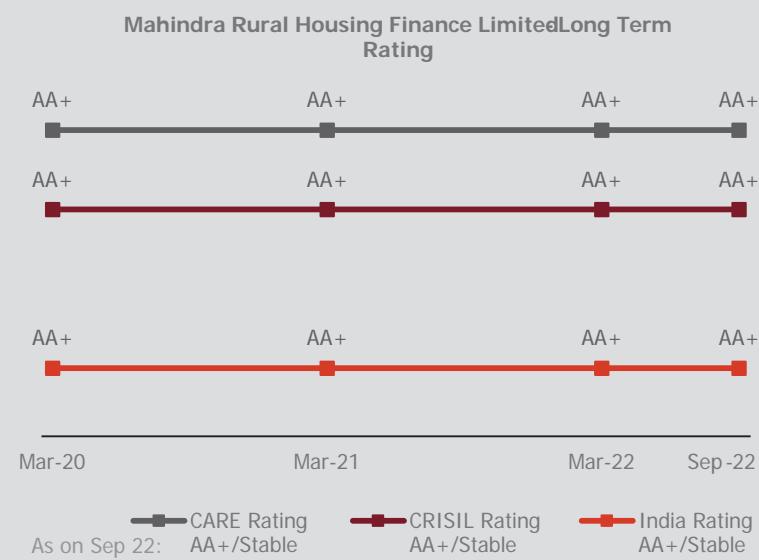
The company's financial profile is supported by its established presence in the affordable housing finance segment, association with Blackstone Group, healthy capitalisation and improved gearing metrics. These strengths are partially offset by concerns over asset quality and collection effect in the affordable housing segment.

# Mahindra Rural Housing Finance Limited

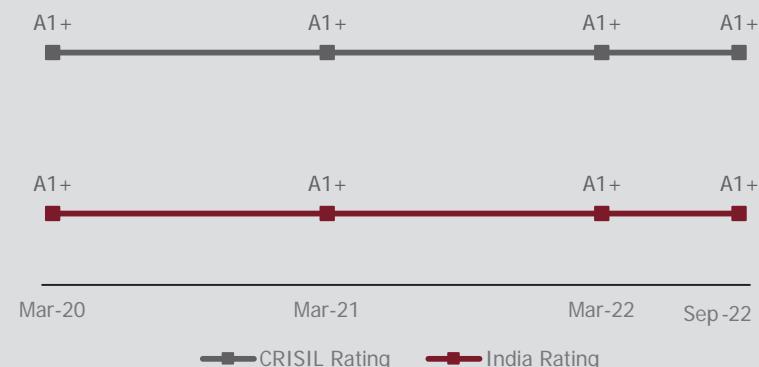


<b>Company name</b>	Mahindra Rural Housing Finance Limited
<b>Incorporation year</b>	2007
<b>About company</b>	Mahindra Rural Housing Finance Limited (MRHFL) is a wholly owned subsidiary of Mahindra and Mahindra Financial Services Limited. The company is primarily into providing rural housing finance by offering housing loans to untapped semi urban and rural segments.

## Company outstanding rating



## Mahindra Rural Housing Finance Limited Short Term Rating



## Key financial parameters (FY22)

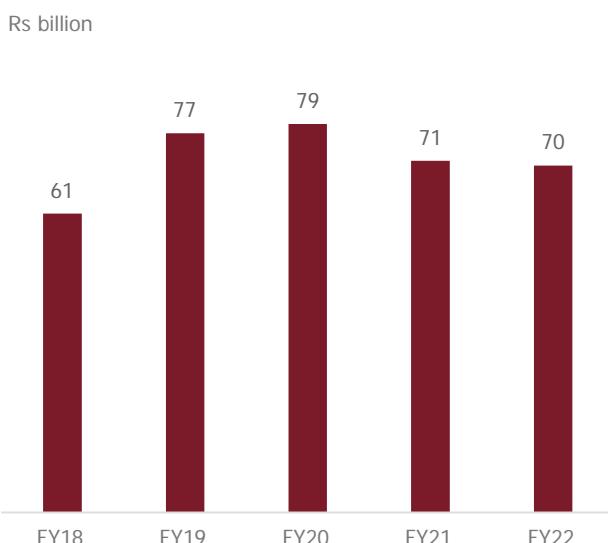
Figures in Rs billion

	Loans and advances	70		GNPA (%)	12.3%
	Total assets	85		ROA (%)	0.6%
	Total borrowings	67		NIM (%)	9.7%
	Networth	15		CAR (%)	41.6%

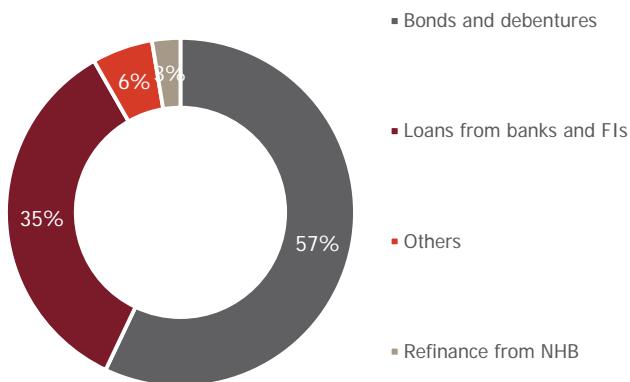
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

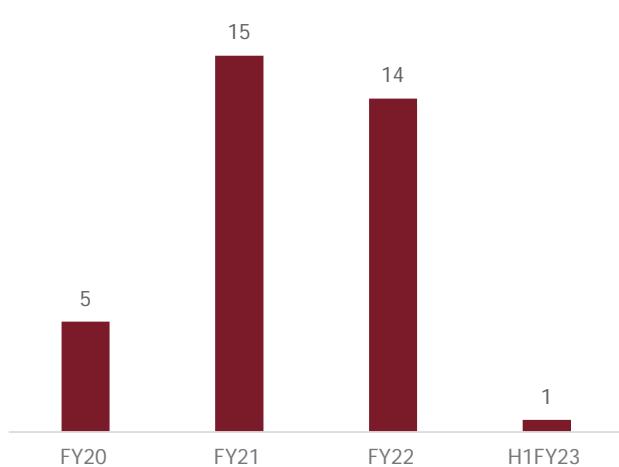


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

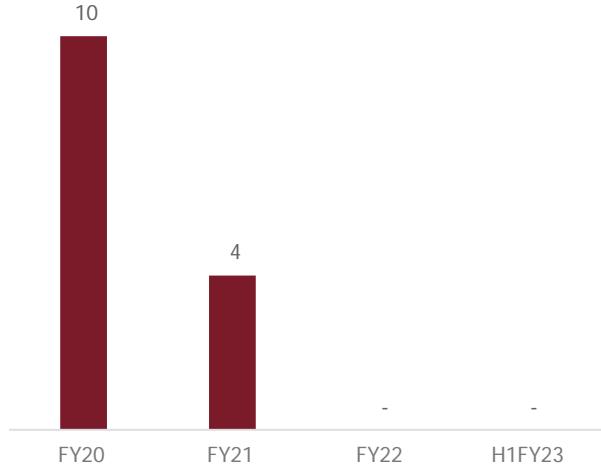
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

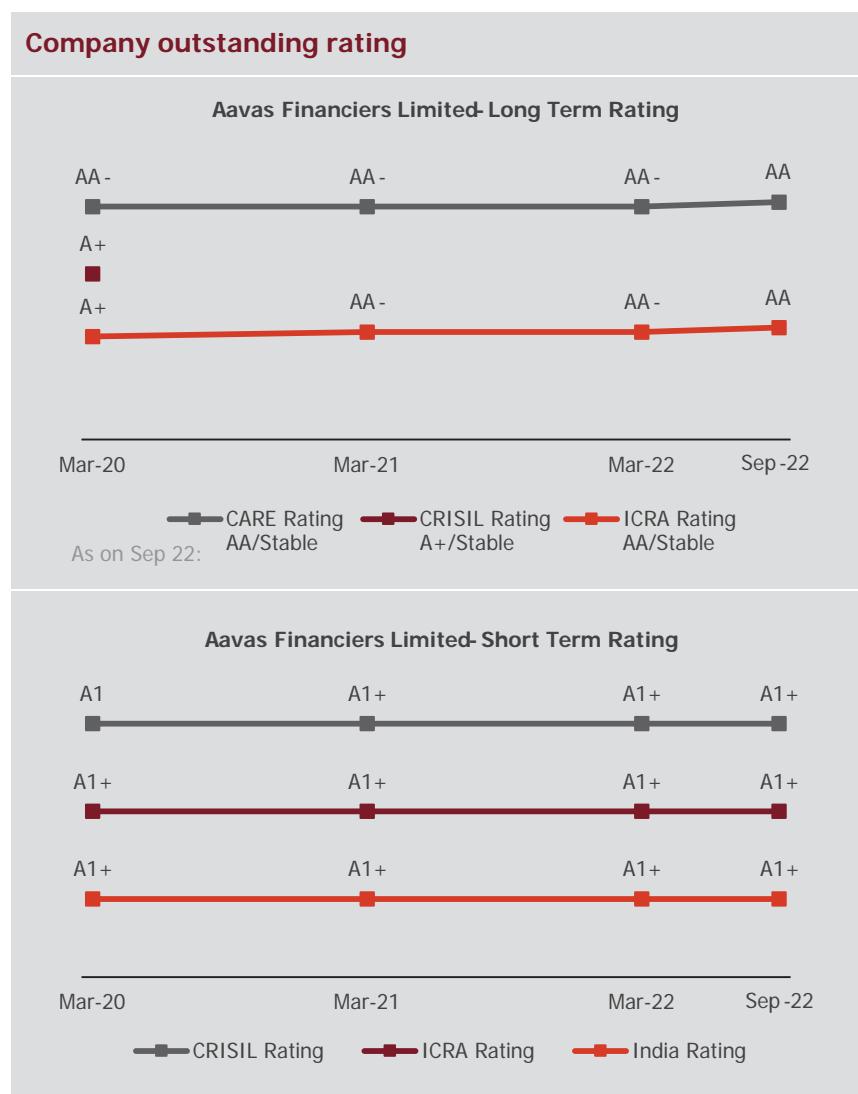
Mahindra Rural Housing Finance Limited provides loans for purchase, construction, extension, and renovation of house property in rural and semiurban markets. It's scale of operation remains modest in the housing finance market. The loans and advances of the company aggregated to Rs 70 billion as on March 31, 2022.

The borrowing mix of the company primarily consists of market borrowings in the form of bonds and debentures (57%), loans from banks and FIs (35%) and refinance from NHB (6%). The company's financial profile is supported by strong parent support, adequate capitalisation and resource profile. These strengths are partially offset by the weak asset quality and geographical concentration, which has led to modest scale of operation.

## AAVAS Financiers Limited



<b>Company name</b>	AAVAS Financiers Limited
<b>Incorporation year</b>	2011
<b>About company</b>	<p>AAVAS Financiers Limited (Aavas) is an HFC registered with the National Housing Board. Aavas primarily caters to the housing finance needs of small families in rural and semi urban areas.</p>



## Key financial parameters (FY22)

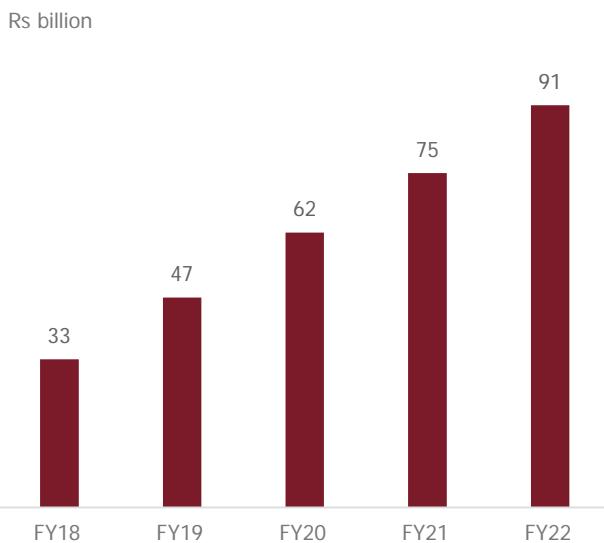
Figures in Rs billion

	Loans and advances	91		GNPA (%)	1.0%
	Total assets	110		ROA (%)	3.6%
	Total borrowings	80		NIM (%)	6.7%
	Networth	28		CAR (%)	51.9%

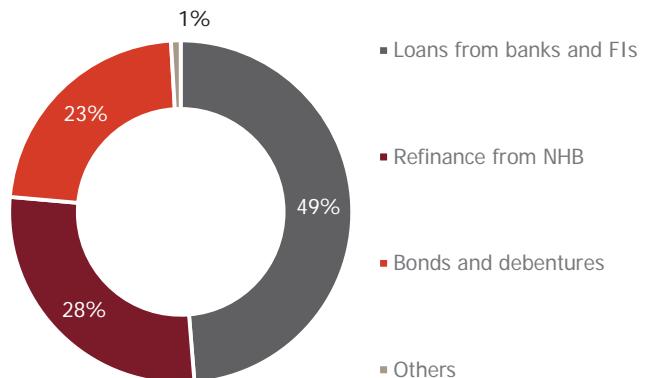
Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



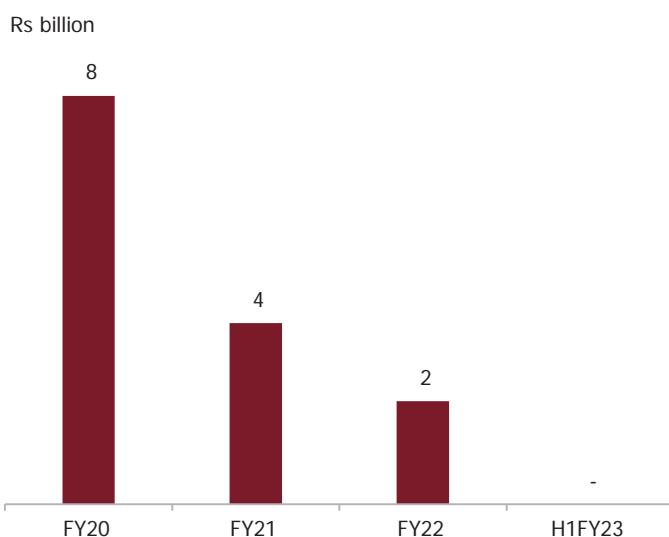
### Borrowing profile (FY22)



Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

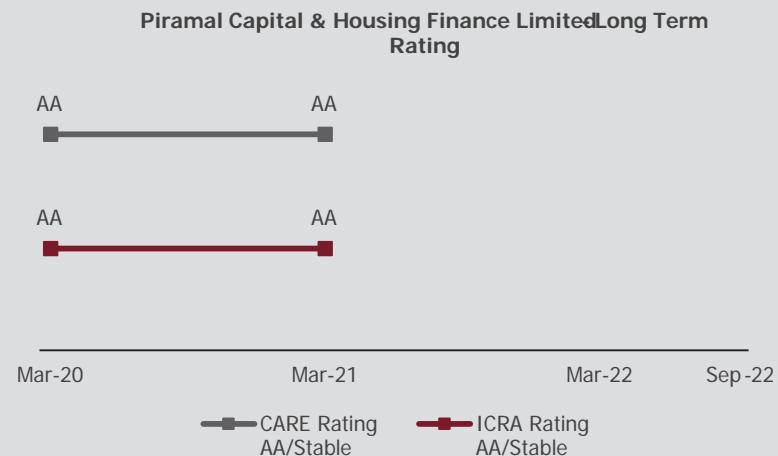
AAVAS Financiers Limited is a Jaipur (Rajasthan) headquartered housing finance company, which primarily provides housing loans in rural and semi-urban areas, with Rajasthan remaining the largest contributor in AUM, operations have gradually expanded to now cover 10 states. The borrowing mix of the company primarily consists of loans from banks and FIs (49%), refinance from NHB (28%) and market borrowings in the form of bonds and debentures (23%). The companies' financial profile is supported by good asset quality and decreasing geographical concentration.



# Piramal Capital and Housing Finance Limited

<b>Company name</b>	Piramal Capital and Housing Finance Limited
<b>Incorporation year</b>	2017
<b>About company</b>	<p>Piramal Capital and Housing Finance Limited (PCHFL) received the license from the NHB in August 2017. Following the restructuring, Piramal Finance Limited and Piramal Capital Limited have merged into PCHFL. PCHFL has four business verticals viz, real estate financing, corporate finance group and the emerging corporates group and housing finance.</p>

## Company outstanding rating



## Piramal Capital & Housing Finance Limited Short Term Rating



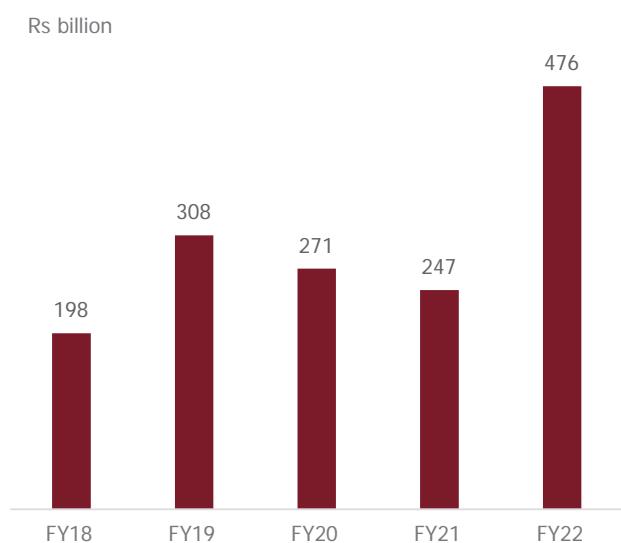
## Key financial parameters (FY22)

Figures in Rs billion		
	Loans and advances	476
	Total assets	735
	Total borrowings	464
	Networth	119
	GNPA (%)	2.5%
	ROA (%)	0.9%
	NIM (%)	5.5%
	CAR (%)	22.0%

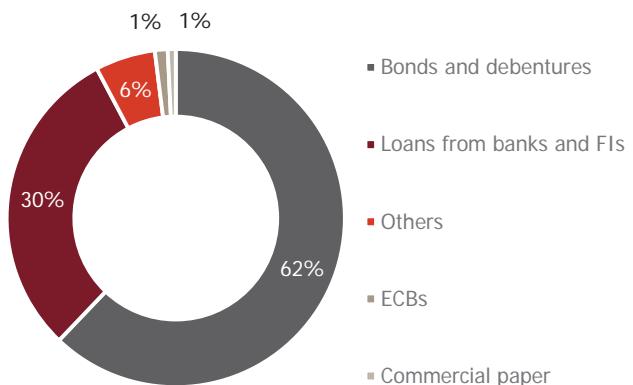
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



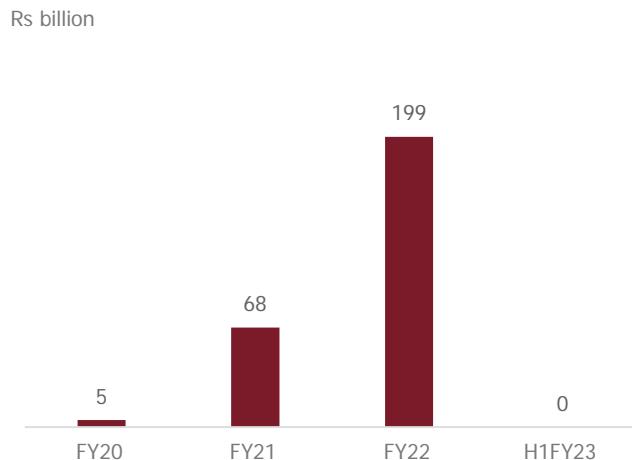
### Borrowing profile (FY22)



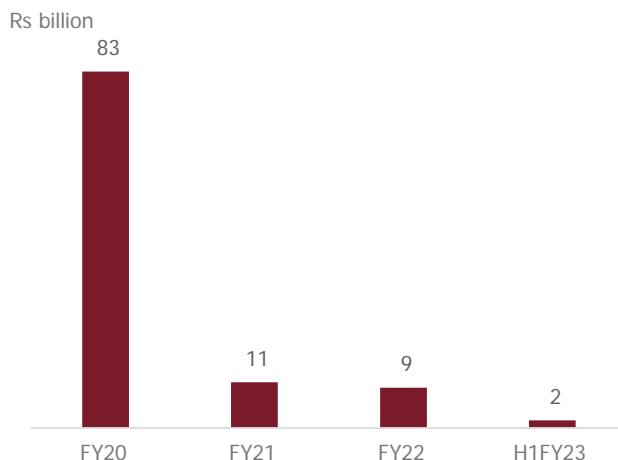
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### NCD Issuance



### CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

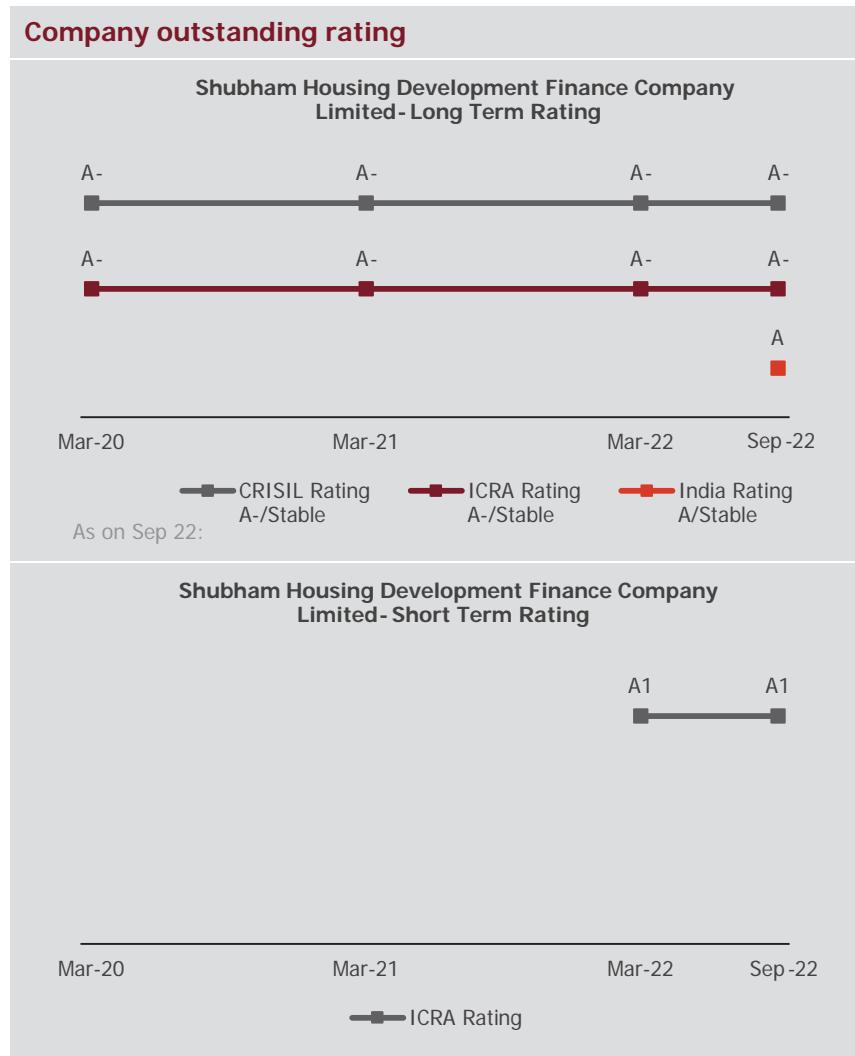
Piramal Capital and Housing Finance Limited is a wholly owned subsidiary of Piramal Enterprises Limited. The company has a healthy market position in the real estate financing space, having significantly scaled-up over the past few years. On January 22, 2021, the committee of creditors of DHFL had declared PCHFL as a successful resolution applicant. Post which on June 7, 2021, PCHFL received approval from the Hon'ble National Company Law Tribunal, Mumbai. The company had announced reverse merger into DHFL effective September 30, 2021, as per the terms of the resolution plan.

The financial profile of PCHFL is supported by the strong market position in real estate financing backed by promotor group experience and adequate financial flexibility and capital raising ability of the Piramal group. These strengths are partially offset by the impact on asset quality from sectoral concentration and acquired loan book.

# Shubham Housing Development Finance Company Limited



<b>Company name</b>	Shubham Housing Development Finance Company Limited
<b>Incorporation year</b>	2010
<b>About company</b>	Shubham Housing Development Finance Company Limited (Shubham Housing) was incorporated in 2010 and provides housing loans to low income groups in metros and urban areas.



## Key financial parameters (FY22)

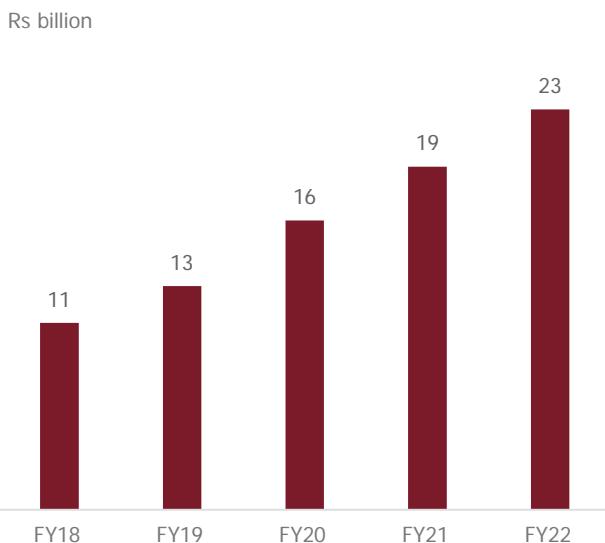
Figures in Rs billion

	Loans and advances	23		GNPA (%)	3.6%
	Total assets	25		ROA (%)	1.0%
	Total borrowings	18		NIM (%)	6.8%
	Networth	5		CAR (%)	36.9%

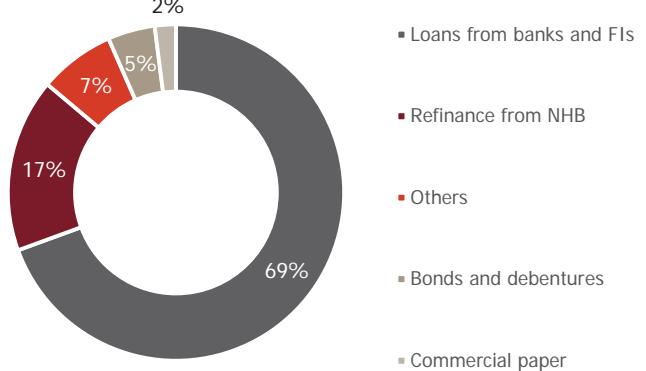
Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

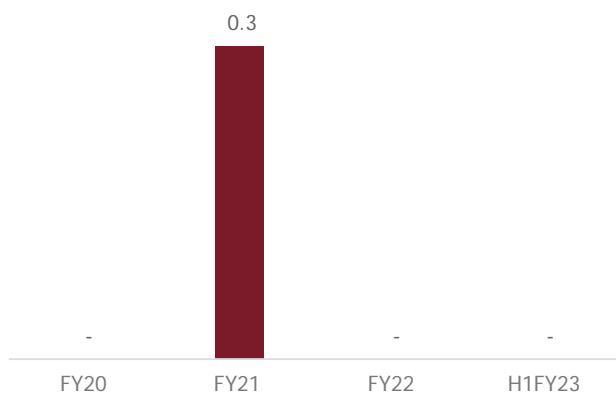


Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

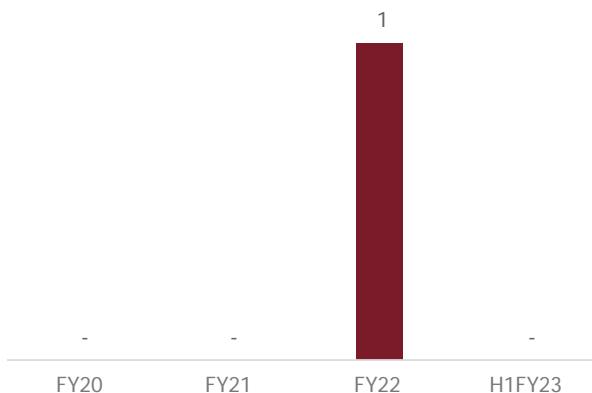
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Shubham Housing headquartered in Gurgaon, operates 100 branches in nine states, covering most of the states in the north, west and central India. Shubham Housing is primarily engaged in affordable housing segment with average ticket size of Rs 0.7-0.8 million. Portfolio mix accounts for housing loans (including home improvement and self-construction loans) at 78% of the loan book, with remaining 22% in non-housing loans, mainly LAP. The financial risk profile is supported by strong capital position, improved profitability and experienced management in retail finance businesses. These strengths are partially offset by the smaller scale of operations, and its exposure to customers with limited financial flexibility.



# Godrej Housing Finance Limited

<b>Company name</b>	Godrej Housing Finance Limited
<b>Incorporation year</b>	2018
<b>About company</b>	Godrej Housing Finance Limited (GHFL) was set up in 2018 as a HFC focused on mortgage-backed loans. GHFL caters to both mid-market and prime housing segments.



## Key financial parameters (FY22)

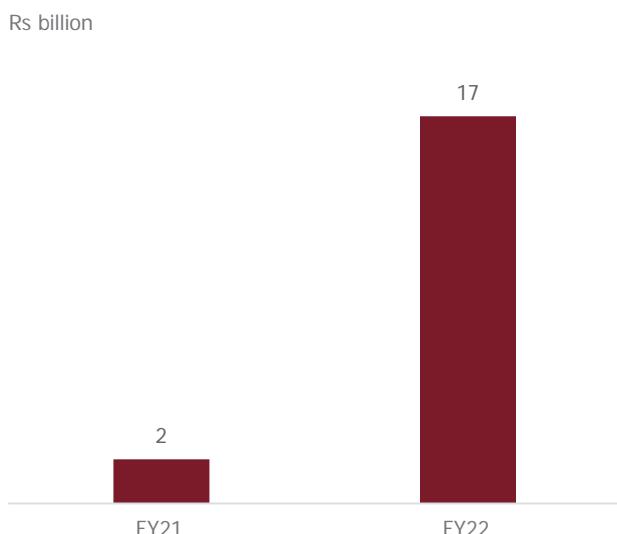
Figures in Rs billion

	Loans and advances	17		GNPA (%)	0%
	Total assets	20		ROA (%)	-6.6%
	Total borrowings	16		NIM (%)	3.9%
	Networth	4		CAR (%)	21.8%

Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

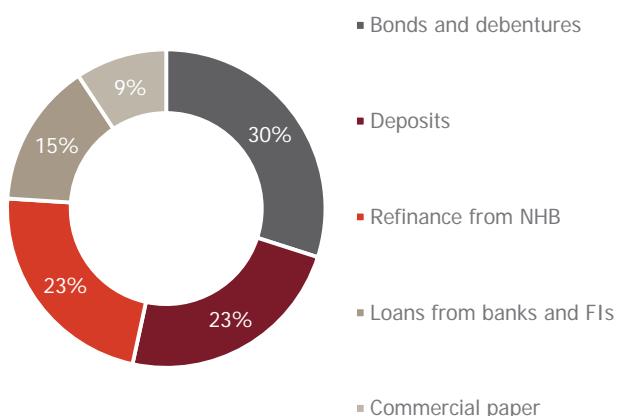
### Trend in loans and advances



Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

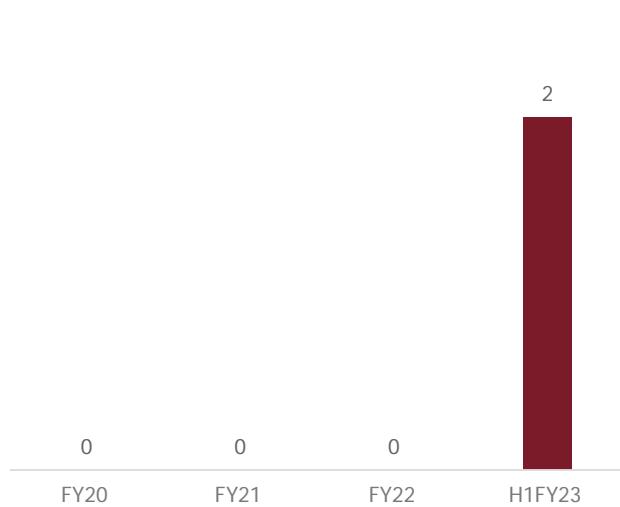
Source: CRISIL Quantix

### Borrowing profile (FY22)



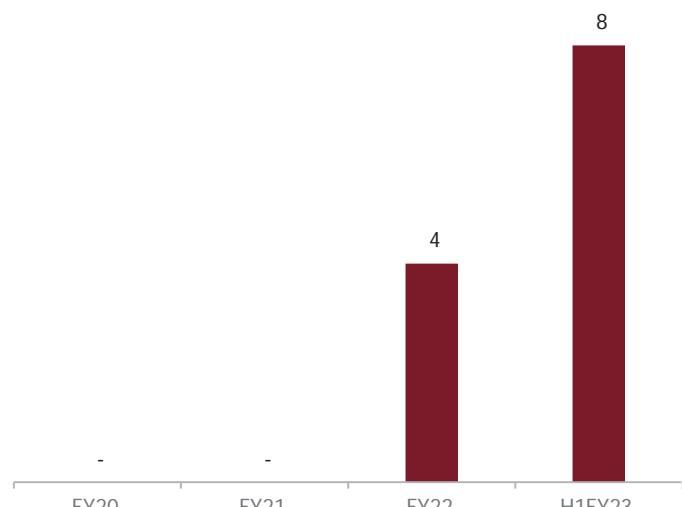
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



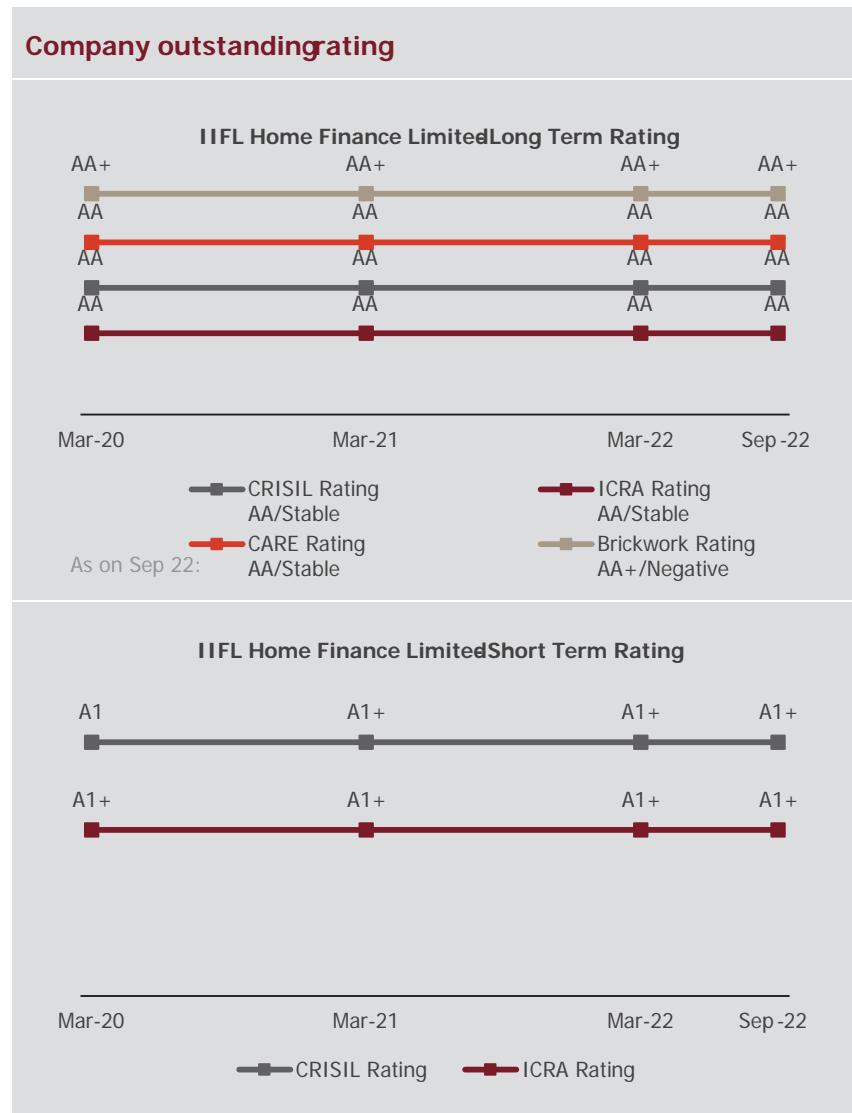
Source: Prime database, CCIL -FTRAC, Crisil Research

The company has eight branches in Mumbai, Pune, Bengaluru, Delhi/NCR and Ahmedabad. The financial services business of Godrej Industries Ltd (GIL) and the Godrej group started with GHFL. GIL, through its subsidiary Godrej Capital Ltd (GCL), holds 95% stake in GHFL. GHFL commenced operations in November 2020. Given the initial stage of operations and investments towards requisite infrastructure, the company's operating expenses are high. It is likely to see significant growth in its loan book and geographical reach over the medium term. The financial risk profile is supported by comfortable capitalization and experienced management. These strengths are partially offset by the nascent stage of operations and limited track record of the group in the financial services business.

## IIFL Home Finance Limited



<b>Company name</b>	IIFL Home Finance Limited
<b>Incorporation year</b>	2006
<b>About company</b>	IIFL Home Finance Limited (IIFL Home) is a wholly owned subsidiary of IIFL Finance and is registered with NHB as an HFC. The company primarily offers low ticket home loans, loan against property and corporate mortgage.



## Key financial parameters (FY22)

Figures in Rs billion

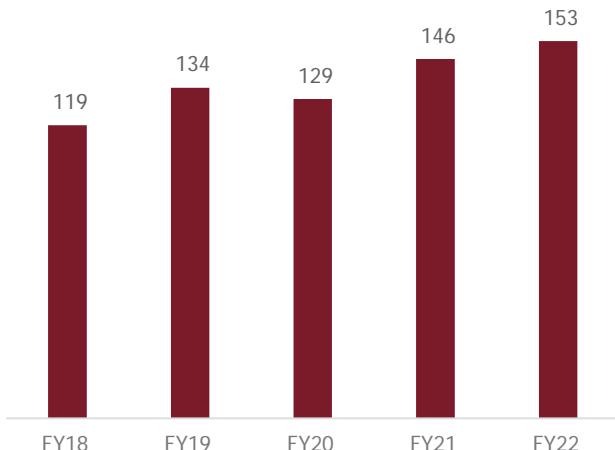
	Loans and advances	153		GNPA (%)	3.7%
	Total Assets	181		ROA (%)	3.4%
	Total Borrowings	150		NIM (%)	4.9%
	Net worth	27		CAR (%)	30.5%

Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

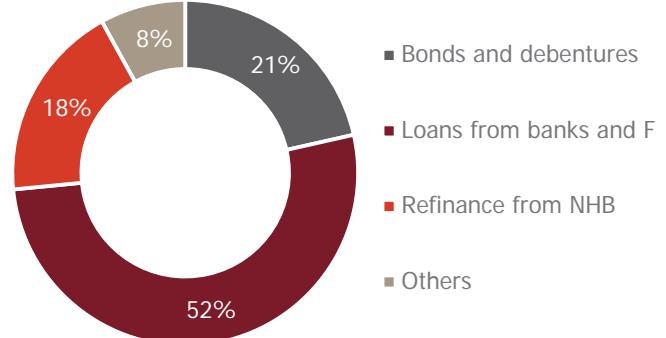
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing profile (FY22)



Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

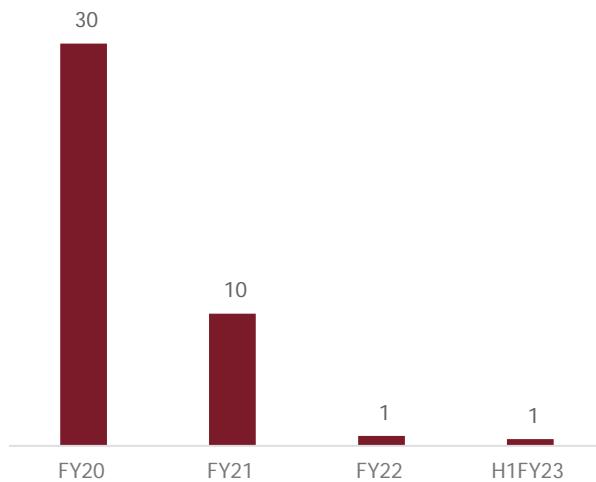
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

In fiscal 2008, IIFL Finance (erstwhile, IIFL Holdings Limited) launched its retail finance business through the NBFC, Moneyline Credit Ltd, which was merged with India Infoline Finance Ltd. In fiscal 2009, India Infoline Housing Finance Ltd received registration as a housing finance company from the National Housing Bank and was subsequently renamed IIFL Home. The company primarily offers low ticket home loans, LAP and corporate mortgage loans (lower ticket developer funding). The financial risk profile is supported by adequate capitalization and diversified retail product offerings. These strengths are partially offset by average, albeit improving, profitability.

# Cholamandalam Investment and Finance Company Limited



<b>Company name</b>	Cholamandalam Investment and Finance Company Limited
<b>Incorporation year</b>	1978
<b>About company</b>	The company is engaged in vehicle financing and home equity. It had 1,145 branches across 29 states in India, with 80% presence in tier III to tier VI cities, as on March 31, 2022.



## Key financial parameters (FY22)

Figures in Rs billion

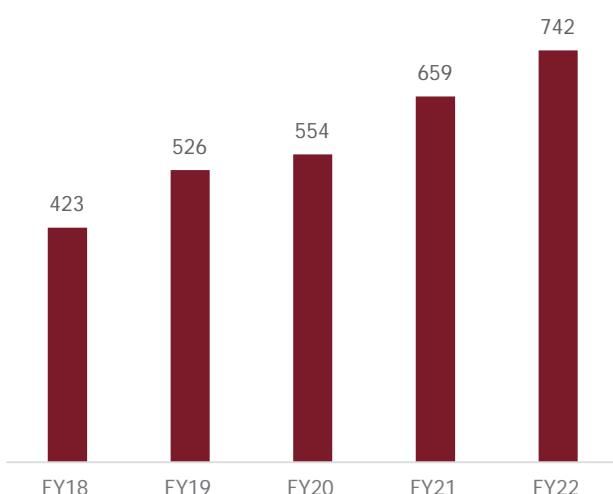
	Loans and advances	742		GNPA (%)	7.0%
	Total assets	823		ROA (%)	2.7%
	Total borrowings	692		NIM (%)	6.9%
	Networth	117		CAR (%)	19.6%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

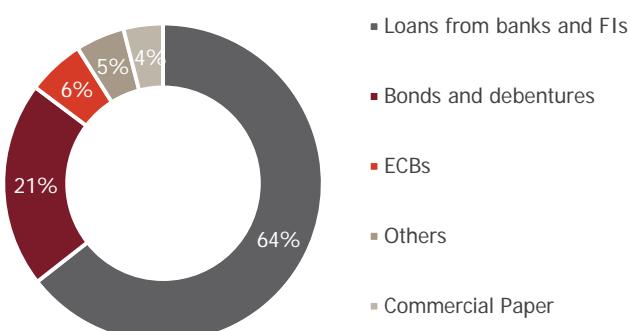
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing mix profile (FY22)

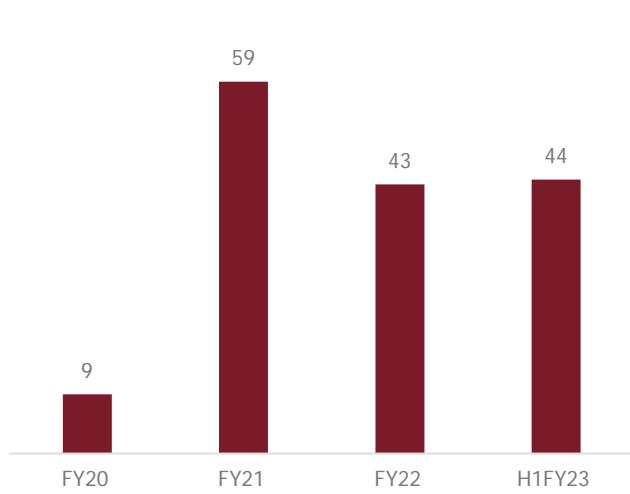


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

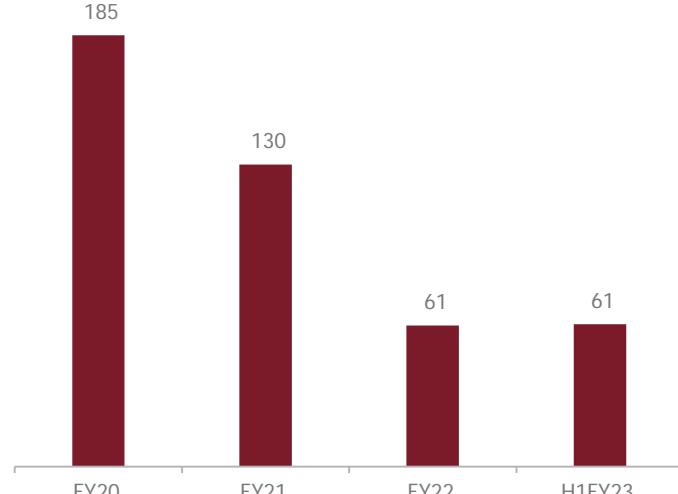
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

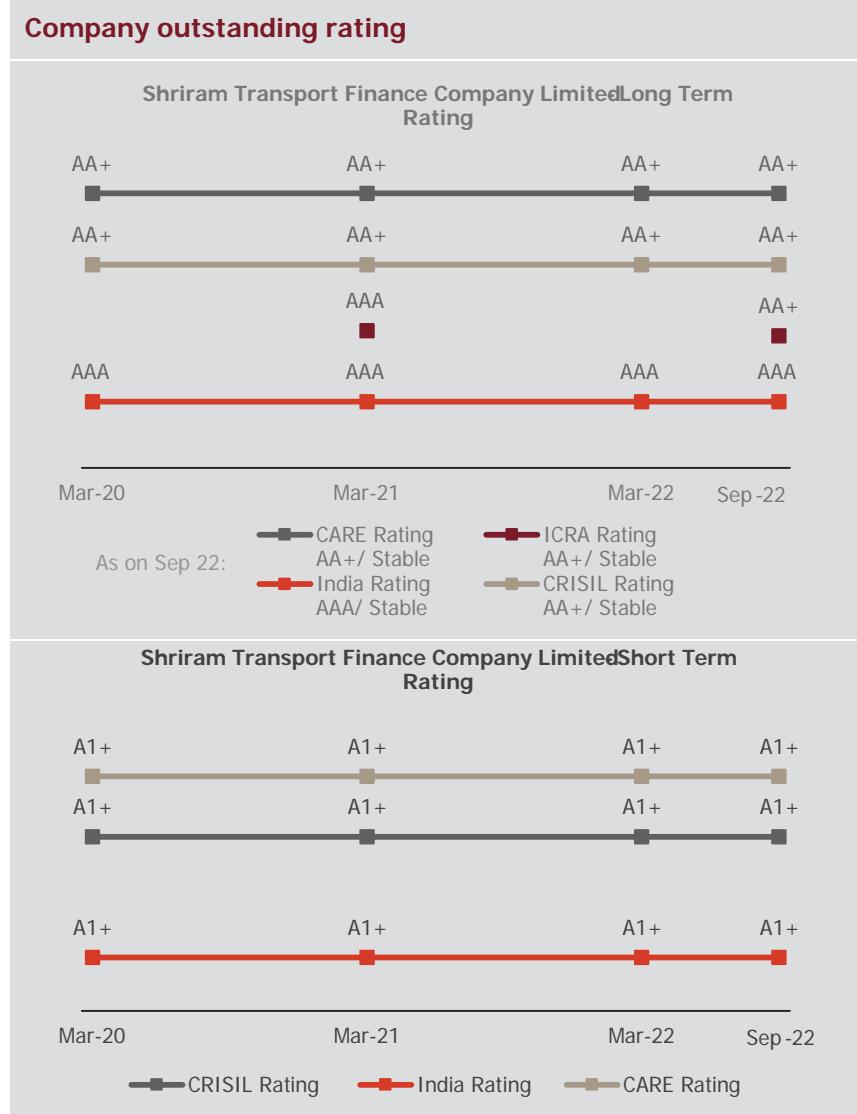
Cholamandalam Investment and Finance Company Limited mainly provides vehicle financing and loans against property, along with home loans, MSME loans and agricultural loans. The company has sustained its market position in the vehicle financing segment, which accounts for over two-thirds of the financing business. Commercial vehicle financing is the flagship product under the vehicle finance business; also, the company has an established track record of catering to small and medium-sized fleet transport operators and first-time users.

Total loans and advances stood at Rs 742 billion as on March 31, 2022, and the borrowing mix primarily consists of loans from banks and FIs (64%), bonds and debentures (21%), external commercial borrowing (6%) and commercial paper (4%). Financial risk profile is supported by healthy market position in the vehicle financing segment and strong support from the Murugappa group. These strengths are partially offset by average, albeit improving, asset quality.

# Shriram Transport Finance Company Limited



<b>Company name</b>	Shriram Transport Finance Company Limited
<b>Incorporation year</b>	1979
<b>About company</b>	<p>Shriram Transport Finance Company Limited (STFCL) is the flagship company of the Shriram group's financial services business. The company has a track record of more than four decades in commercial vehicle financing and is registered with the Reserve Bank of India (RBI) as a deposit-taking, asset financing, NBFC (NBFC D).</p>



## Key financial parameters (FY22)

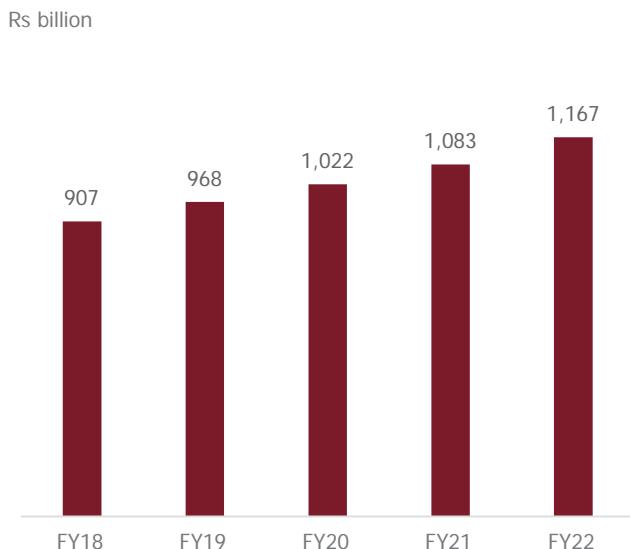
Figures in Rs billion

	Loans and advances	1,167		GNPA (%)	7.6%
	Total assets	1,477		ROA (%)	1.9%
	Total borrowings	1,145		NIM (%)	6.6%
	Networth	259		CAR (%)	23.0%

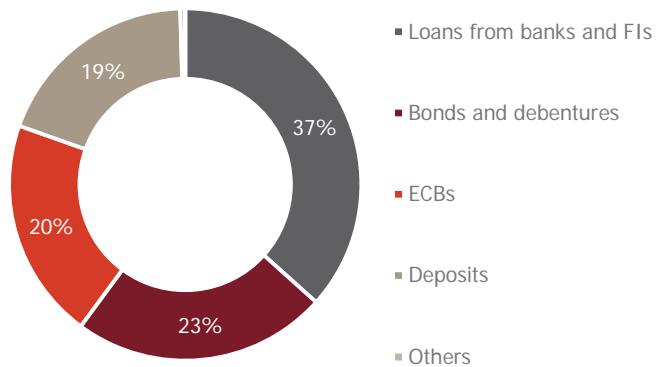
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing mix profile (FY22)

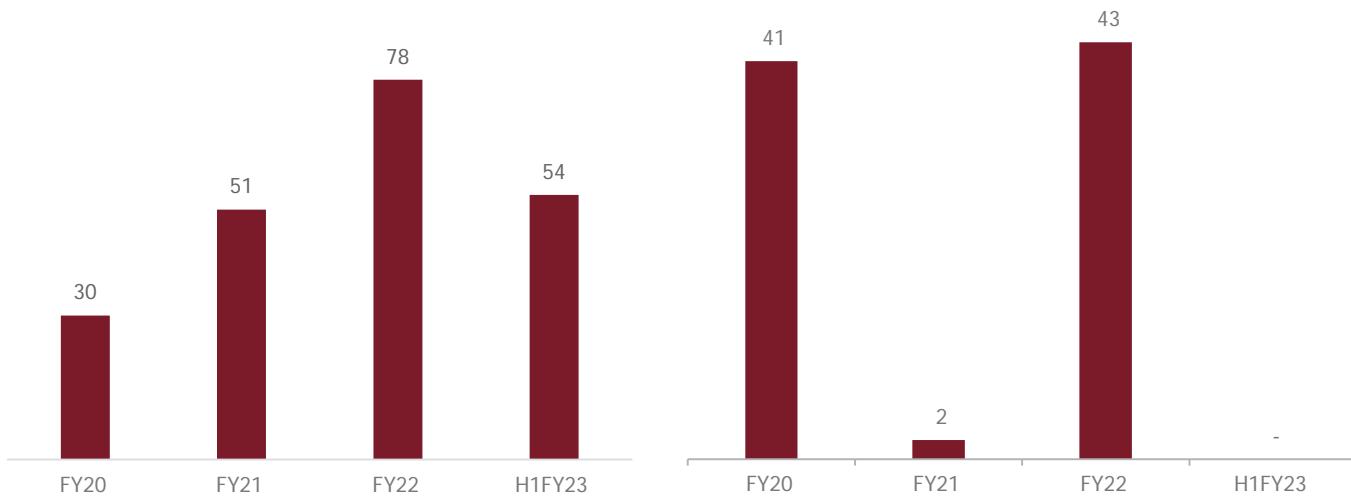


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

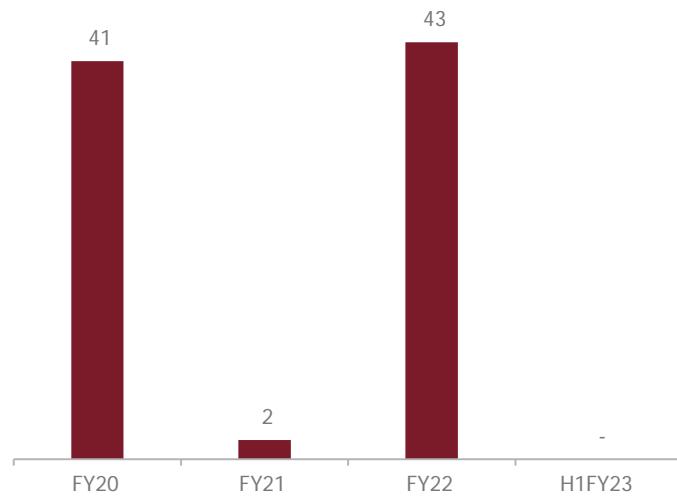
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

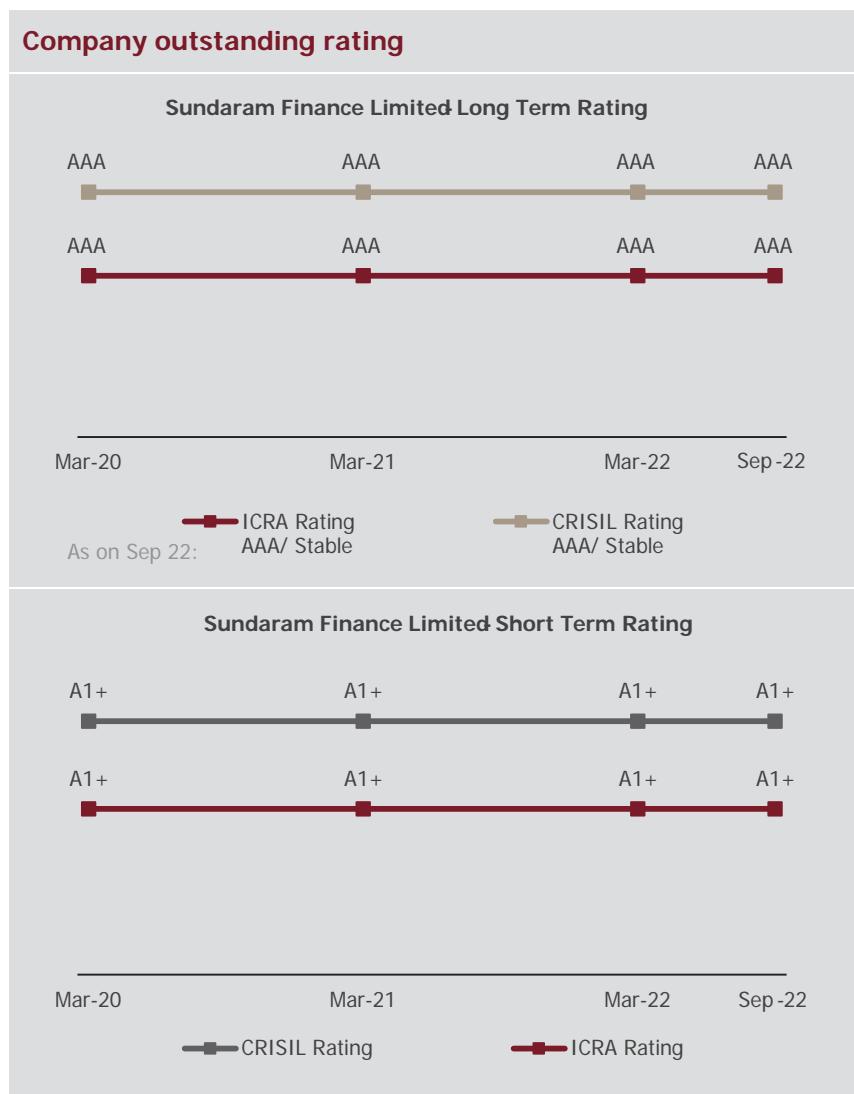
Shriram Transport Finance Company Limited predominantly provides commercial vehicle (pre-owned and new) financing to small road transport operators, first-time users and first-time buyers. The company also finances purchase of tractors, passenger vehicles, earth-moving equipment and large agriculture equipment. The Shriram group previously operated its commercial vehicle finance business through multiple companies but now has consolidated its operations under STFCL. It has pan-India presence, with about 1,854 branches and 775 rural centers as on March 31, 2022.

The financial risk profile is supported by strong market position, comfortable capitalisation and earnings profile. However, these strengths are partly offset by the company's modest asset quality and average resource profile.



# Sundaram Finance Limited

<b>Company name</b>	Sundaram Finance Limited
<b>Incorporation year</b>	1954
<b>About company</b>	Sundaram Finance Limited is the flagship company of the group. Sundaram Finance is registered with the RBI as a deposit taking NBFC. The company had a nationwide network of 618 branches as on March 31, 2022.



## Key financial parameters (FY22)

Figures in Rs billion

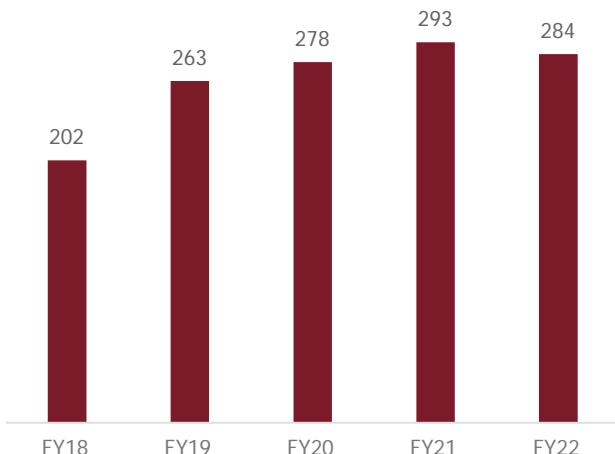
	Loans and advances	284		GNPA (%)	2.5%
	Total assets	353		ROA (%)	2.6%
	Total borrowings	278		NIM (%)	5.0%
	Networth	69		CAR (%)	24.4%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

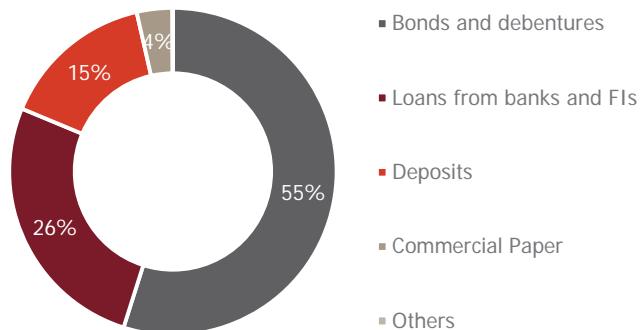
Source: CRISIL Quantix

## Trend in loans and advances

Rs billion



## Borrowing mix profile (FY22)

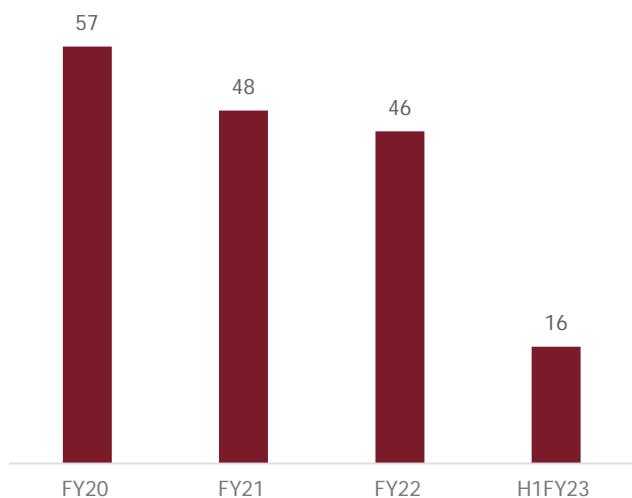


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

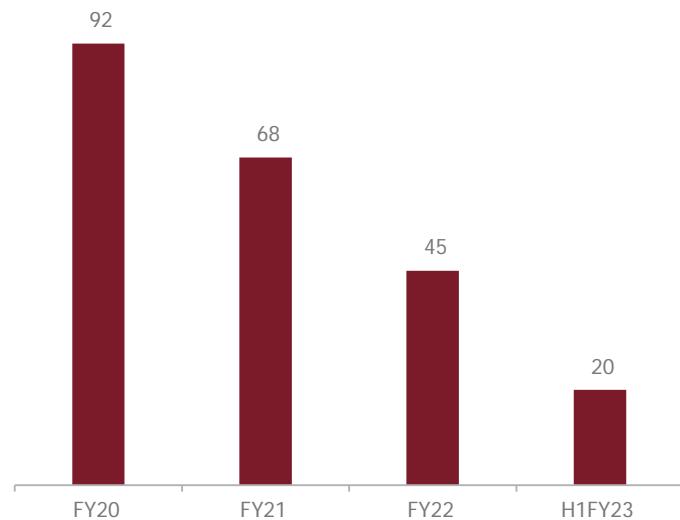
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

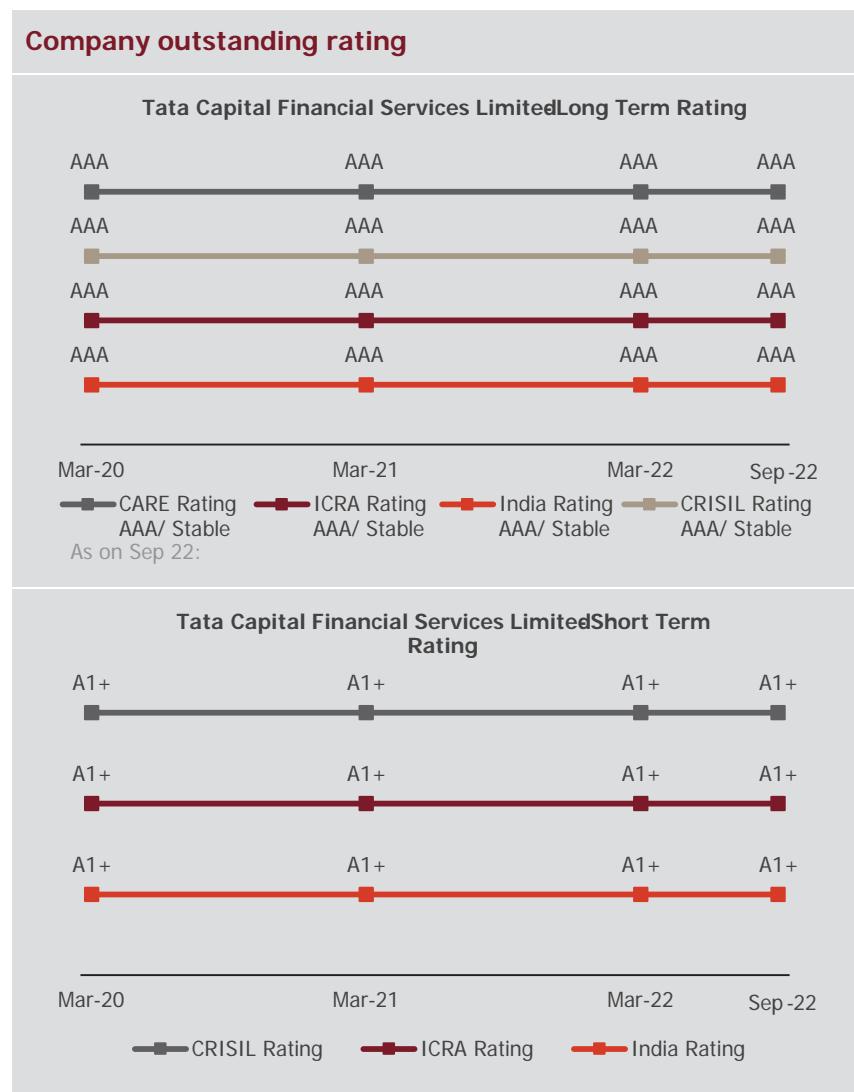
Sundaram Finance Limited is a non-banking financial company (NBFC) in India, with a track record of over six decades in the commercial vehicle financing business. The portfolio primarily comprised commercial vehicles (46%), car loans (26%) construction equipment (11%), tractors (8%) and other loans (10%) as on March 31, 2022. Nearly 80% of disbursements were towards financing new vehicles, mainly medium and heavy commercial vehicles. Over 60% of clients are repeat customers, with proven ability and willingness to repay.

The group has sustained its market share in the retail vehicle financing segment, across multiple business cycles, and is also scaling up its presence in segments such as mortgage finance, asset management and general insurance. These strengths are partially offset by its moderate market position in the overall financial services space in India.

## Tata Capital Financial Services Limited



<b>Company name</b>	Tata Capital Financial Services Limited
<b>Incorporation year</b>	2010
<b>About company</b>	Tata Capital Financial Services Limited (TCFSL) is registered with the RBI as a systemically important non-deposit accepting NBFC. TCFSL caters to the diverse needs of retail, corporate and institutional customers, across various areas; namely commercial finance, wealth management, consumer loans.



## Key financial parameters (FY22)

Figures in Rs billion

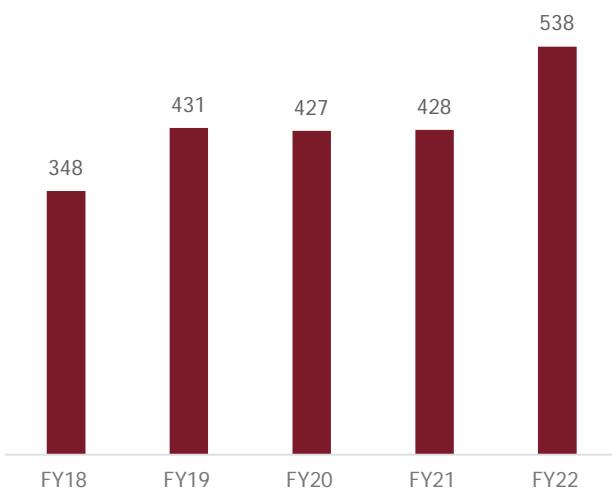
	Loans and advances	538		GNPA (%)	2.3%
	Total assets	594		ROA (%)	1.5%
	Total borrowings	493		NIM (%)	5.6%
	Networth	77		CAR (%)	17.3%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

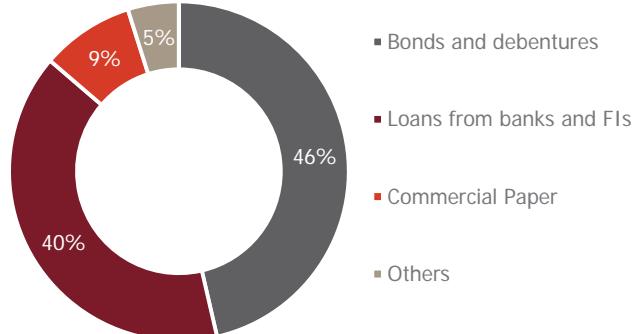
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing mix profile (FY22)

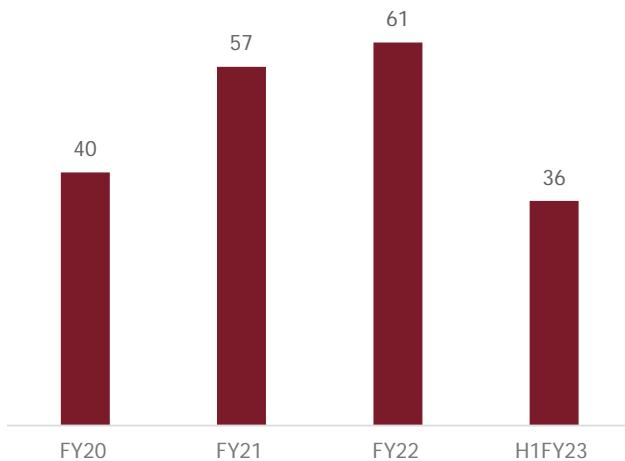


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

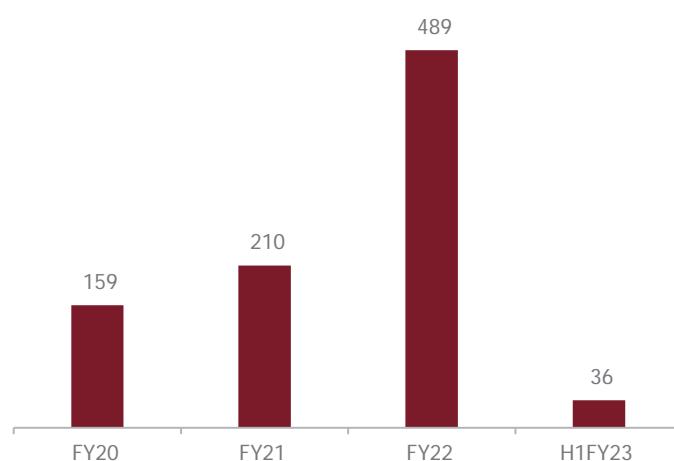
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

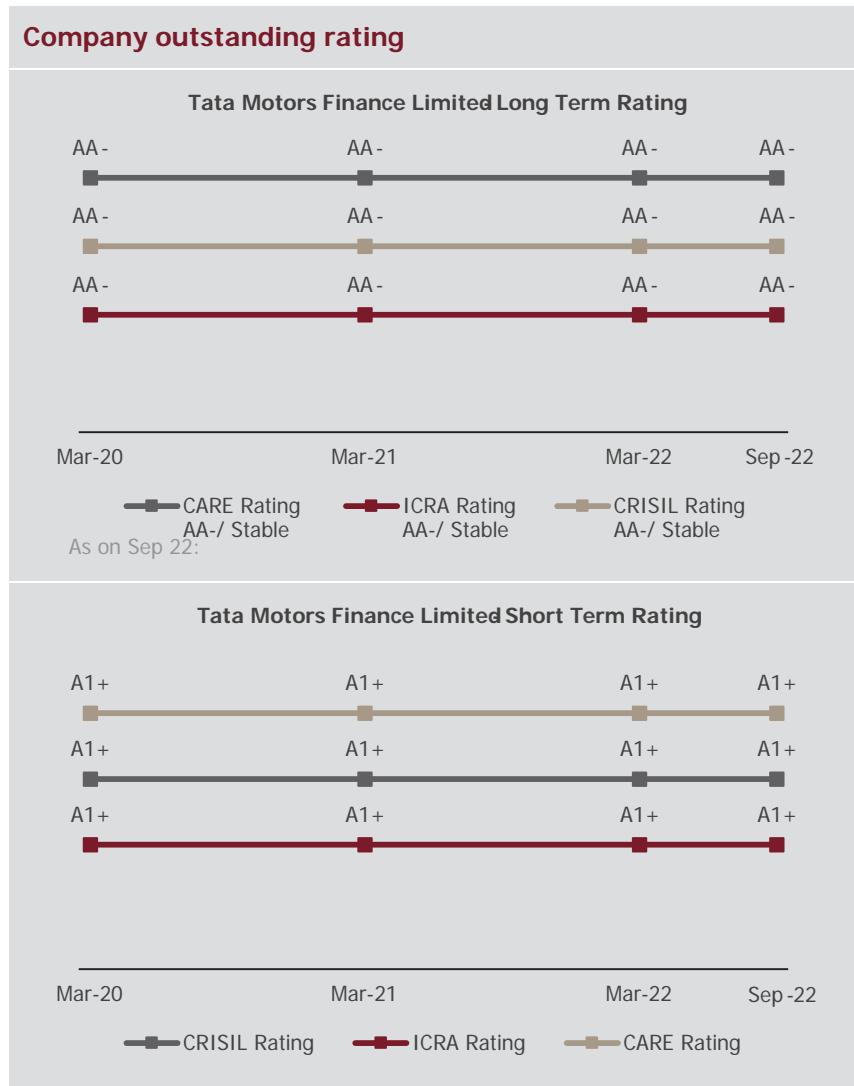
Tata Capital Financial Services Limited is a wholly owned subsidiary of Tata Capital Limited, registered as an NBFC-NDSI with the RBI. The company offers fund and fee-based financial services to its customers, across the retail, corporate and institutional segments. It has a diversified product portfolio, with almost equal presence in the retail and wholesale finance segments.

The borrowing mix primarily includes bonds and debentures (46%), loans from banks and FIs (40%) and short-term borrowings from commercial paper (9%). The financial risk profile is supported by comfortable capitalization, strong parental support and diversified resource profile. These strengths are partially offset by average asset quality and moderate earning profile.



# Tata Motors Finance Limited

<b>Company name</b>	Tata Motors Finance Limited
<b>Incorporation year</b>	1989
<b>About company</b>	TMF Holdings Limited (TMFHL) acquired a 100% stake in Tata Motors Finance Limited (TMFL) (earlier Sheba Properties Ltd), an NBFC registered with the RBI in March 2016. As a majority owned captive finance subsidiary of TMFHL, the company extends finance to customers purchasing vehicles of Tata Motors Limited (TML).



## Key financial parameters (FY22)

Figures in Rs billion

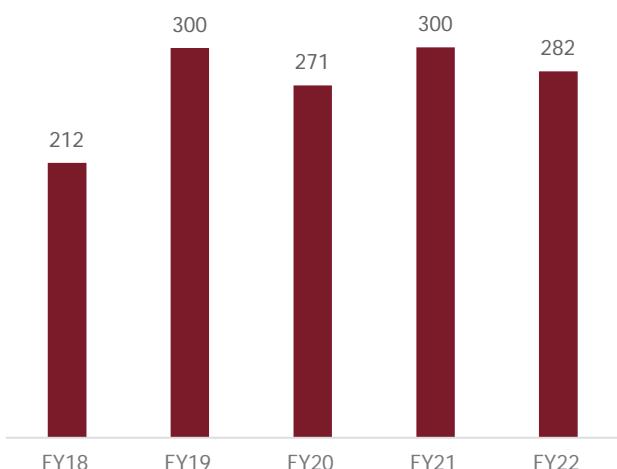
	Loans and advances	282		GNPA (%)	10.9%
	Total assets	343		ROA (%)	-0.1%
	Total borrowings	282		NIM (%)	3.3%
	Networth	34		CAR (%)	18.7%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

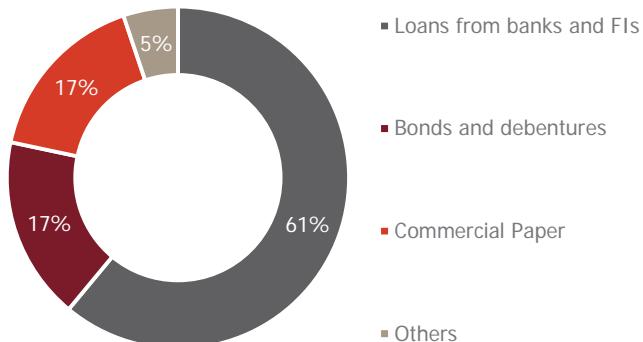
Source: CRISIL Quantix

## Trend in loans and advances

Rs billion



## Borrowing mix profile (FY22)

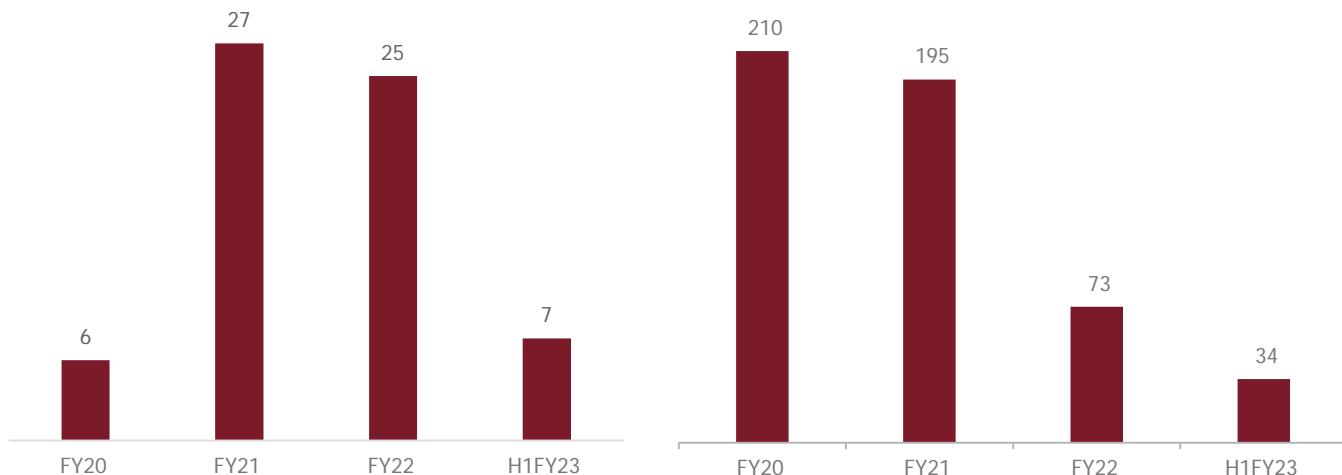


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance

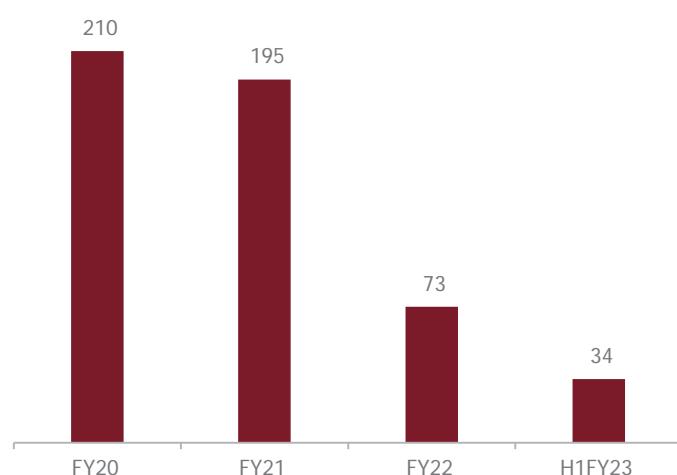
Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

## CP Issuance

Rs billion



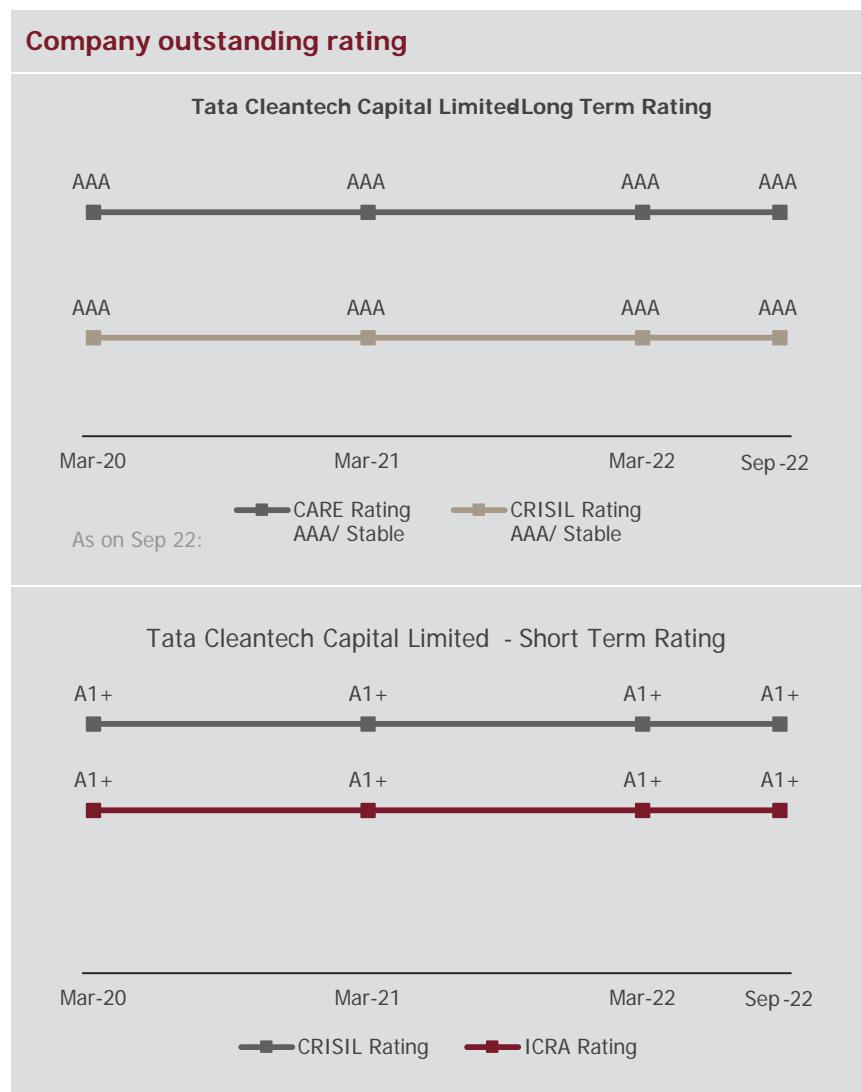
As the captive financier of TMFHL, Tata Motors Finance Limited finances purchase of new vehicles of TML. Tata Motors Finance Solutions Ltd finances the purchase of pre-owned vehicles and has strong operational linkages with the pre-owned vehicles business of TML. Under corporate lending, it provides both short-term and long-term financing to dealers and suppliers of TML. Additionally, it extends value added products by combining financing offerings with insurance.

TMFL operates through a network of direct and dealer models and is present at all main dealerships of TML across India. The company is one of the major financiers of commercial vehicles and cars and caters to both customers and channel partners of TML.

## Tata Cleantech Capital Limited



<b>Company name</b>	Tata Cleantech Capital Limited
<b>Incorporation year</b>	2011
<b>About company</b>	<p>Tata Cleantech Capital Limited (TCCL) is a joint venture between Tata Capital Limited and International Finance Corporation. TCCL is registered with the RBI as a systemically important, non-deposit accepting, NBFC. In October 2015, TCCL was classified as an infrastructure finance company (NBFC -IFC) by RBI.</p>



## Key financial parameters (FY22)

Figures in Rs billion

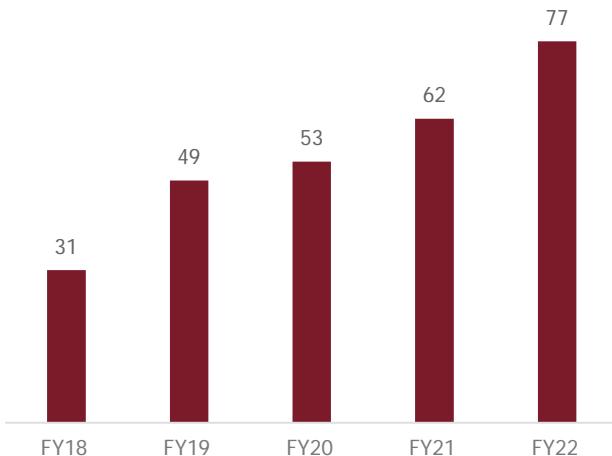
	Loans and advances	77		GNPA (%)	0.8%
	Total assets	85		ROA (%)	2.7%
	Total borrowings	67		NIM (%)	4.4%
	Networth	17		CAR (%)	23.2%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

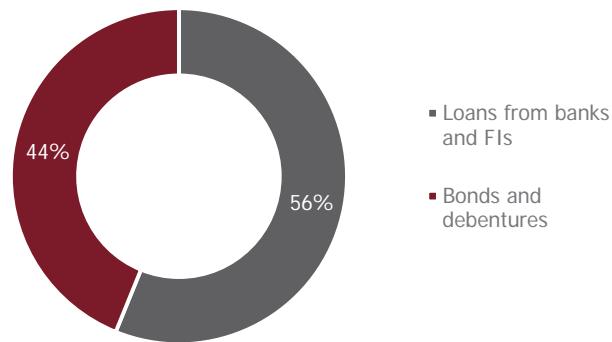
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



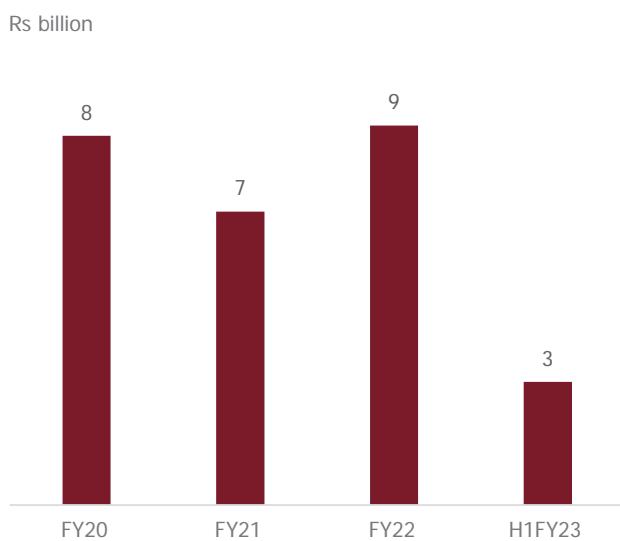
### Borrowing mix profile



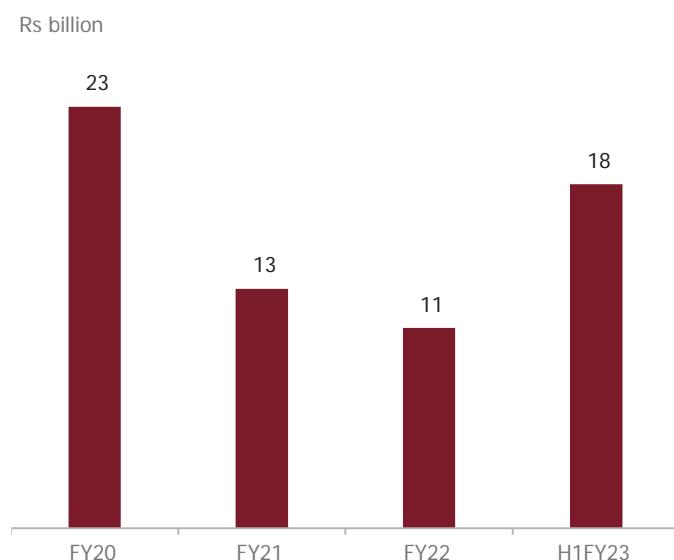
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Tata Cleantech Capital Limited focuses on financing clean technology projects. The company offers a wide range of financial solutions and advisory services to businesses and enterprises operating in the areas of renewable energy (solar, wind, small hydro and biomass), energy efficiency, and water management. Its portfolio is spread across Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Andhra Pradesh, Karnataka, and Tamil Nadu.

The financial risk profile is supported by comfortable capitalisation, diversified resource profile and strong parent support. These strengths are partially offset by average asset quality and moderate earnings profile.



# HDB Financial Services Limited

<b>Company name</b>	HDB Financial Services Limited
<b>Incorporation year</b>	2007
<b>About company</b>	<p>HDB Financial Services Limited offers secured and unsecured loans to borrowers. The company had 1,374 branches in 989 cities in India as on March 31, 2022.</p>



## Key financial parameters (FY22)

Figures in Rs billion

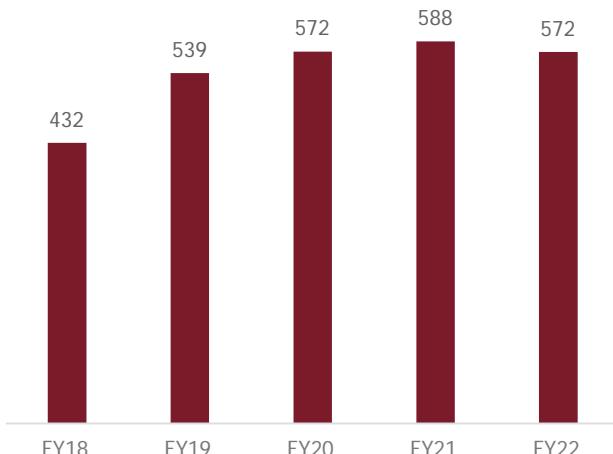
	Loans and advances	572		GNPA (%)	5.4%
	Total assets	631		ROA (%)	1.6%
	Total borrowings	498		NIM (%)	8.2%
	Networth	95		CAR (%)	20.2%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

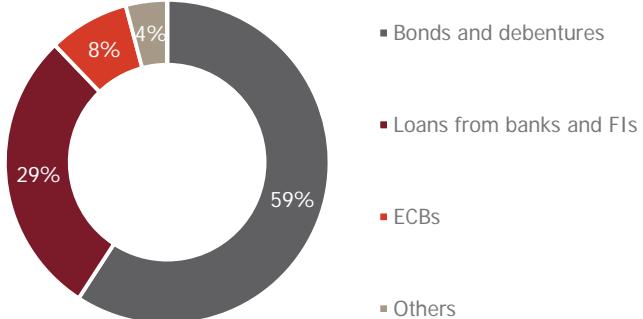
Source: CRISIL Quantix

### Trend in loans and advances

Rs.billion



### Borrowing mix profile (FY22)

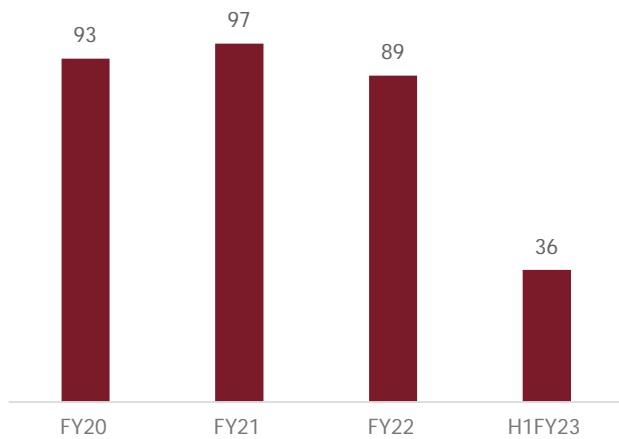


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

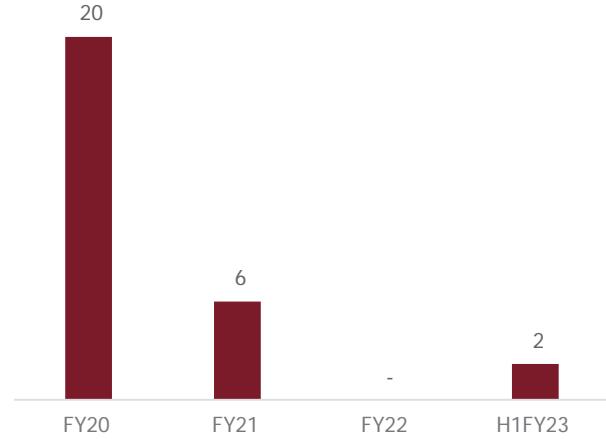
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

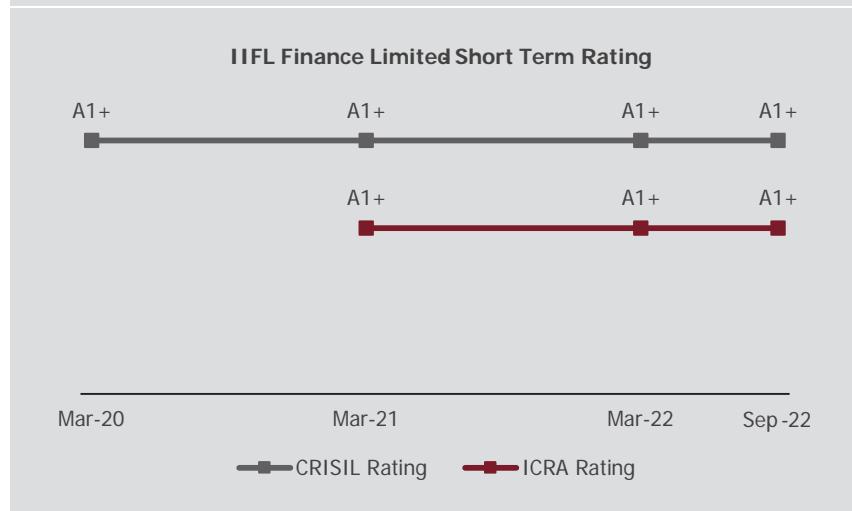
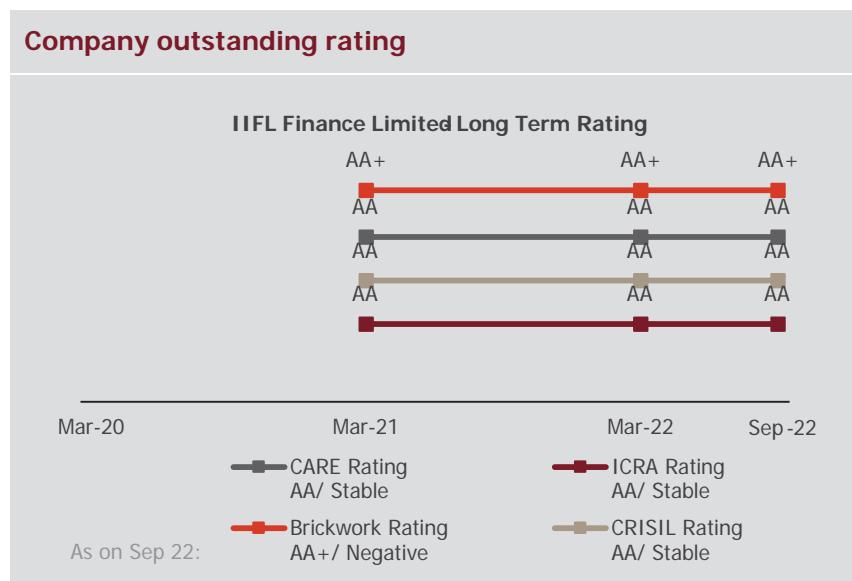
HDB Financial Services Limited has a diversified product base, comprising commercial vehicle/construction equipment financing at 43%, LAP (28%) and business loans (24%). Total loans and advances stood at Rs 572 billion as on March 31, 2022, and the borrowing mix primarily includes loans from bonds and debentures (59%), banks and FIs (29%), external commercial borrowings (8%) and commercial papers (4%).

The company is of strategic importance to the parent (HDFC Bank) as it complements the product portfolio, distribution network and collection activities for the retail portfolio of HDFC Bank. The financial risk profile is supported by healthy capitalisation, strong market presence in retail finance and strong parent support. However, these strengths are partly offset by average asset quality.

# IIFL Finance Limited



<b>Company name</b>	IIFL Finance Limited
<b>Incorporation year</b>	1995
<b>About company</b>	IIFL Finance is a listed non-operating holding company of the IIFL Finance group. IIFL Finance has a wide network of 3,296 branches in over 1,260 towns/cities spread across the length and breadth of the country.



## Key financial parameters (FY22)

Figures in Rs billion

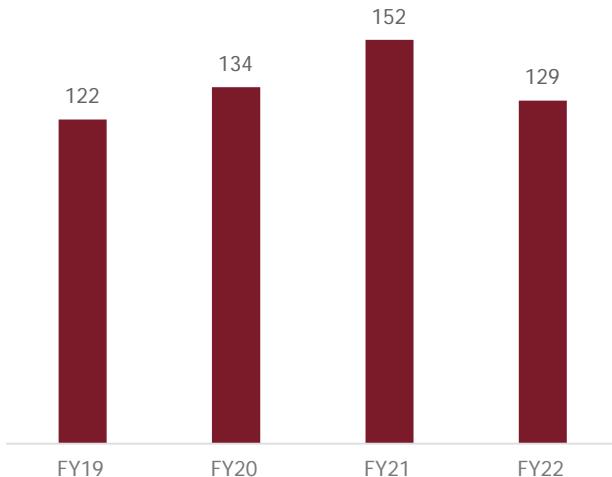
	Loans and advances	129		GNPA (%)	3.1%
	Total assets	233		ROA (%)	3.3%
	Total borrowings	160		NIM (%)	9.1%
	Networth	44		CAR (%)	23.9%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

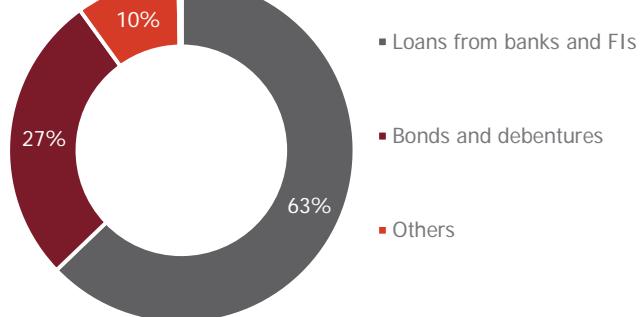
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing mix profile (FY22)

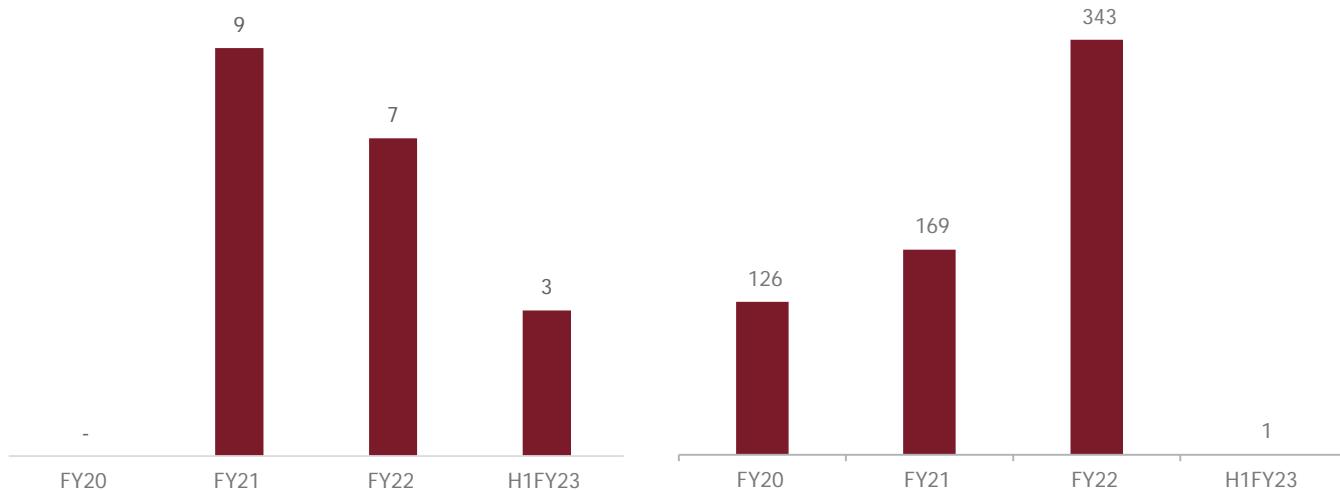


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

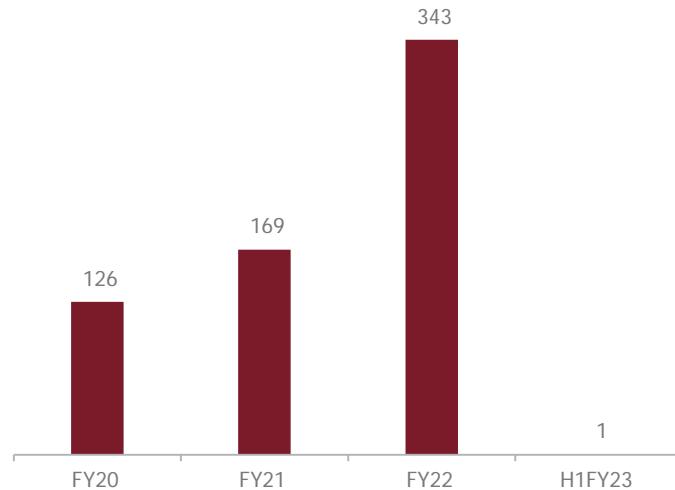
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



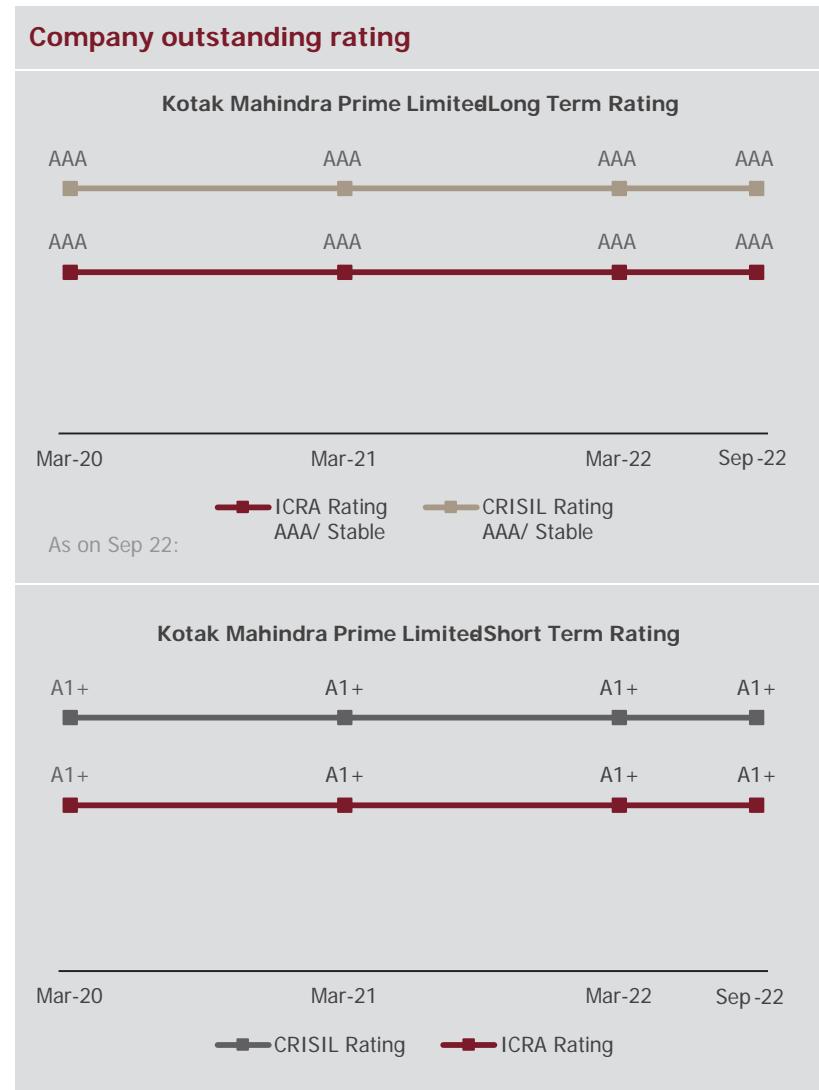
Source: Prime database, CCIL -FTRAC, Crisil Research

The core portfolio is focused on home, gold, business and microfinance loans. Total loans and advances stood at Rs129 billion as on March 31, 2022, and the borrowing mix primarily comprises loans from banks and FIs (63%), bonds and debentures (27%), and others (10%). The company benefits from the diversified retail product offerings of the IIFL Finance group, its extensive branch network and adequate capitalisation. These strengths are partially offset by average, albeit improving, profitability.



# Kotak Mahindra Prime Limited

<b>Company name</b>	Kotak Mahindra Prime Limited
<b>Incorporation year</b>	1996
<b>About company</b>	<p>Kotak Mahindra Prime Limited is mainly engaged in financing of passenger cars and multi-utility vehicles for retail customers and inventory and term funding to car dealers. The company also provides finance for two-wheeler, LAP, loan against securities, personal loans, corporate loans and developer funding.</p>



## Key financial parameters (FY22)

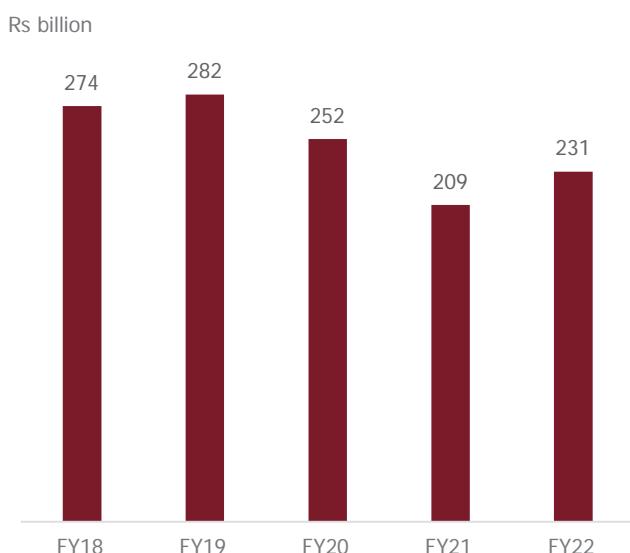
Figures in Rs billion

	Loans and advances	231		GNPA (%)	3.2%
	Total assets	317		ROA (%)	3.3%
	Total borrowings	196		NIM (%)	5.1%
	Networth	92		CAR (%)	30.9%

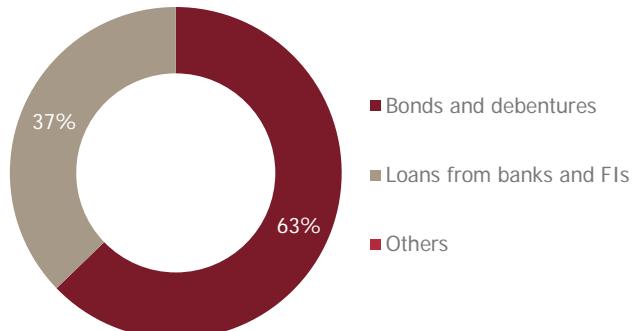
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## Trend in loans and advances



## Borrowing mix profile (FY22)

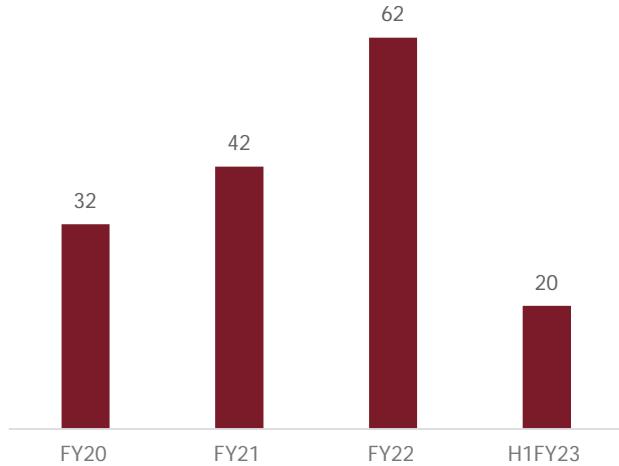


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

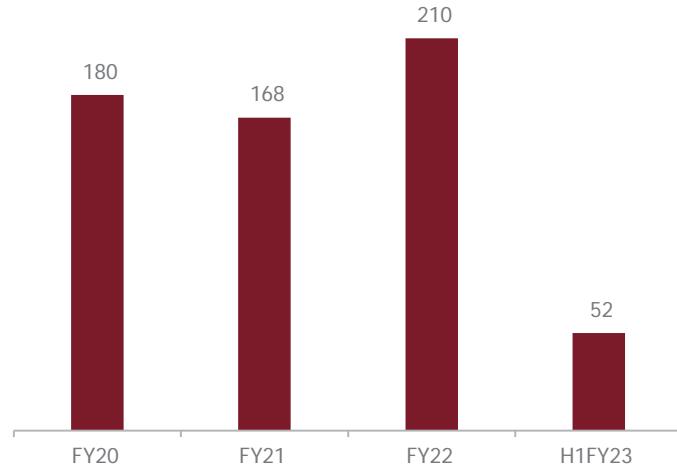
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



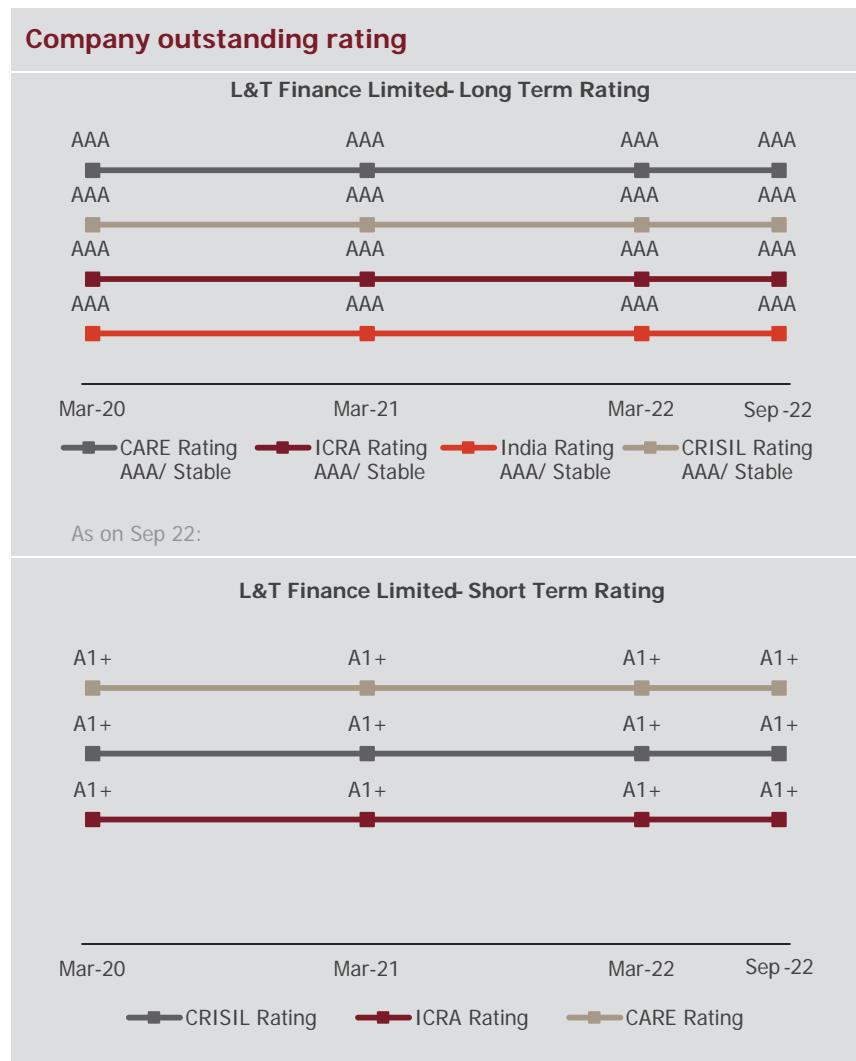
Source: Prime database, CCIL -FTRAC, Crisil Research

Kotak Mahindra Prime Limited focuses on key segments such as vehicle financing (retail and wholesale trade finance), other lending activities and treasury and investments. Other lending activities include financing against securities, securitisation, debenture investment/lending in commercial real estate and other loan/fee-based services. Total loans and advances stood at Rs 231 billion as on March 31, 2022, and the borrowing mix primarily comprises loans from bonds and debentures (63%) and banks and FIs (37%). The company is comfortably capitalised and is strategically important to its ultimate parent, Kotak Mahindra Bank Ltd. However, the company has limited diversification in the retail lending space.

## L&T Finance Limited



<b>Company name</b>	L&T Finance Limited
<b>Incorporation year</b>	1993
<b>About company</b>	<p>L&amp;T Finance Limited is a non-banking finance company, wholly held by L&amp;T Finance Holdings Limited (LTFH). It is primarily engaged in micro loans, farm equipment loans, two-wheeler loans, LAP, real estate financing and infrastructure loans.</p>



## Key financial parameters (FY22)

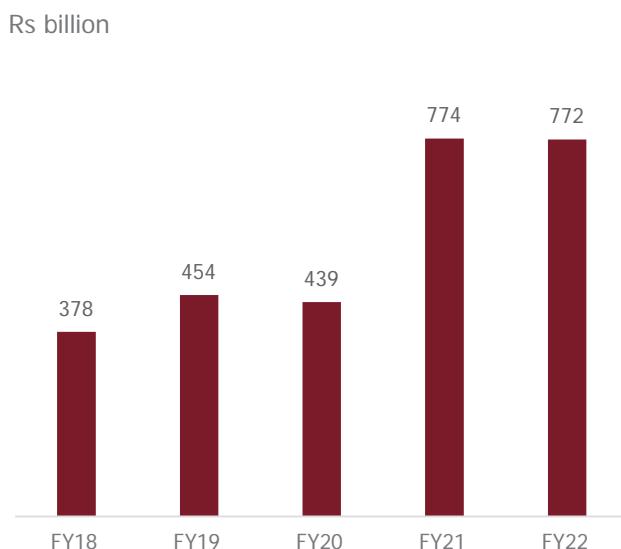
Figures in Rs billion

	Loans and advances	772		GNPA (%)	4.6%
	Total assets	960		ROA (%)	0.8%
	Total borrowings	783		NIM (%)	6.3%
	Networth	164		CAR (%)	20.8%

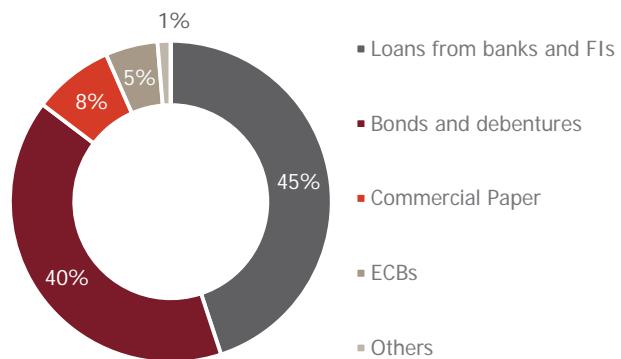
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing mix profile (FY22)

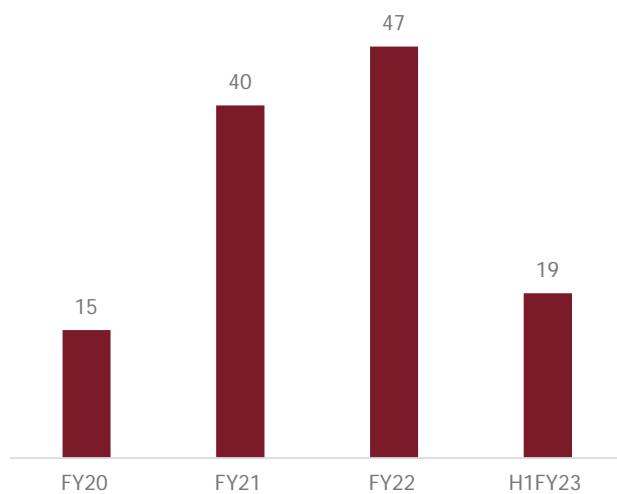


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

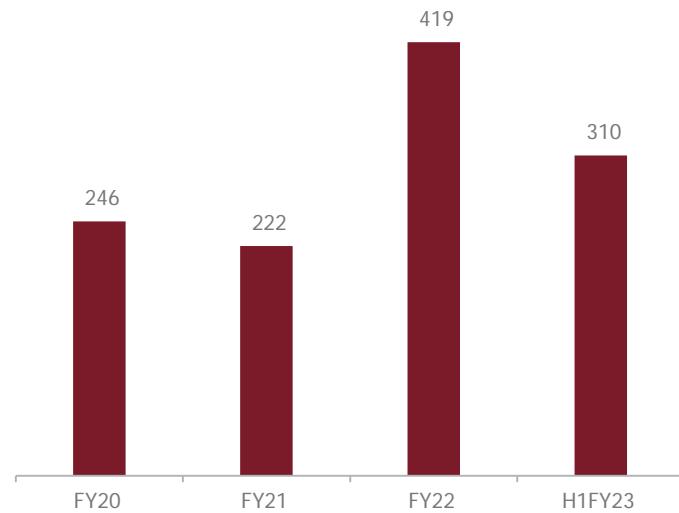
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



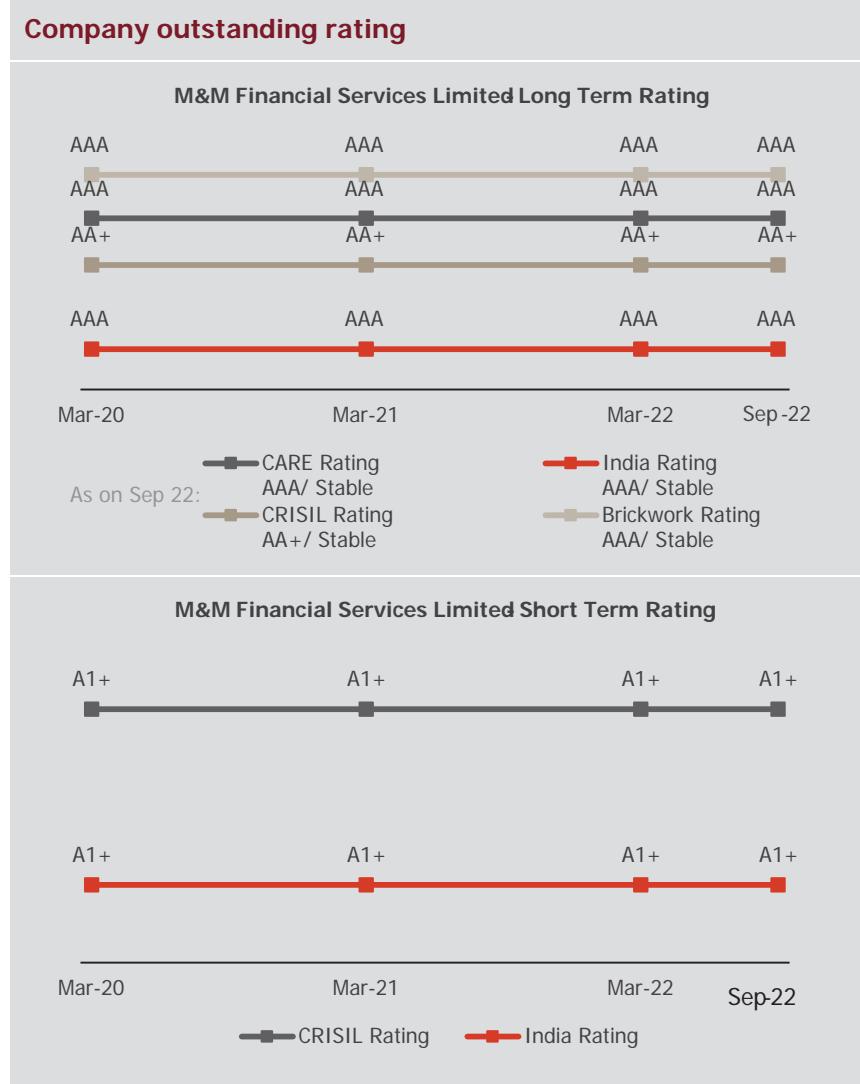
Source: Prime database, CCIL -FTRAC, Crisil Research

L&T Finance Limited is engaged in rural finance, farm equipment finance, two-wheeler finance, micro loans, consumer loans, housing finance, LAP and real estate finance. Total loans and advances stood at Rs 772 billion as of March 31, 2022, and the borrowing mix primarily comprises loans from banks and FIs (45%), bonds and debentures (40%), commercial paper (8%) and external commercial borrowings (5%). The company benefits from the strong support from the parent, L&T, given its strategic importance to the latter.



# Mahindra and Mahindra Financial Services Limited

<b>Company name</b>	Mahindra and Mahindra Financial Services Limited
<b>Incorporation year</b>	1991
<b>About company</b>	Mahindra and Mahindra Financial Services Limited has a strong presence in the semi-urban and rural markets through its wide network of 1,347 branches as on March 31, 2022.



## Key financial parameters (FY22)

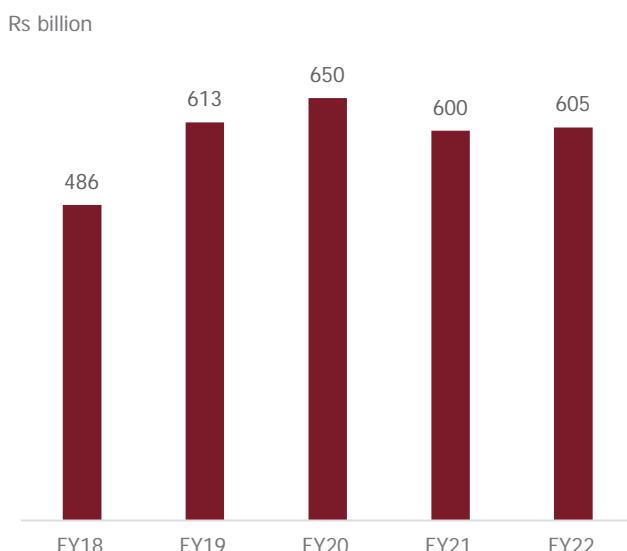
Figures in Rs billion

	Loans and advances	605		GNPA (%)	8.2%
	Total assets	755		ROA (%)	1.3%
	Total borrowings	558		NIM (%)	7.5%
	Networth	156		CAR (%)	27.8%

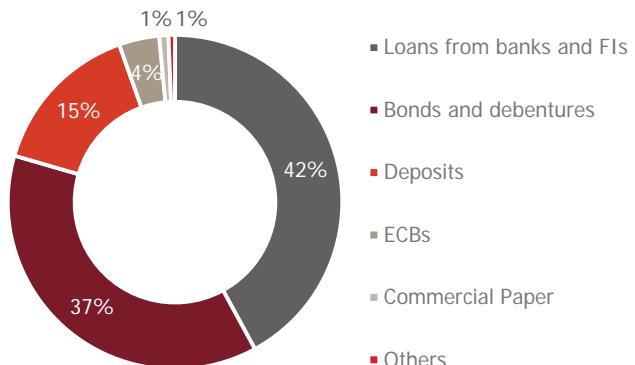
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing mix profile (FY22)

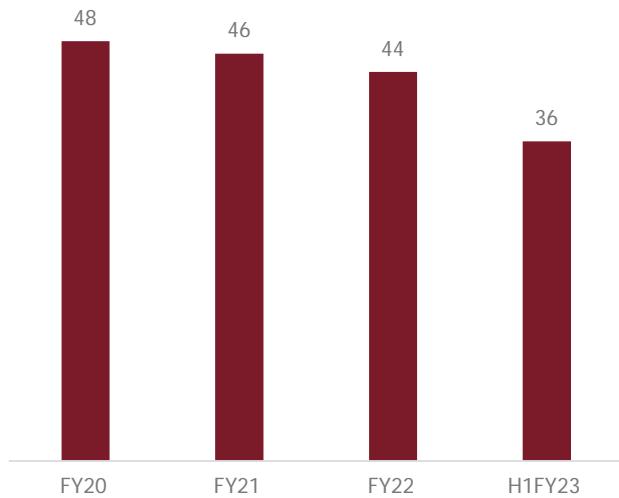


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

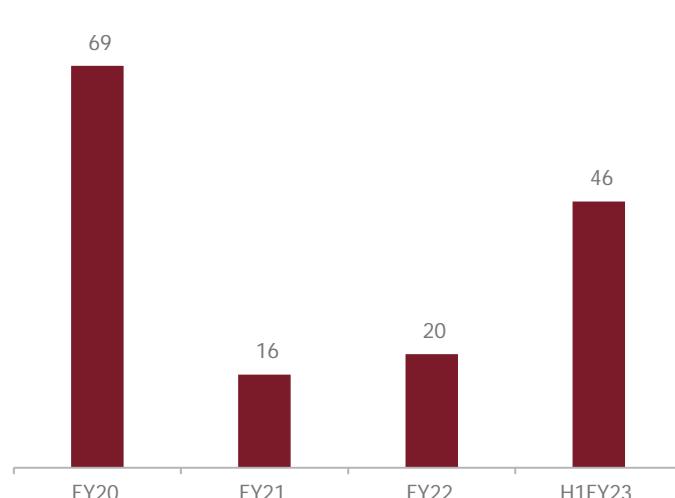
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

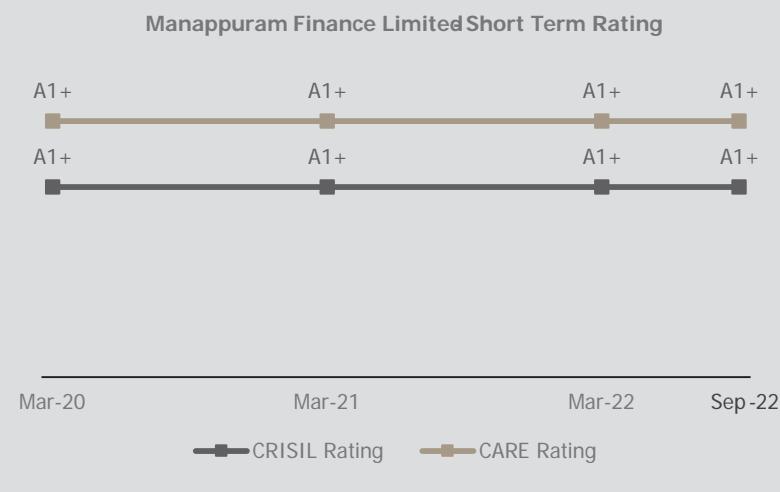
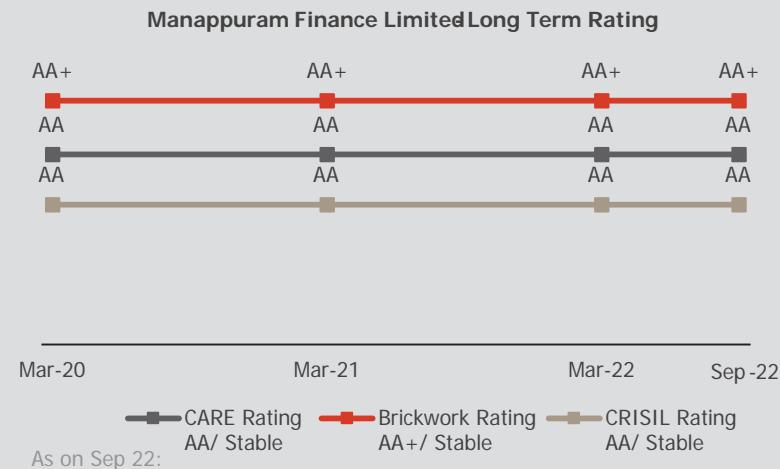
Mahindra and Mahindra Financial Services Limited finances utility vehicles, cars, tractors, commercial vehicles, preowned vehicles, small and medium enterprises, and other miscellaneous assets. Total loans and advances stood at Rs 605 billion as on March 31, 2022, and the borrowing mix primarily comprises loans from banks and FIs (42%), bonds and debentures (37%), deposits (15%), external commercial borrowings (4%) and commercial papers (1%). The company benefits from a strong position in the utility vehicle and tractor financing business in rural and semi-urban areas, adequate capitalisation, and stable resource profile. These strengths are partially offset by modest asset quality.

## Manappuram Finance Limited



<b>Company name</b>	Manappuram Finance Limited
<b>Incorporation year</b>	1992
<b>About company</b>	Promoted by Mr V P Nandakumar, Manappuram Finance Limited is the flagship company of the Manappuram group. It is a non-deposit taking NBFC that provides finance against personal gold ornaments. It had 3,526 branches across India as on March 31, 2022.

### Company outstanding rating



## Key financial parameters (FY22)

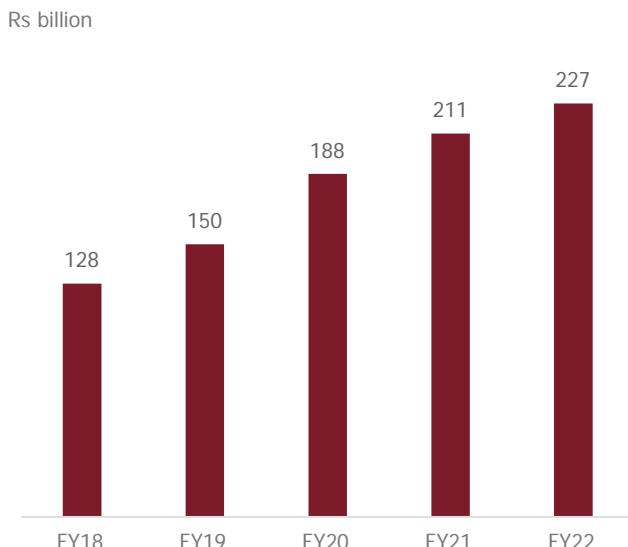
Figures in Rs billion

	Loans and advances	227		GNPA (%)	2.9%
	Total assets	270		ROA (%)	5.0%
	Total borrowings	179		NIM (%)	12.5%
	Networth	79		CAR (%)	31.3%

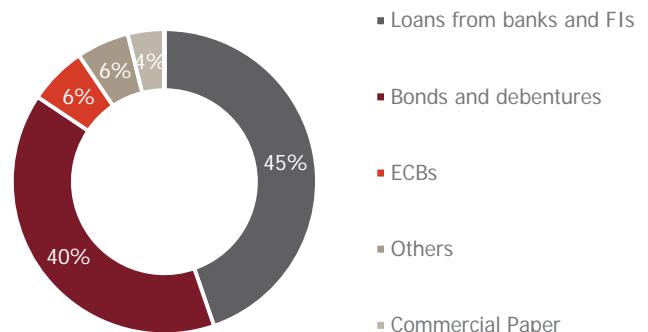
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



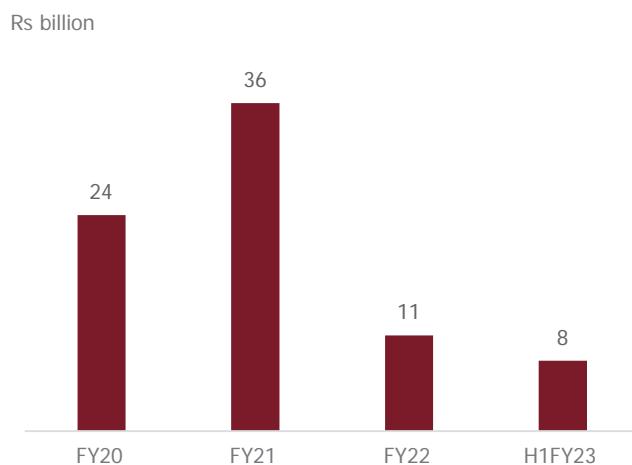
### Borrowing mix profile (FY22)



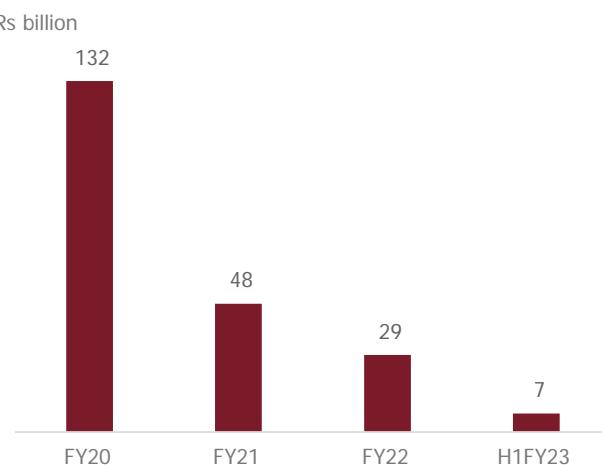
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance



## CP Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

Though Manappuram Finance Limited specialises in gold loan as a product offering, over the past three fiscals the group has diversified into other businesses such as microfinance, vehicle finance, loans against property and affordable housing finance.

Total loans and advances stood at Rs 227 billion as on March 31, 2022, and the borrowing mix primarily consists of loans from banks and FIs (45%), bonds and debentures (40%), external commercial borrowings (6%) and commercial papers (4%). The company benefits from its strong market position in the gold finance business and has a healthy financial risk profile. These strengths are partially offset by high operating costs, exposure to risks related to geographical concentration in operations, and potential challenges associated with the non-gold product segments.



# Muthoot Finance Limited

<b>Company name</b>	Muthoot Finance Limited
<b>Incorporation year</b>	1997
<b>About company</b>	Muthoot Finance Limited (Muthoot Finance) provides finance against used household gold jewellery. The company had 4,600+ branches as on March 31, 2022



## Key financial parameters (FY22)

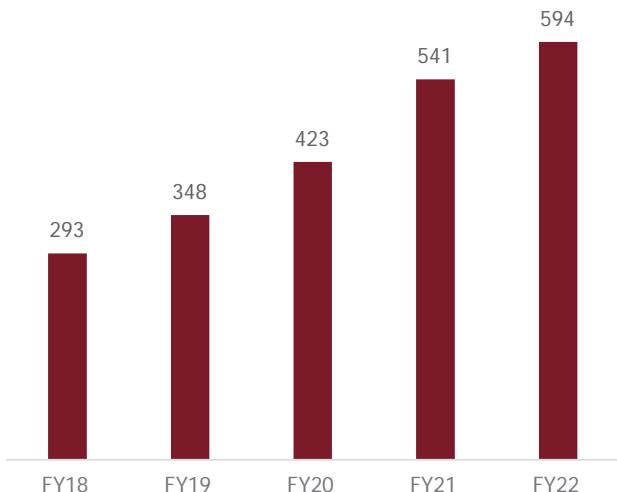
Figures in Rs billion

	Loans and advances	594		GNPA (%)	2.9%
	Total assets	706		ROA (%)	5.9%
	Total borrowings	498		NIM (%)	10.7%
	Networth	183		CAR (%)	30%

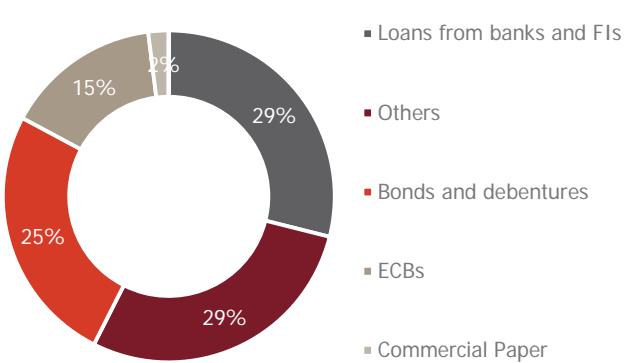
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing mix profile (FY22)

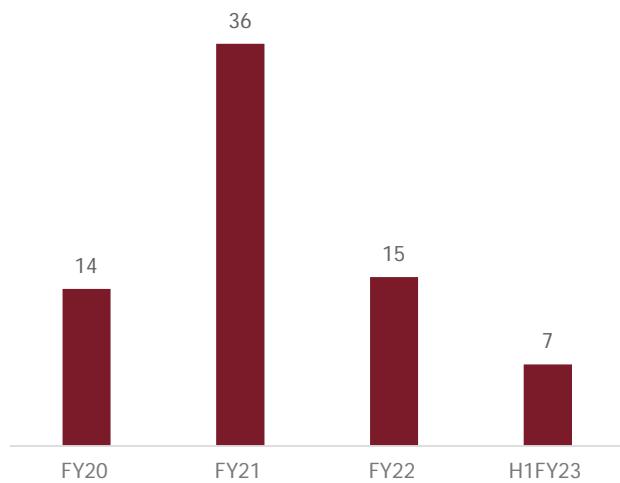


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

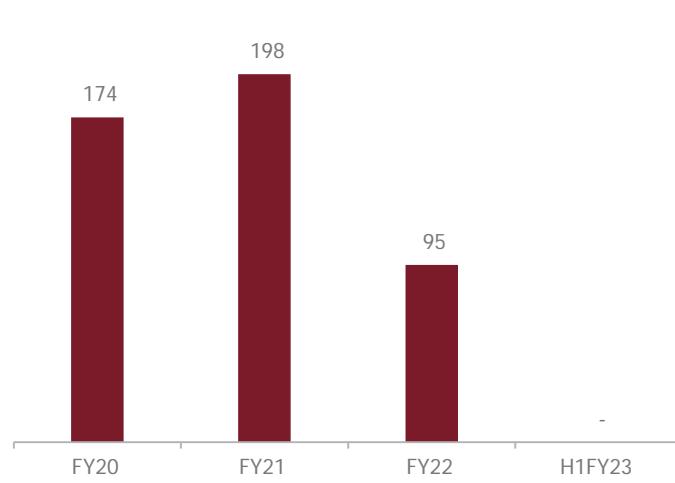
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

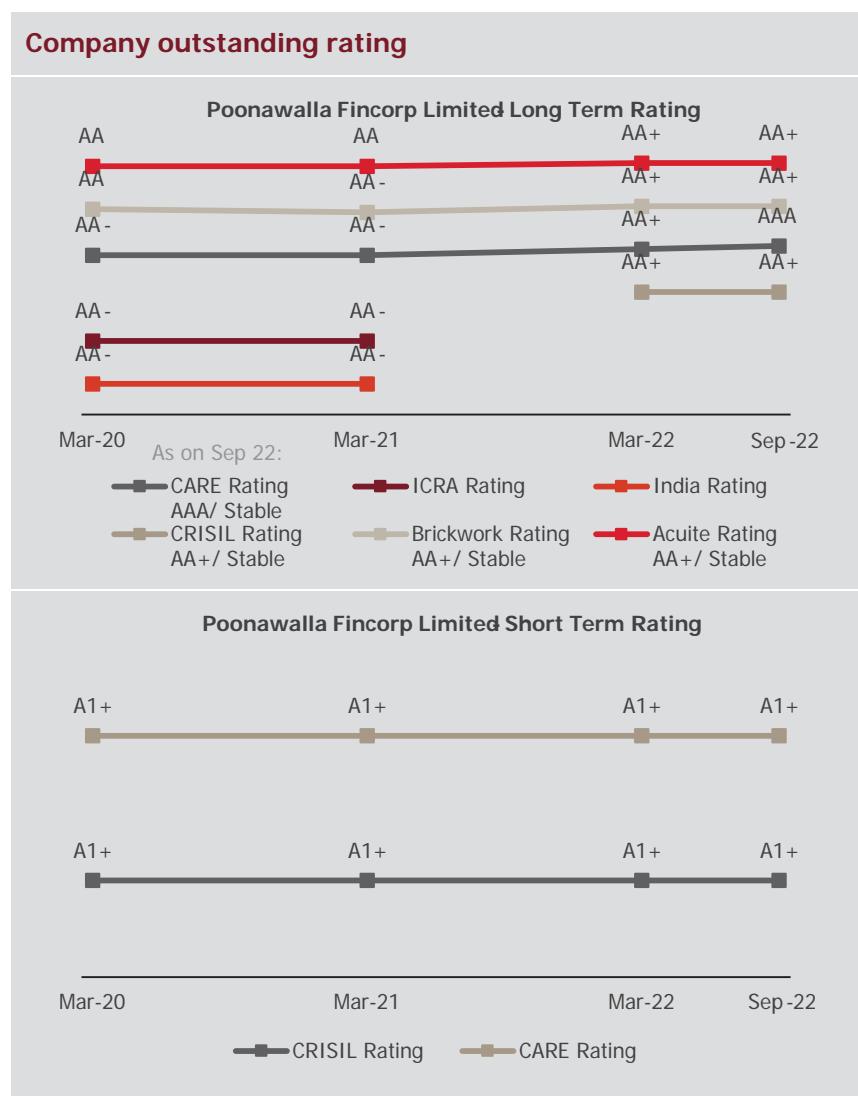
Muthoot Finance Limited has sustained its strong position in the gold financing segment on the back of the long track record of 80 years of its promoter family. The company has started to diversify its product suite across housing finance, micro finance, vehicle finance and a few other segments.

Total loans and advances stood at Rs 594 billion as on March 31, 2022, and the borrowing mix primarily consists of loans from banks and FIs (29%), bonds and debentures (25%), external commercial borrowings (15%) and commercial paper (2%). Financial risk profile is supported by strong capitalisation and healthy profitability. These strengths are partially offset by geographical concentration in operations and low market presence in the non-gold businesses.

## Poonawalla Fincorp Limited



<b>Company name</b>	Poonawalla Fincorp Limited
<b>Incorporation year</b>	1978
<b>About company</b>	<p>Poonawalla Fincorp Limited (formerly, Magma Fincorp Limited) is a Cyrus Poonawalla Group - promoted non-deposit taking systemically important non-banking finance company registered with the Reserve Bank of India. It commenced operations three decades ago. The company has 242 branches across 21 states in India.</p>



## Key financial parameters (FY22)

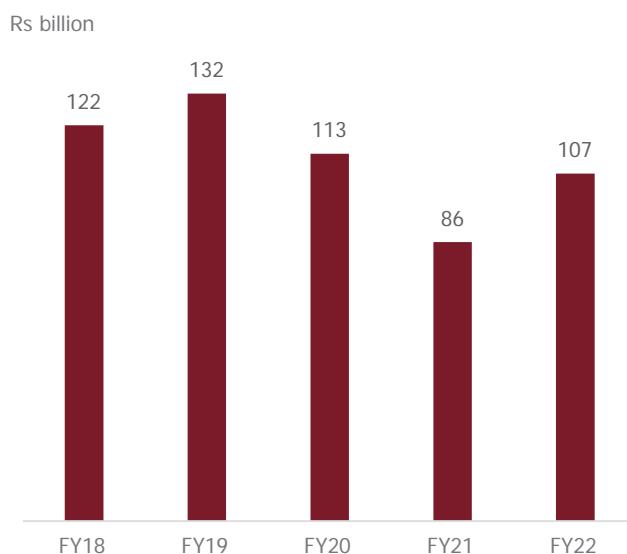
Figures in Rs billion

	Loans and advances	107		GNPA (%)	3.5%
	Total assets	128		ROA (%)	2.5%
	Total borrowings	67		NIM (%)	8.7%
	Networth	57		CAR (%)	49.1%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances

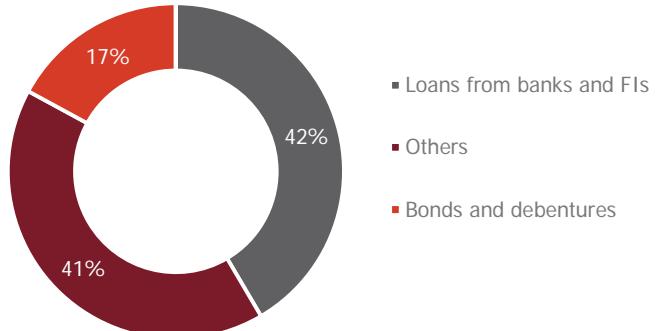


Source: CRISIL Quantix

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

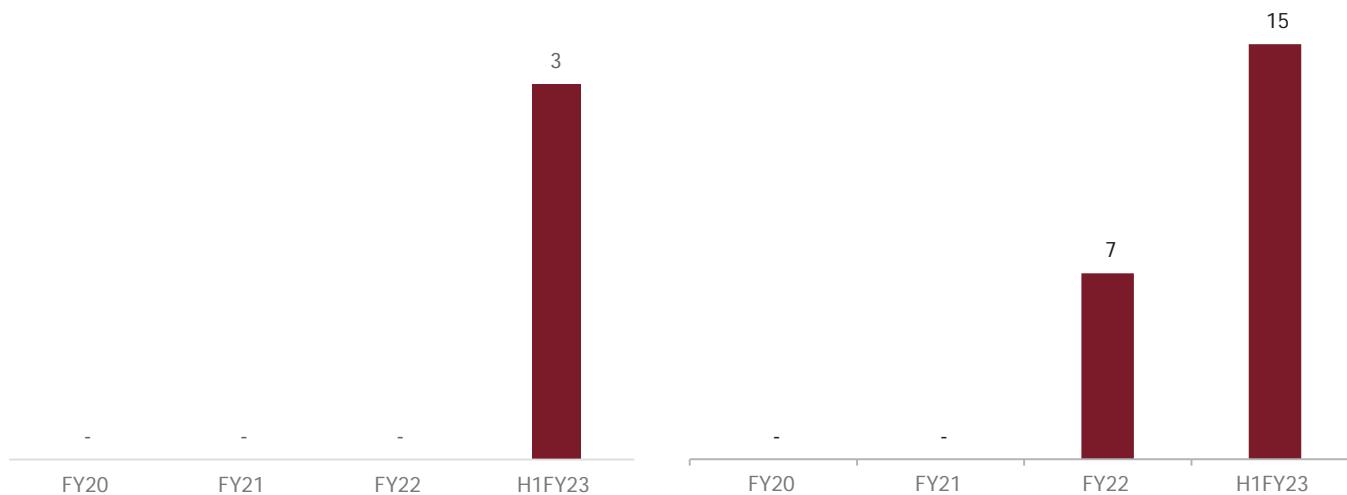
### Borrowing mix profile (FY22)



Source: CRISIL Quantix

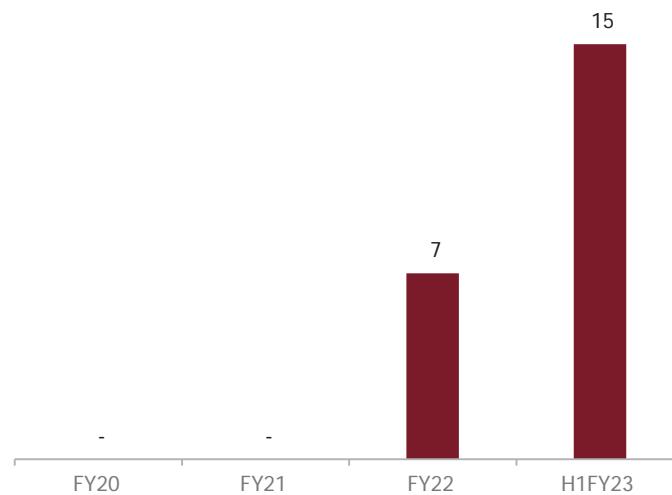
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

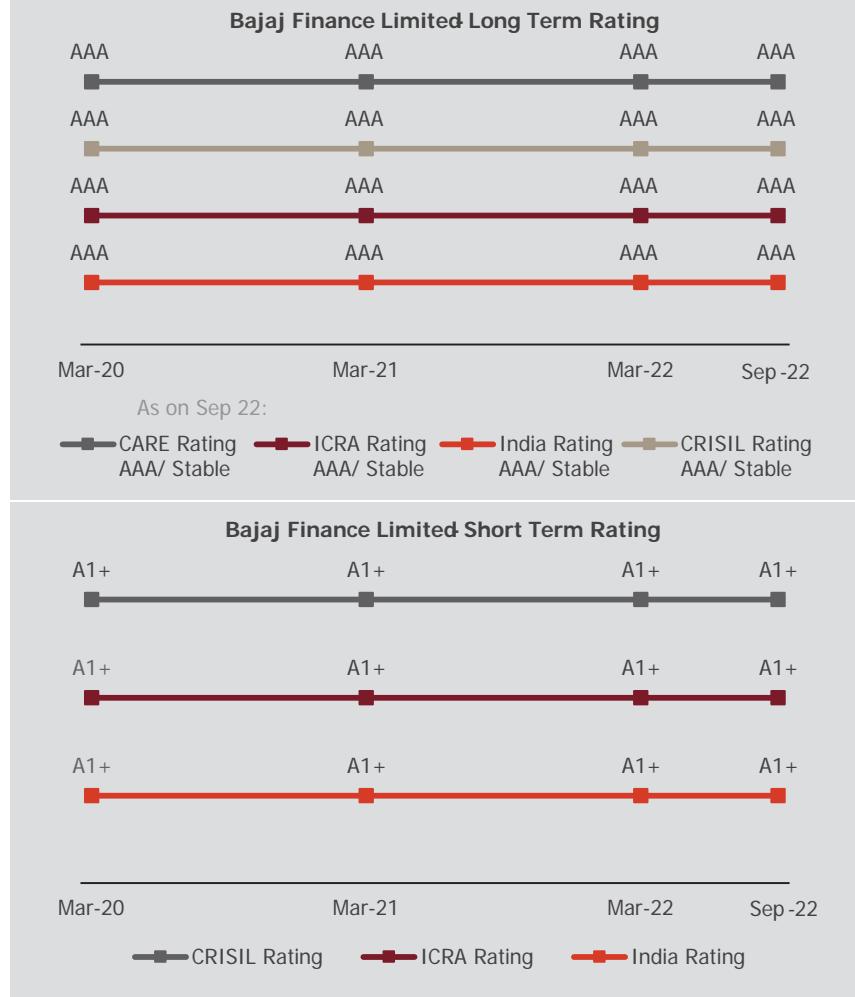
Poonawalla Fincorp Limited has a diversified product base with vehicle loan, affordable home loans, affordable LAP (loan against property), medical equipment loans, auto lease, digital business loans, digital personal loans, digital loans to professionals, digital SME loans, and digital consumption loans. Total loans and advances stood at Rs 107 billion as on March 31, 2022, while the borrowing mix primarily consists of loans from banks and FIs (42%) and bonds and debentures (17%). Financial risk profile benefits from healthy capitalisation and low leverage, revamped senior management team that comprises seasoned professionals, and ongoing improvement in resource profile and funding costs. These strengths are partially offset by the currently modest asset quality.



# Bajaj Finance Limited

<b>Company name</b>	Bajaj Finance Limited
<b>Incorporation year</b>	1987
<b>About company</b>	<p>Bajaj Finance Limited was incorporated in 1987 as a subsidiary of Bajaj Finserv, the financial services arm of the Bajaj group. It has a diversified product portfolio comprising 10 key business lines: vehicle loans, consumer durable loans, personal loans, mortgage loans, small business loans, professional loans, loans against securities, financial institutions lending and corporate finance, loans to Bajaj Auto vendors, and rural finance.</p>

## Company outstanding rating



## Key financial parameters (FY22)

Figures in Rs billion

	Loans and advances	828
	Total assets	1,676
	Total borrowings	1,230
	Networth	416

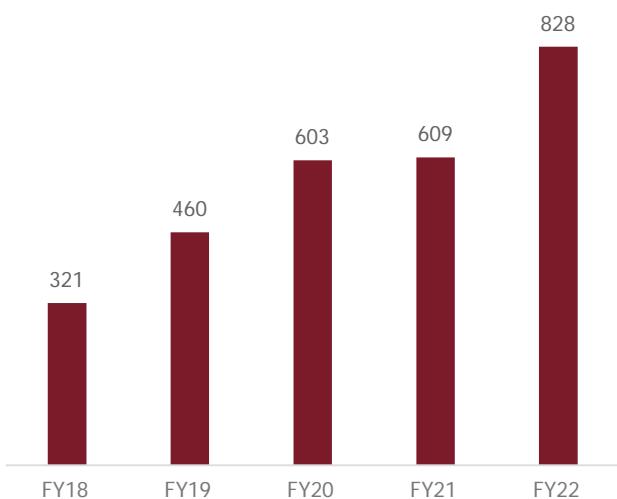
	GNPA (%)	0.02%
	ROA (%)	4.2%
	NIM (%)	10.6%
	CAR (%)	27.2%

Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

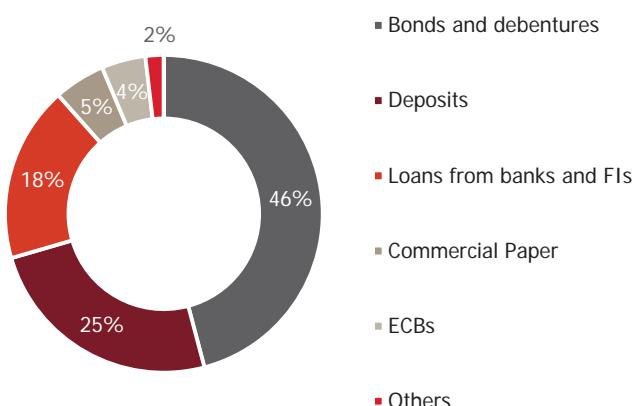
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing profile (FY22)

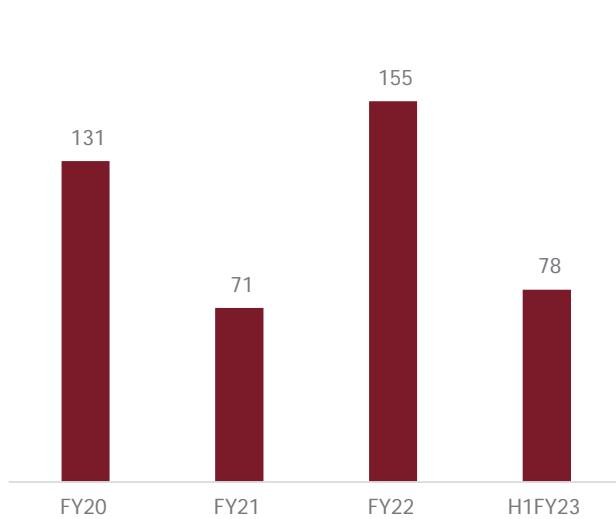


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

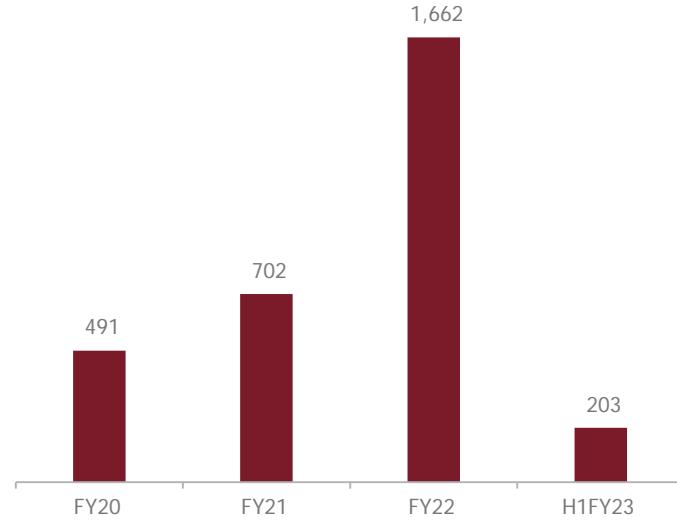
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Bajaj Finance Limited has a diverse portfolio and has emerged as one of the largest retail asset financing NBFCs. It is also the largest financier of 2-wheeler and consumer durable loans in India.

The borrowing mix of the company primarily consists of loans from bonds and debentures (46%), deposits (25%) and banks and FIs (18%). The company has a healthy asset quality although it has a major proportion of unsecured business loans indicative of strong collection efficiency.

## Arka Fincap Limited



<b>Company name</b>	Arka Fincap Limited
<b>Incorporation year</b>	2018
<b>About company</b>	Arka Fincap Limited (ARKA) is a non - deposit taking, systemically important, NBFC promoted by the Kirloskar group. ARKA commenced operations in April 2019. it has a diversified portfolio with corporate, real estate and SME or MSME loans.



## Key financial parameters (FY22)

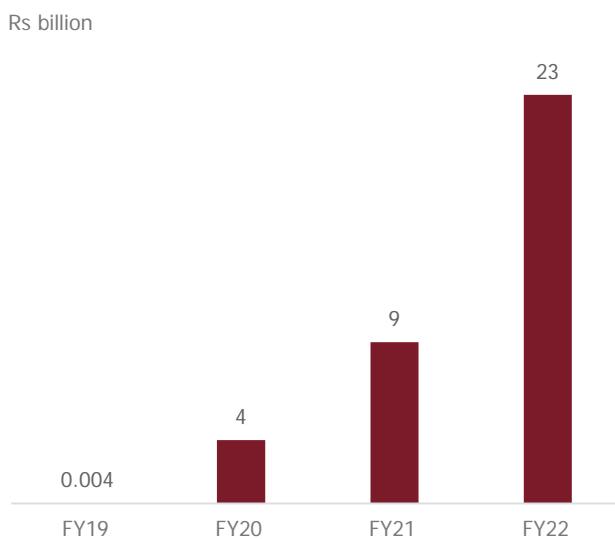
Figures in Rs billion

	Loans and advances	23		GNPA (%)	0%
	Total assets	26		ROA (%)	1.6%
	Total borrowings	17		NIM (%)	5.3%
	Networth	8		CAR (%)	30.9%

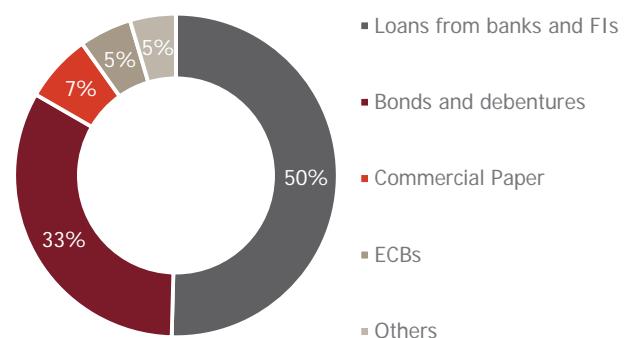
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

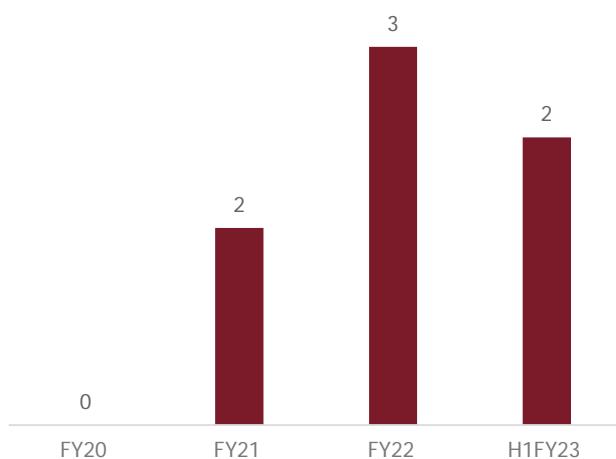


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

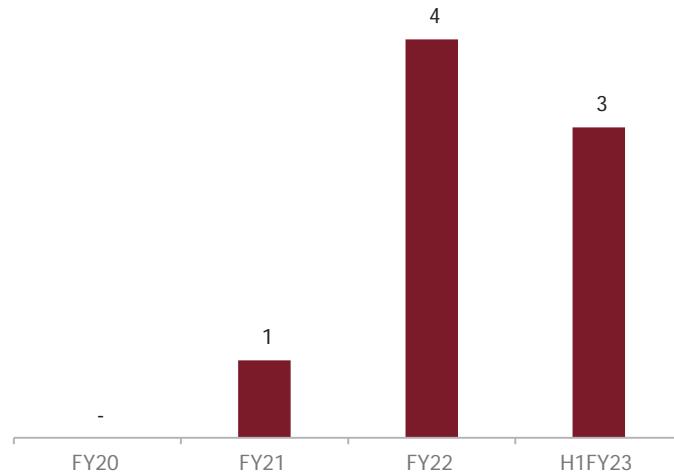
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

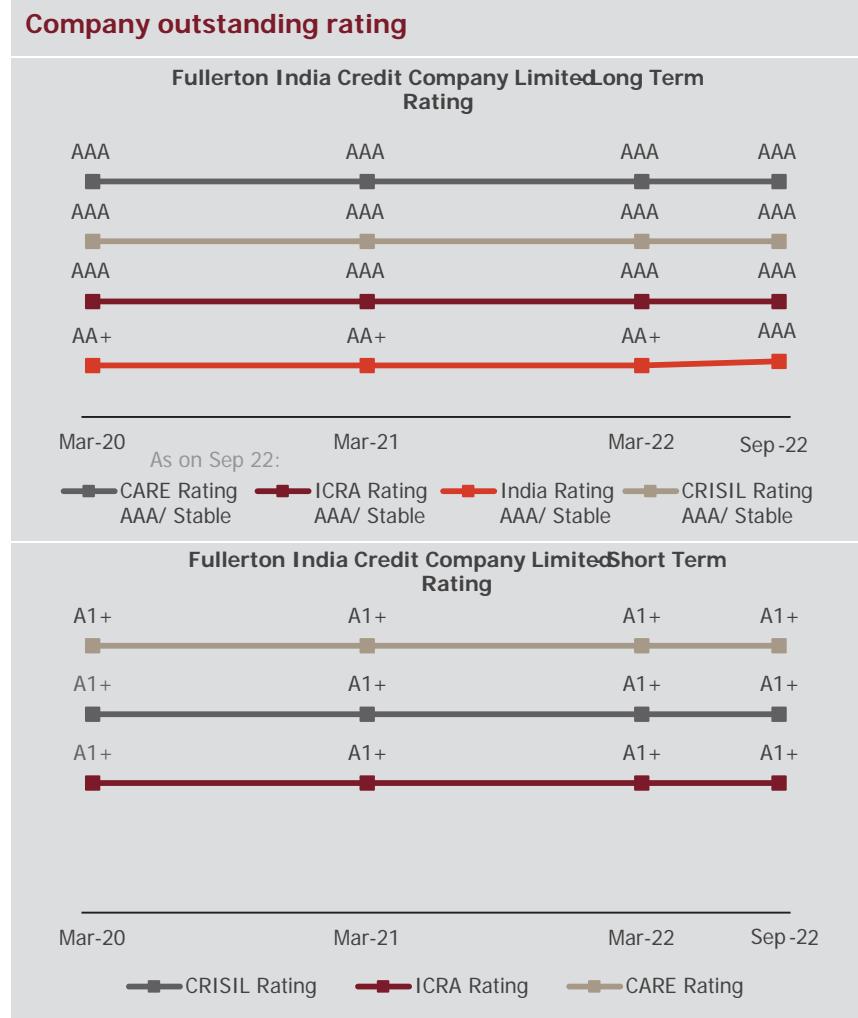
Arka Fincap Limited has a diversified loan book with a healthy mix of corporate, real estate and MSME segments. Arka operates on a small scale, as operations commenced only from April 2019. The loan and advances stood at Rs 23 billion as on March 31, 2022, as against Rs 9 billion as of March 31, 2021. The company has strong support from its ultimate parent, Kirloskar Oil Engines Limited (KOEL), in the form of strategic importance and moral obligations.

The financial risk profile is supported by comfortable capitalization and strong parental support. These strengths are partially offset by the nascent stage of operations. The borrowing mix of the company primarily consists of loans from banks and FIs (50%), bonds and debentures (33%) and commercial paper (7%).



# Fullerton India Credit Company Limited

<b>Company name</b>	Fullerton India Credit Company Limited
<b>Incorporation year</b>	1994
<b>About company</b>	<p>Fullerton India Credit Company Limited (FICCL) is a wholly owned by Fullerton Financial Holdings Ltd (FFH). The product mix includes secured products, primarily mortgages, LAP and commercial vehicle loans. The unsecured product offerings include personal and rural group loans.</p>



## Key financial parameters (FY22)

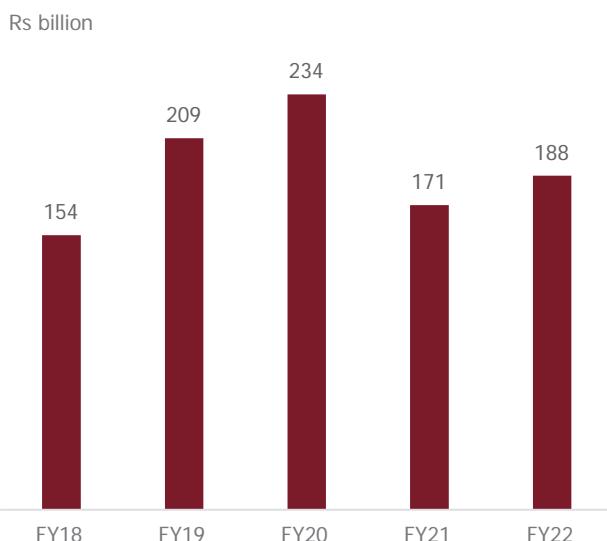
Figures in Rs billion

	Loans and advances	188		GNPA (%)	7.1%
	Total assets	235		ROA (%)	0.2%
	Total borrowings	178		NIM (%)	9.3%
	Networth	45		CAR (%)	21.3%

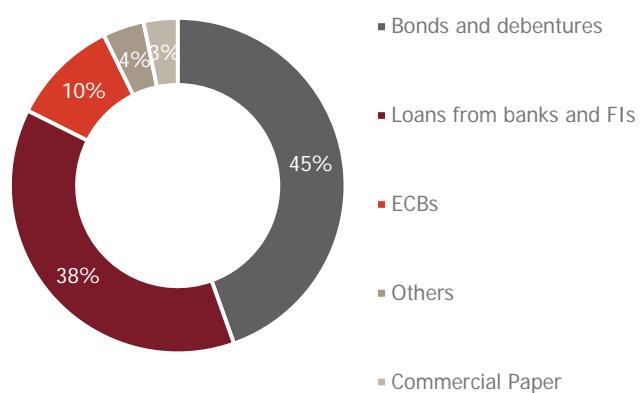
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## Trend in loans and advances



## Borrowing profile (FY22)

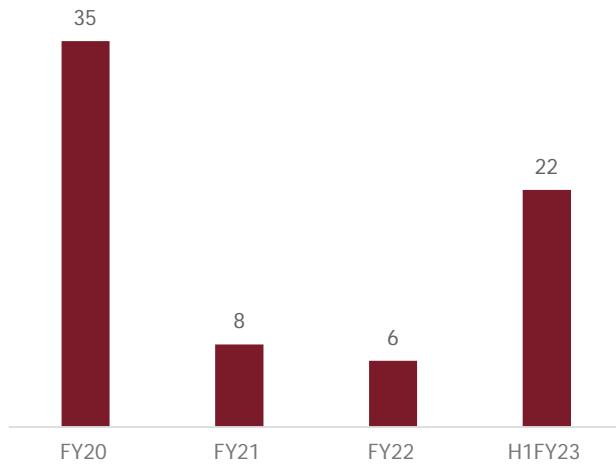


Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

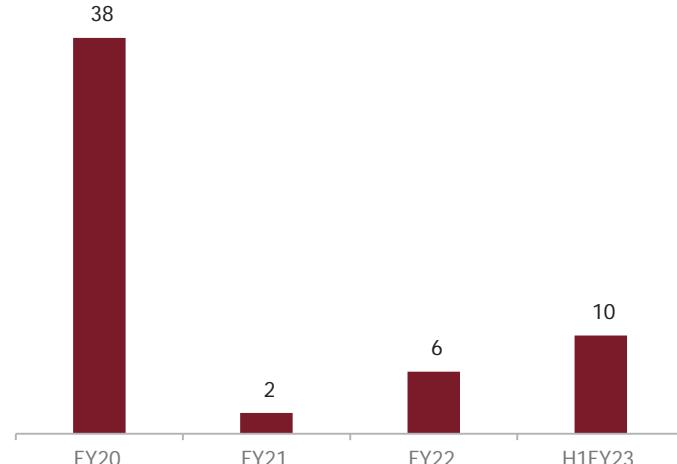
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

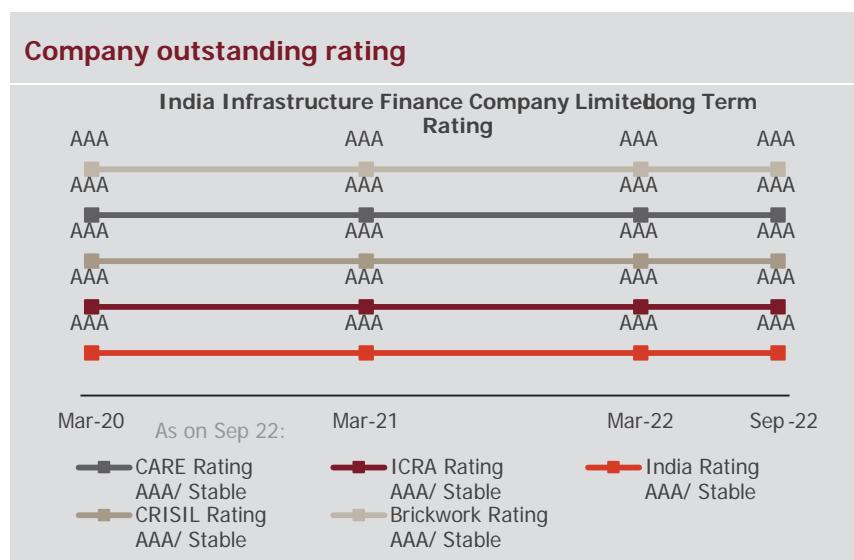
FICCL formed in December 2005 through the acquisition of Dove Finance, after the acquisition, the name was changed to First India Credit Company Limited, which was then renamed to Fullerton India Credit Company Limited deriving its name from the parent. FICCL's Product offerings includes secured products which comprise primarily of mortgages/loans against property, and commercial vehicle loans. The unsecured product offerings comprise of personal loans and rural group loans.

The financial risk profile is supported by comfortable capitalisation, healthy liquidity management and strong parent support. These strengths are partially offset by weakening asset quality and provisioning and write-offs impacting profitability.

# India Infrastructure Finance Company Limited



<b>Company name</b>	India Infrastructure Finance Company Limited
<b>Incorporation year</b>	2006
<b>About company</b>	India Infrastructure Finance Company Limited (IIFCL) provides financial assistance to infrastructure projects through direct lending for loans with average maturity of 10 years and more. The company also provides take-out finance, refinance to banks and other eligible institutions, invests in bonds of infrastructure projects and provides partial credit enhancement guarantee for bonds of infrastructure projects.



## Key financial parameters (FY22)

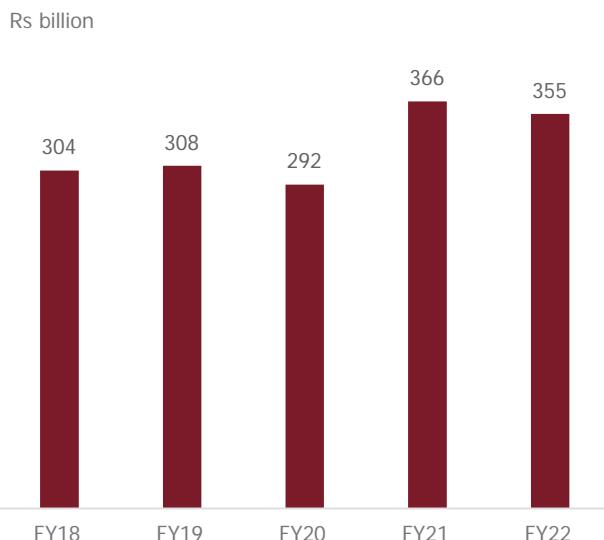
Figures in Rs billion

	Loans and advances	355		GNPA (%)	10.2%
	Total assets	537		ROA (%)	0.9%
	Total borrowings	408		NIM (%)	2.4%
	Networth	117		CAR (%)	29.0%

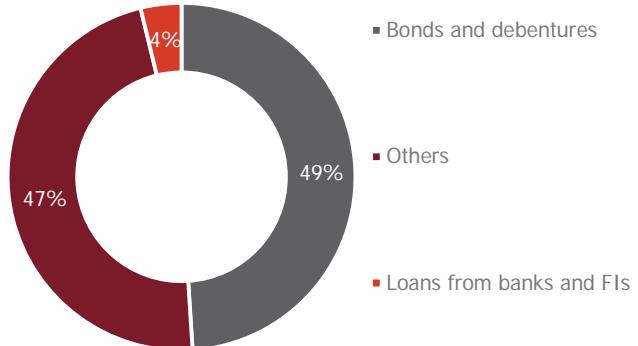
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



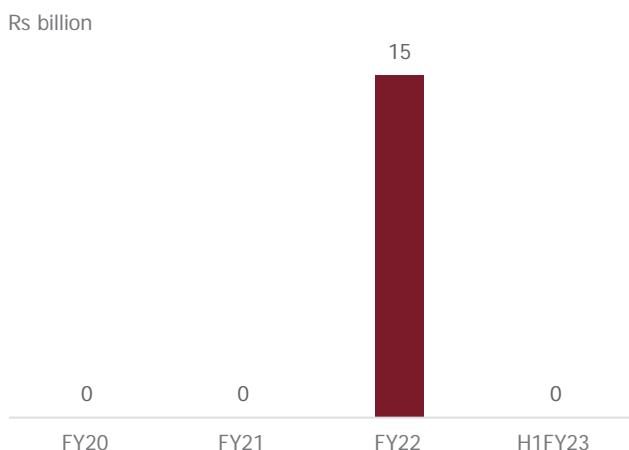
### Borrowing profile (FY22)



Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

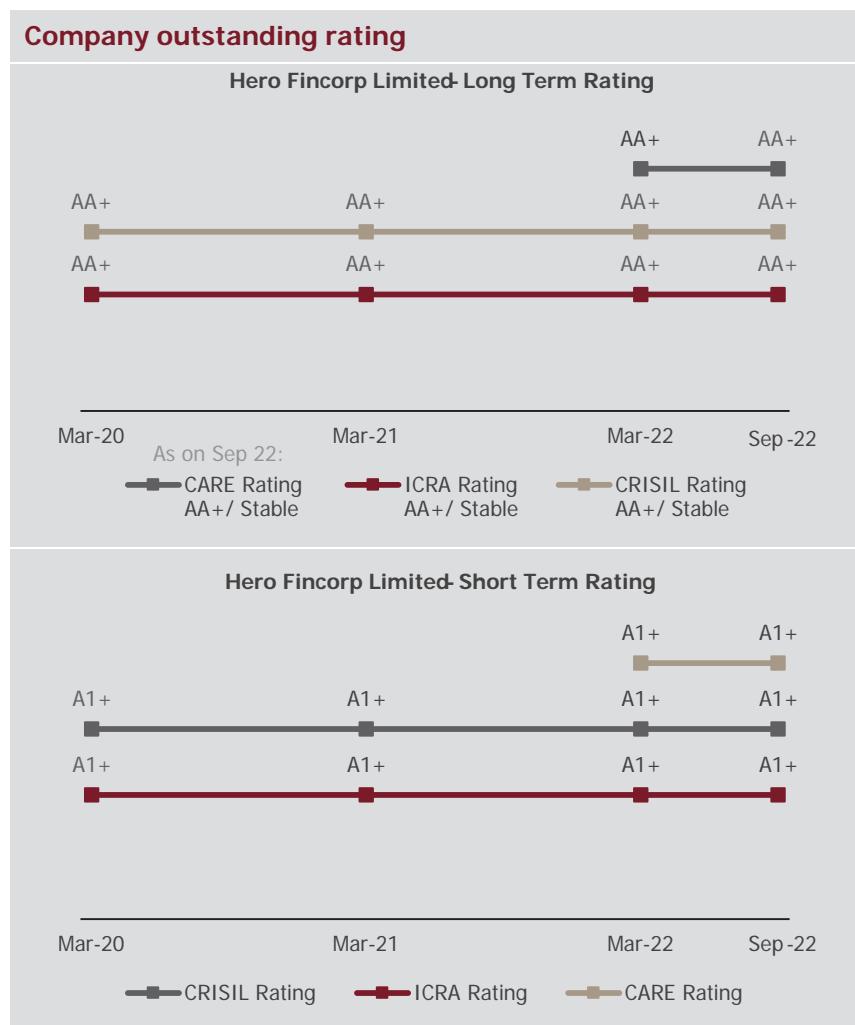
IIFCL was incorporated in 2006 and is wholly owned by the government. IIFCL is the apex institution for financing infrastructure projects in India. The company has received equity of Rs 100 billion from the government till September 30, 2021. IIFCL provides financial assistance to infrastructure projects through direct lending for loans with average maturity of 10 years and more. As on March 31, 2022, IIFCL had sanctioned financial assistance of Rs 1,842 billion for infrastructure projects.

The financial risk profile is supported by strong support from the Government of India (GoI), and the comfortable capitalisation and diversified resource profile of IIFCL. These strengths are partially offset by modest asset quality and average earning profile of the company.

## Hero FinCorp Limited



<b>Company name</b>	Hero FinCorp Limited
<b>Incorporation year</b>	1991
<b>About company</b>	<p>Hero FinCorp Limited (HFCL) was set up in 1991. The company undertakes bill discounting for Hero Motocorp Ltd (HMCL) vendors and suppliers, apart from retail financing of HMCL's two wheelers, corporate lending to mid-sized clients and small and medium enterprises, LAP, operating lease business, used car financing and loyalty personal loans.</p>



## Key financial parameters (FY22)

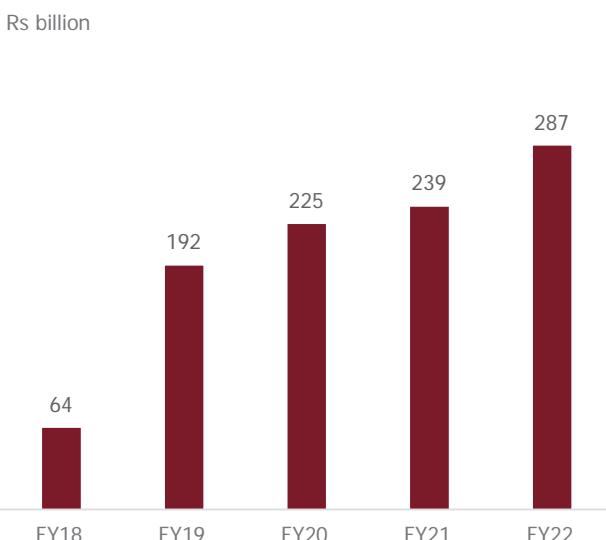
Figures in Rs billion

	Loans and advances	287		GNPA (%)	8.4%
	Total assets	318		ROA (%)	-0.7%
	Total borrowings	262		NIM (%)	8.4%
	Networth	48		CAR (%)	15.6%

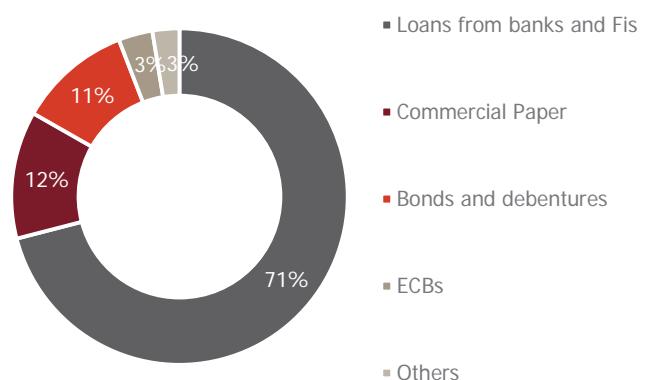
Note: Above parameters represent standalone financials of the company as of March 2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

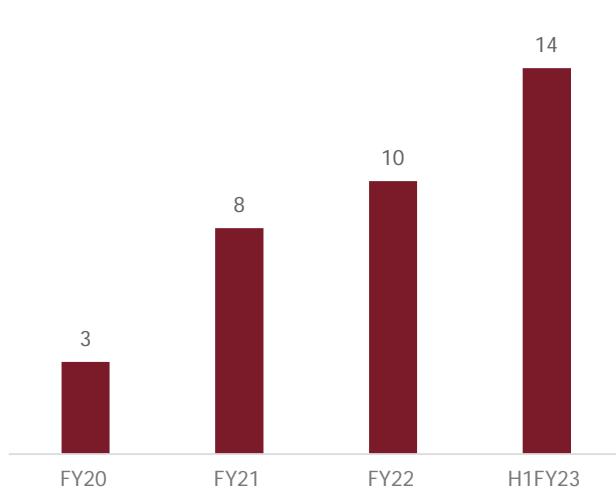


Note: Above parameters represent standalone financials of the company as of March-2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

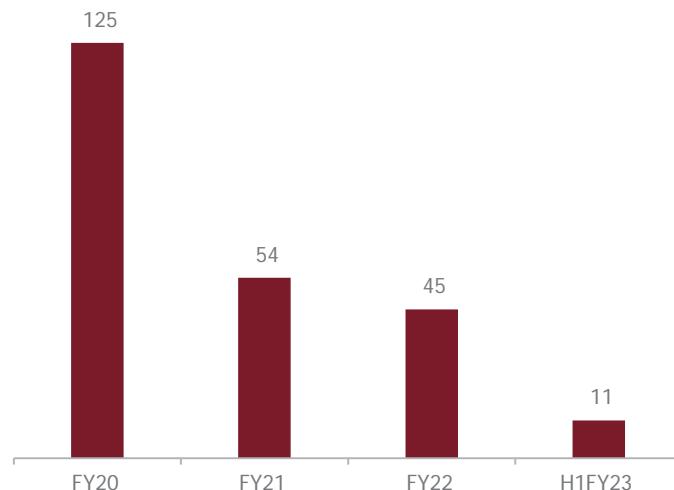
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



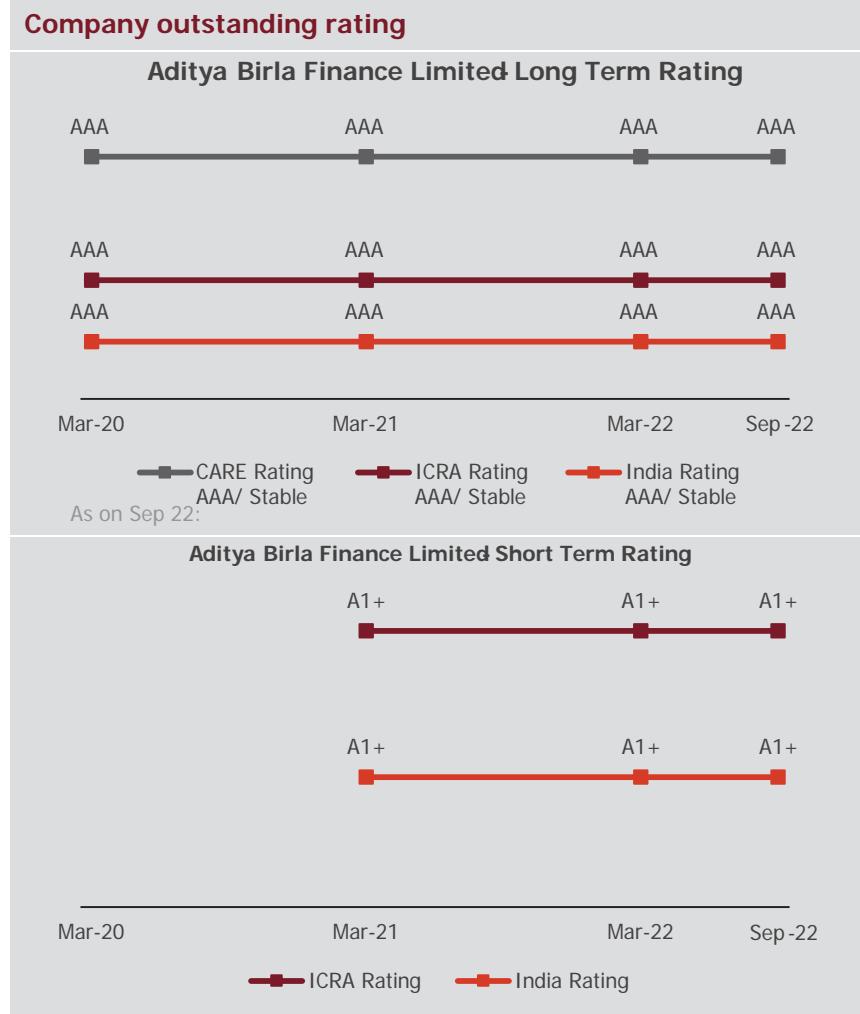
Source: Prime database, CCIL -FTRAC, Crisil Research

Hero Fincorp has a vast network of more than 2,000 locations with a diversified portfolio with loans and advances at Rs. 287 billion as on March 31, 2022. HFCL has made conscious efforts to diversify its loan book, from mainly operating as a bill discounting player to entering two-wheeler financing, LAPs, SME and MSME (micro, small & medium enterprises) financing, personal loans and used-car loans. It has healthy capitalisation levels, supported by regular capital infusion from its parent, absorbing its impact on asset quality, while also improving with increased collections.

# Aditya Birla Finance Limited



<b>Company name</b>	Aditya Birla Finance Limited
<b>Incorporation year</b>	1991
<b>About company</b>	<p>Aditya Birla Finance Limited was incorporated in 1991 and registered in Ahmedabad. Its holding company is Aditya Birla Capital Limited, which holds 100% of the shares. It offers end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country.</p>



## Key financial parameters (FY22)

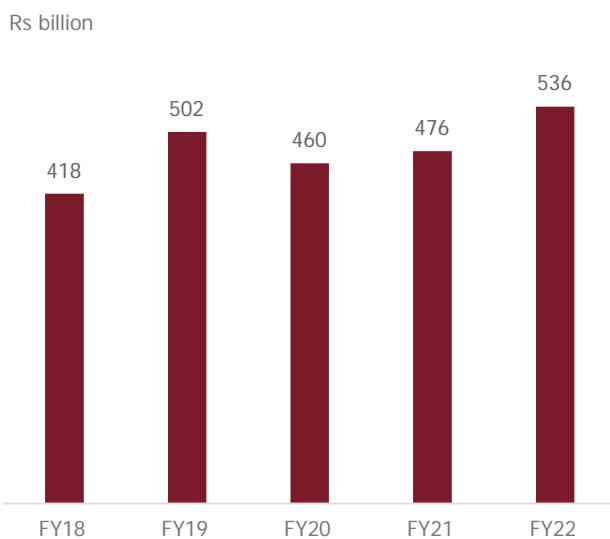
Figures in Rs billion

	Loans and advances	536		GNPA (%)	3.6%
	Total assets	569		ROA (%)	2.0%
	Total borrowings	460		NIM (%)	5.3%
	Networth	98		CAR (%)	21.8%

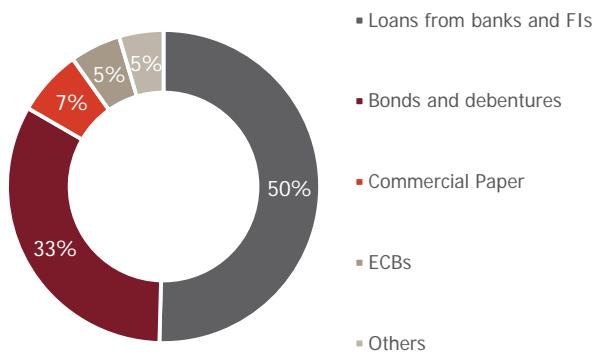
Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

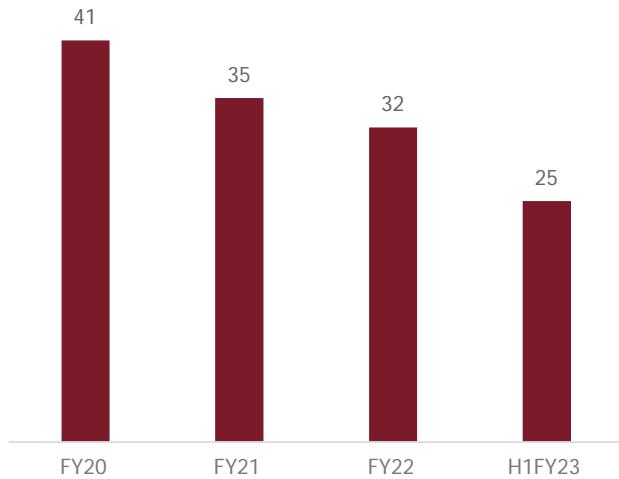


Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

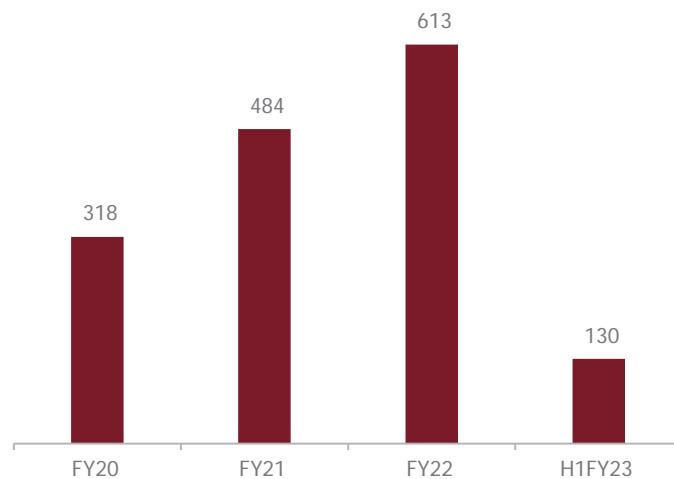
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

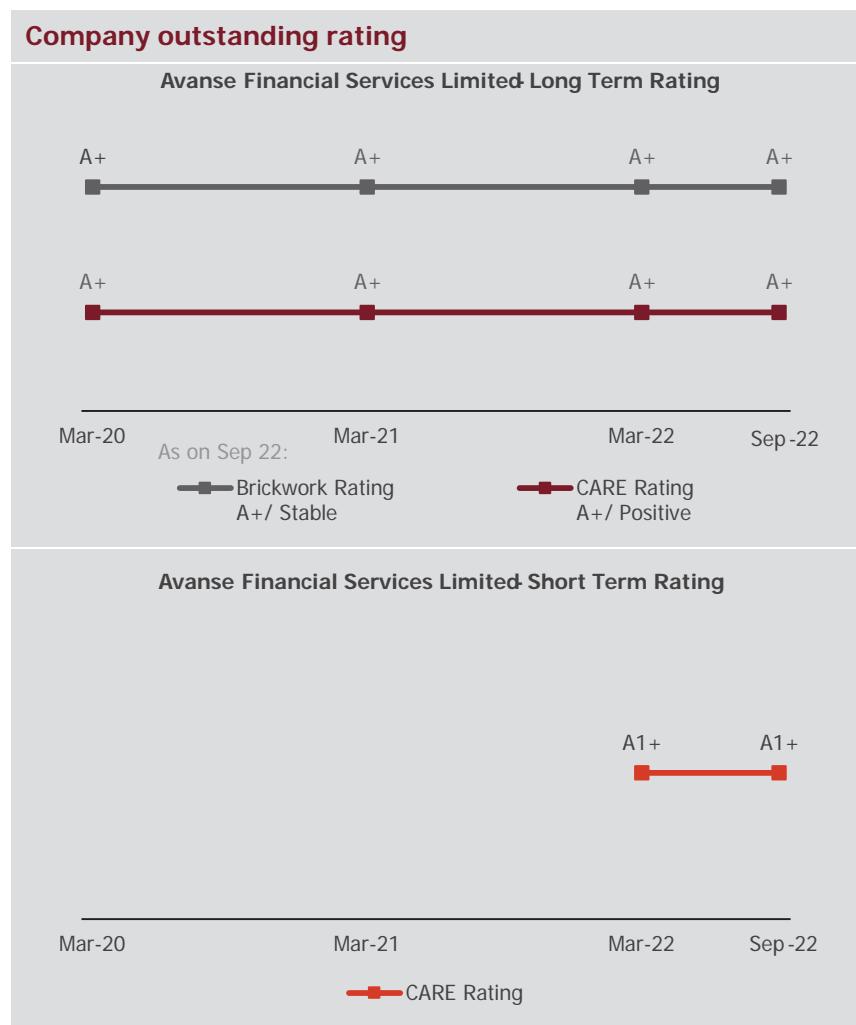
ABFL is registered with the RBI as a systemically important non-deposit accepting NBFC and is amongst the top private diversified players with more than 1,048 branches across India. ABFL has evolved from being primarily a capital market-focused entity to a well-diversified NBFC catering to a wide range of customer segments. It offers various products such as LAP, project loans, term loans and working capital loans to customers ranging from retail, high networth individuals (HNIs), ultra HNI, small and medium enterprises (SMEs), to mid and large corporates.

The financial risk profile is supported by diversified presence of its parent across the financial services space and its comfortable capitalisation. These strengths are partially offset by average, albeit improving, profitability.

## Avanse Financial Services Limited



<b>Company name</b>	Avanse Financial Services Limited
<b>Incorporation year</b>	1992
<b>About company</b>	AFSL is among the top education financing players who offer loans to students pursuing higher studies in India and abroad, and educational infrastructure loans to educational institutes in India.



## Key financial parameters (FY22)

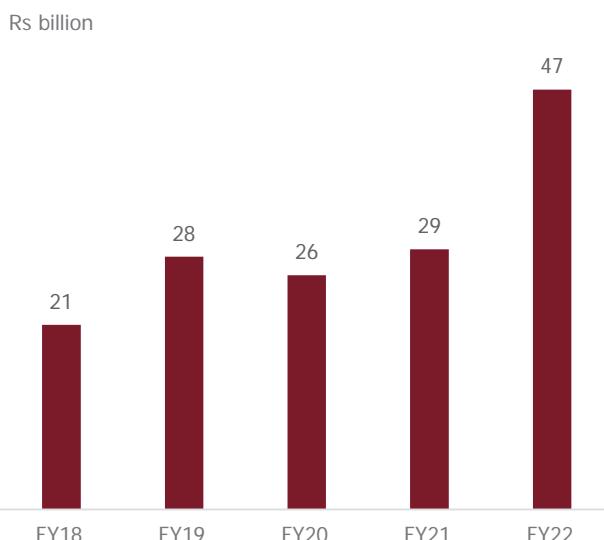
Figures in Rs billion

	Loans and advances	47		GNPA (%)	1.3%
	Total assets	54		ROA (%)	1.4%
	Total borrowings	38		NIM (%)	4.6%
	Networth	10		CAR (%)	23%

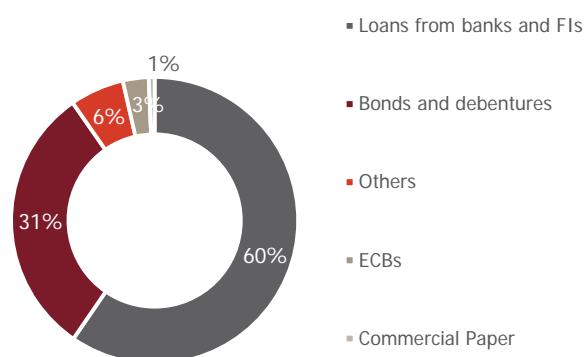
Note: Above parameters represent standalone financials of the company as of March-2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

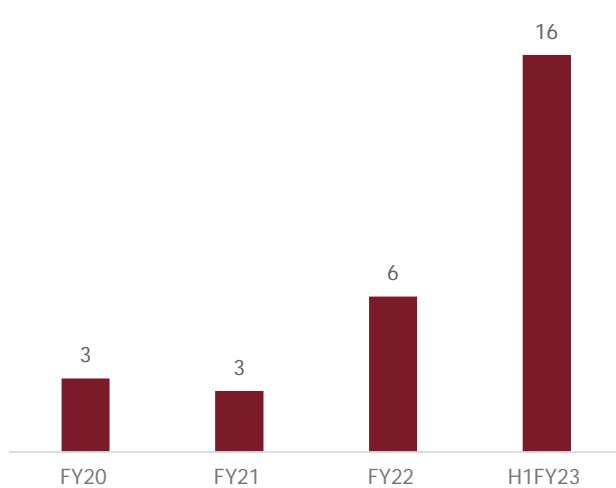


Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

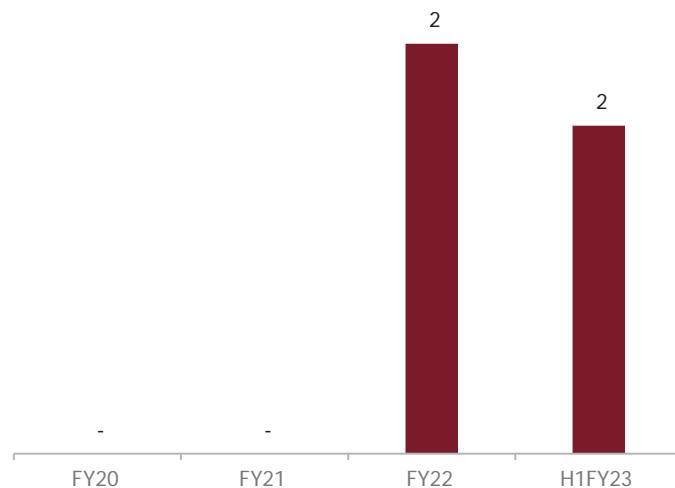
## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL - FTRAC, Crisil Research

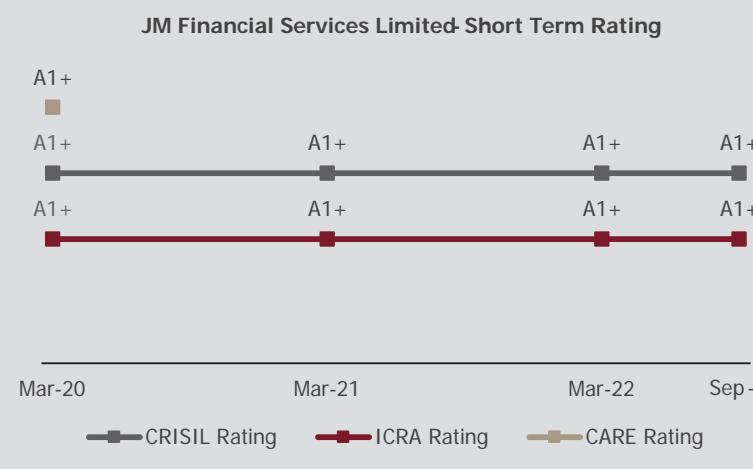
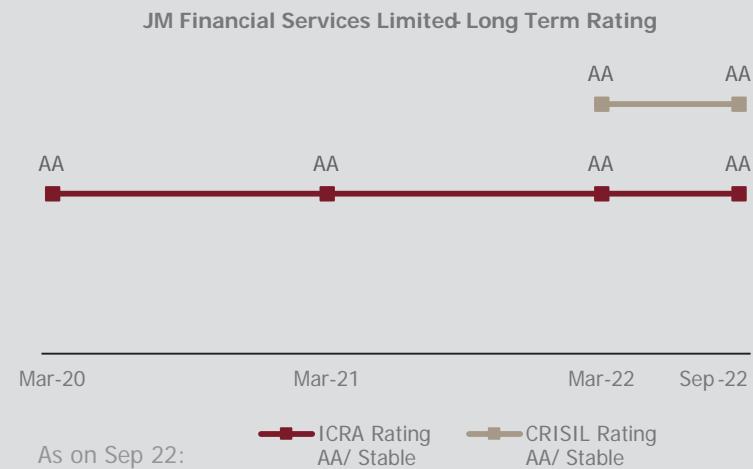
Anvase provides education loans to students pursuing higher studies in India and abroad, and to educational institutes in India. AFSL has its presence in more than 500 locations and operates via 16 branches and 19 sales representative offices as on March 31, 2022. The financial risk profile is supported by comfortable capitalisation, moderate gearing and healthy asset quality. These strengths are partially offset by limited seasoning of the portfolio and moderate profitability.



# JM Financial Limited

<b>Company name</b>	JM Financial Limited
<b>Incorporation year</b>	1986
<b>About company</b>	JM Financial Limited (JMFL) is the flagship listed company of the JM Financial group. It is an operating and holding company and is engaged in various financial services businesses on its own and through its subsidiary and associate companies.

## Company outstanding rating



## Key financial parameters (FY22)

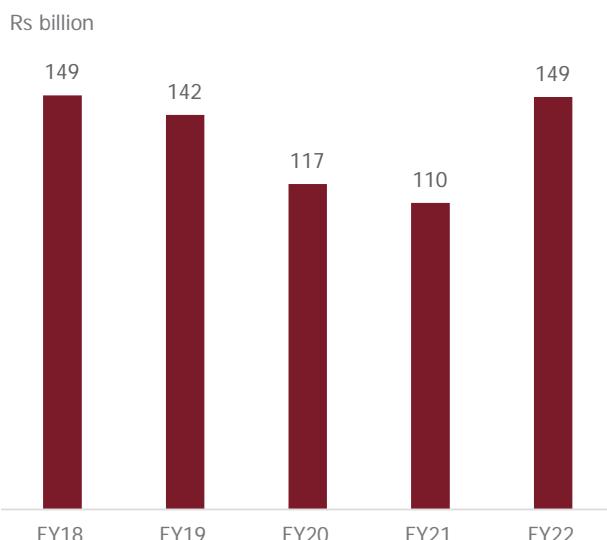
Figures in Rs billion

	Loans and advances	149		GNPA (%)	0.7%
	Total assets	258		ROA (%)	4.0%
	Total borrowings	131		NIM (%)	4.2%
	Networth	106		CAR (%)	-

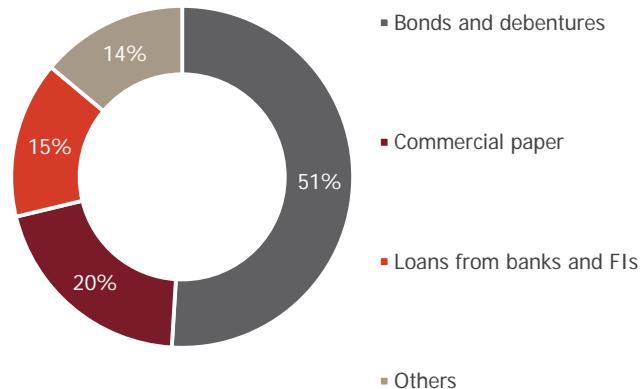
Note: Above parameters represent consolidated financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

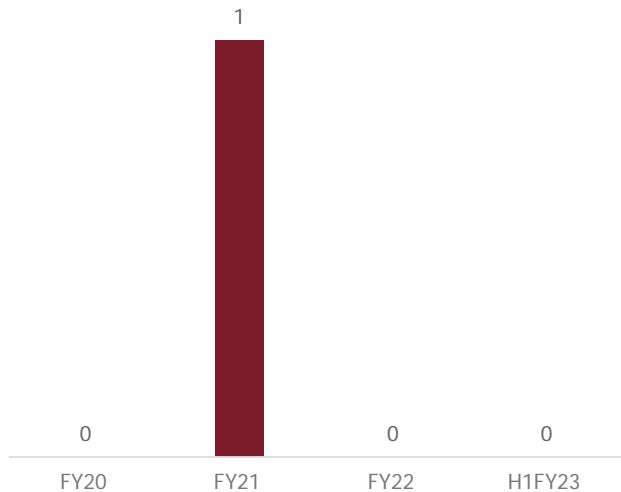


Note: Above parameters represent consolidated financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

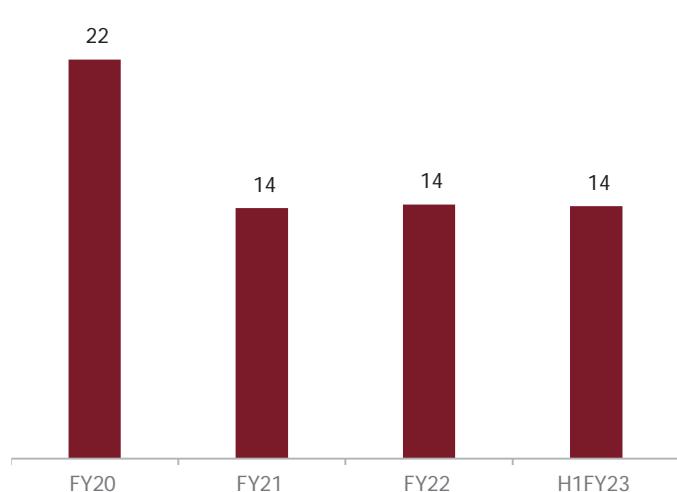
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



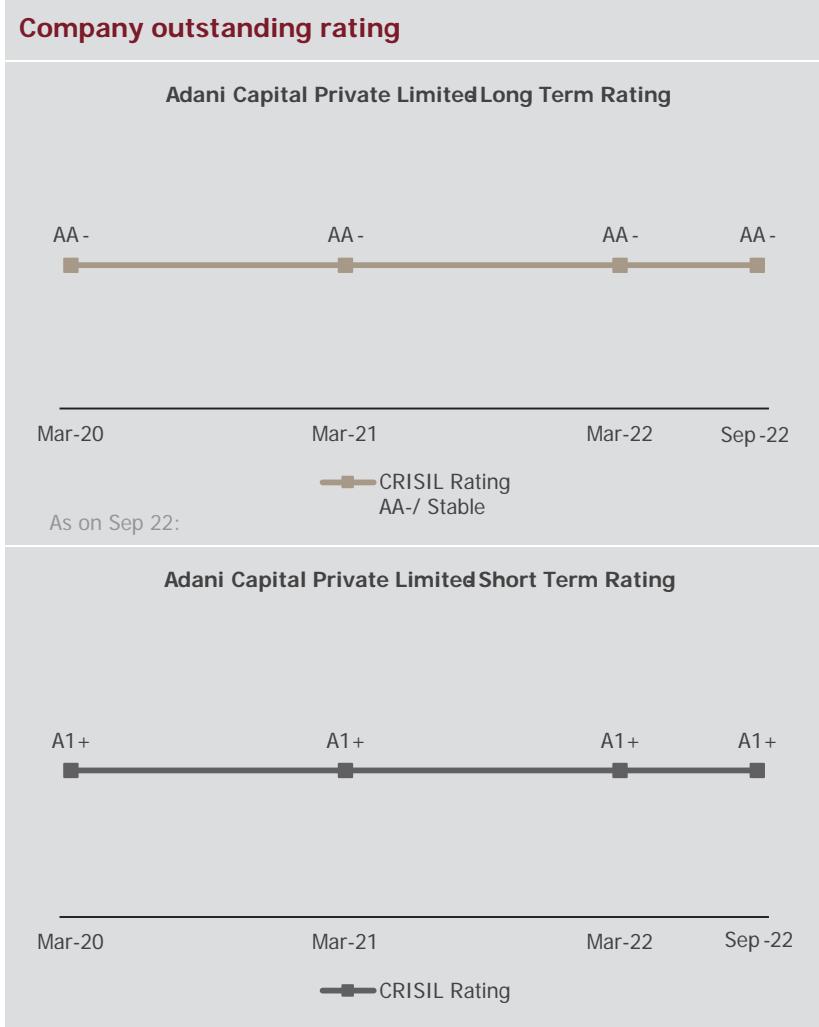
Source: Prime database, CCIL -FTRAC, Crisil Research

JM Financial is an integrated and diversified financial services group engaged in various lending activities related to capital markets. The company and its subsidiaries are present in 112 locations spread across 13 states and 2 union territories in the country as on March 31, 2022. It is also located internationally in Mauritius, Singapore and USA. The financial risk profile is supported by healthy capitalisation, strong market presence and diversified business model. These strengths are partially offset by weakening asset quality and provisioning and potential funding challenges for wholesale-oriented non-banks.

## Adani Capital Private Limited



<b>Company name</b>	Adani Capital Private Limited
<b>Incorporation year</b>	2016
<b>About company</b>	Adani Capital Private Limited (Adani Capital) has primarily caters to MSME finance segment. The MSME finance will mainly include business loans, farm sector finance, commercial vehicle loans, and supply chain finance.



## Key financial parameters (FY21)

Figures in Rs billion

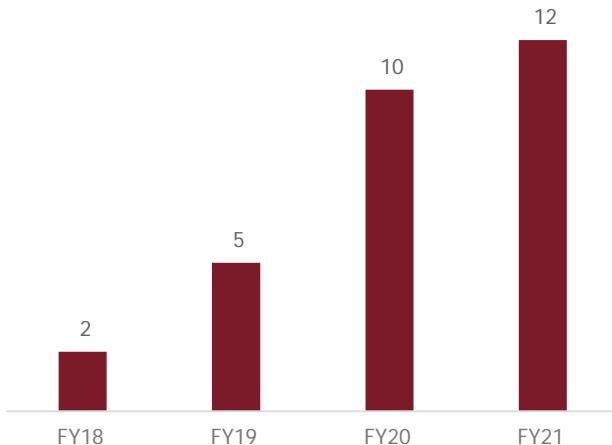
	Loans and advances	12		GNPA (%)	1.4%
	Total Assets	14		ROA (%)	1.3%
	Total Borrowings	10		NIM (%)	7.3%
	Net worth	3		CAR (%)	25.8%

Note: Above parameters represent standalone financials of the company as of March 2021 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

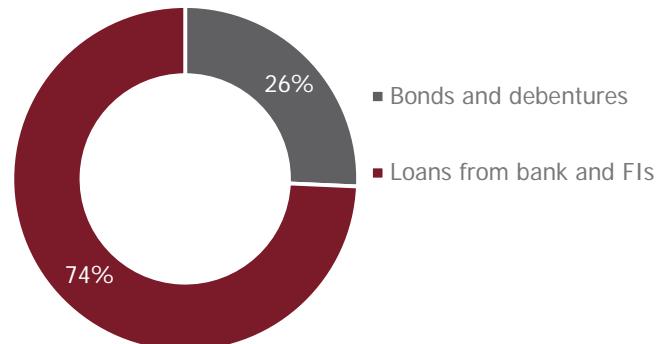
Source: CRISIL Quantix

### Trend in loans and advances

Rs billion



### Borrowing profile (FY21)

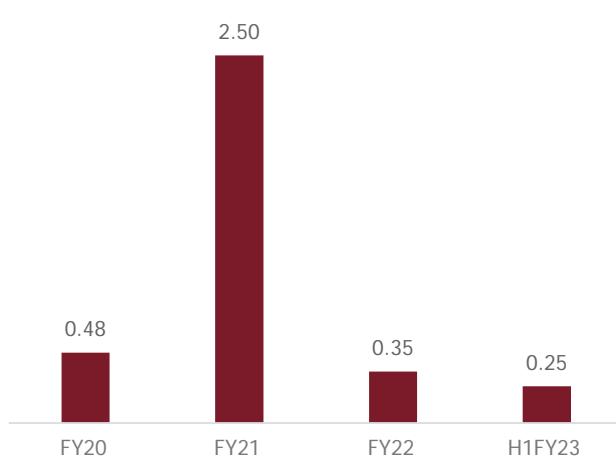


Note: Above parameters represent standalone financials of the company as of March 2021 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

## NCD Issuance

Rs billion



## CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Adani Capital Private Limited received the NBFC license in 2017 and primarily lends in MSME finance segment along with housing finance loans and LAP loans. Adani Capital has 140+ operational branches across nine states in India with loans and advances aggregating to Rs. 12 billion as of March 2021. The companies' financial profile is supported by strong support from the Adani group, comfortable capitalisation and improvement in earnings profile, however, these strengths are partially offset by present small scale of operations.



# Navi Finserv Limited

<b>Company name</b>	Navi Finserv Limited
<b>Incorporation year</b>	2012
<b>About company</b>	<p>Navi Finserv Private Limited was formed in February 2012 to carry on the business of sourcing, underwriting and lending to individuals and entities, including MSME enterprises, rural credit and other body corporates across India. It also provides credit related services as an NBFC, including intermediation services for agents and money transfer agents; credit-linkage services; banking correspondent and all activities permissible to be carried out as an NBFC.</p>



## Key financial parameters (FY22)

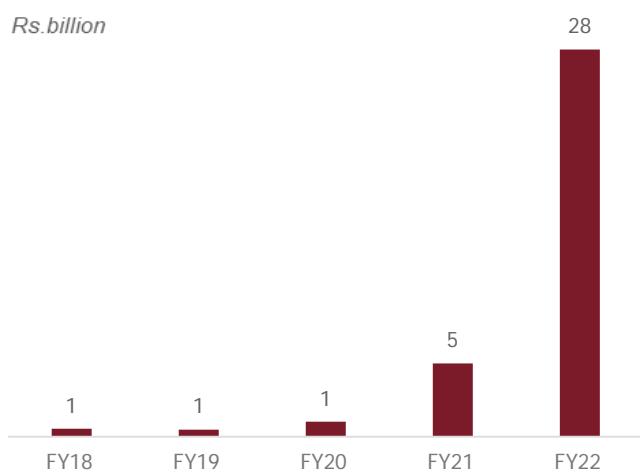
Figures in Rs billion

	Loans and advances	28		GNPA (%)	0.9%
	Total assets	41		ROA (%)	-1.8%
	Total borrowings	28		NIM (%)	6.5%
	Net worth	12		CAR (%)	30.7%

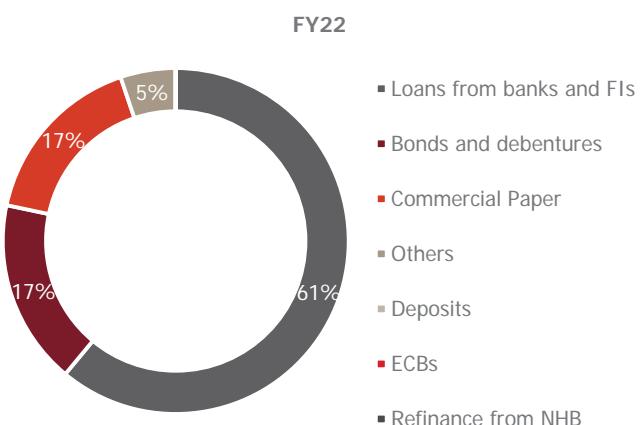
Note: Above parameters represent standalone financials of the company as of March-2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### Trend in loans and advances



### Borrowing profile (FY22)

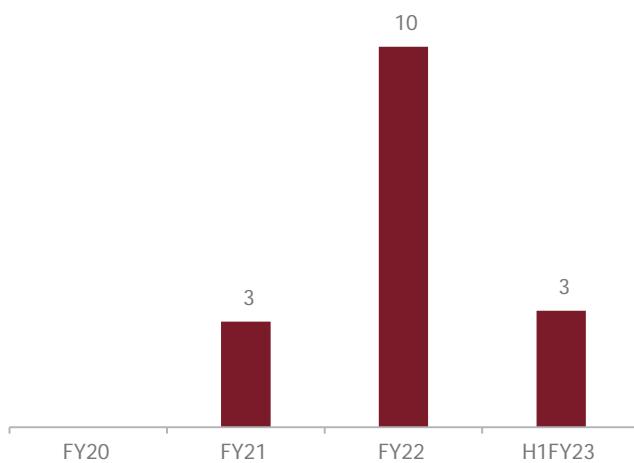


Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

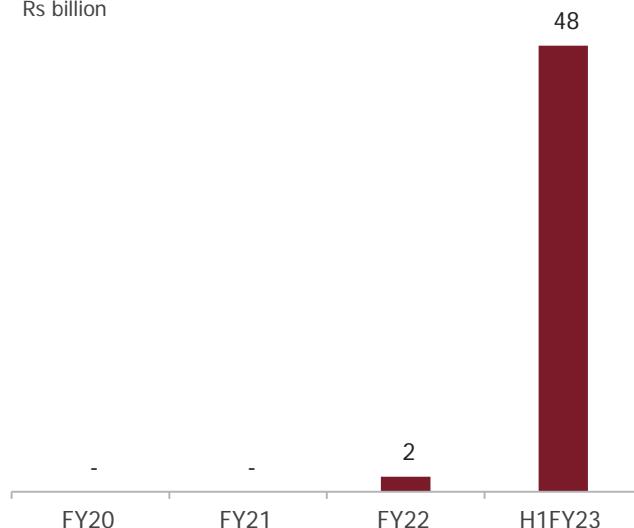
### NCD Issuance

Rs billion



### CP Issuance

Rs billion



Source: Prime database, CCIL -FTRAC, Crisil Research

Navi Finserv Private Limited (NFPL) got its current brand name in June 2020 after being acquired by Sachin Bansal-led Navi Technologies Pvt Ltd in October 2019. NFPL extends digital personal loans and housing loans. Since November 2014, it has been the holding company of Chaitanya India Fin Credit Private Limited (CIFCPL), which carries out microfinance operations.

The company's financial position is supported by improving capitalisation, lower gearing and experienced management. Resolution across delinquency buckets has been improving gradually as well. The borrowing mix primarily consists of loans from banks and FIs (61%), bonds and debentures (17%) and commercial paper (17%).

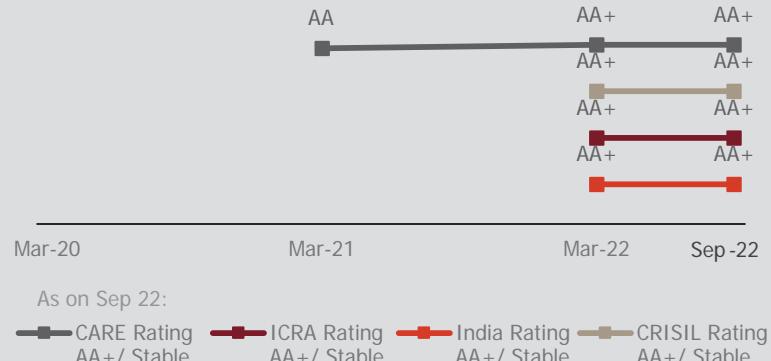
## Aseem Infrastructure Finance Limited



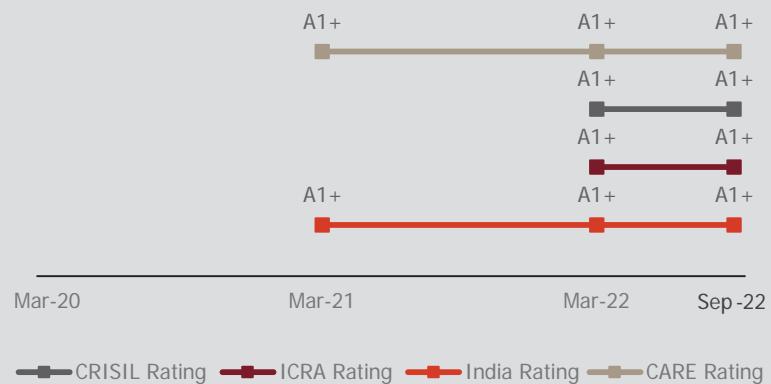
<b>Company name</b>	Aseem Infrastructure Finance Limited
<b>Incorporation year</b>	2019
<b>About company</b>	Aseem Infrastructure Finance Limited (AIFL) was incorporated in May 2019. It is registered as an NBFC -IFC (infrastructure finance company) with the RBI.

### Company outstanding rating

#### Aseem Infrastructure Finance Limited - Long Term Rating



#### Aseem Infrastructure Finance Limited Short Term Rating



## Key financial parameters (FY21)

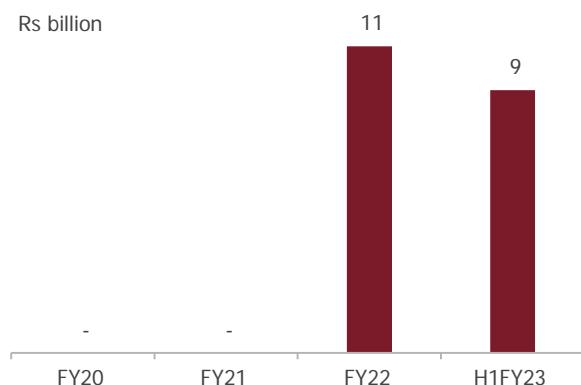
Figures in Rs billion

	Loans and advances	16		GNPA (%)	0%
	Total assets	27		ROA (%)	1.3%
	Total borrowings	4		NIM (%)	-
	Net worth	14		CAR (%)	150.9%

Note: Above parameters represent standalone financials of the company as of March-2021 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

### NCD Issuance



Source: Prime database, CCIL -FTRAC, Crisil Research

AIFL commencing operations from August 2020, AIFL funds infrastructure projects. As on June 30, 2022, it had sanctioned financial assistance of Rs 95.01 billion to 60 infrastructure projects and had outstanding loans of Rs 71.96 billion. Solar projects constituted ~44% of the book, with other sectors being roads (18%) and power transmission (10%) with smaller exposures to airport, logistics and power distributions.

AIFL also benefits from operational and underwriting synergies with NIIF Infrastructure Finance Ltd (NIIF IFL – an NBFC-IDF). It is the sponsor of NIIF IFL and holds 30.8% stake in the company, with Strategic Opportunities Fund (SOF) holding 39.7%. While AIFL intends to finance infrastructure assets across the project lifecycle with a mix of operating, brownfield and greenfield assets, NIIF IFL will operate under IDF regulations. Since both AIFL and NIIF IFL operate under SOF, they complement each other in terms of sector expertise, underwriting, reach to investor base, and a shared knowledge pool with an integrated platform.

AIFL's financials are supported by comfortable capitalisation, helped by flexibility to raise additional capital and the presence of strong sponsors. However, asset quality remains monitorable due to the nature of the infrastructure funding business.

# Hiranandani Financial Services Private Limited



<b>Company name</b>	Hiranandani Financial Services Private Limited
<b>Incorporation year</b>	2017
<b>About company</b>	<p>Hiranandani Financial Services Private Limited (HFS) was incorporated on February 10, 2017 and is a non-systemically important non-deposit-taking NBFC registered with the RBI. The company was renamed, and a fresh certificate of incorporation with the new name was received on February 7, 2019. The company is a part of the House of Hiranandani (HoH) group. The SLH family held 100% stake in the company as on March 31, 2022.</p>

## Company outstanding rating

### Hiranandani Financial Services Private Limited Long Term Rating



As on Sep 22: CARE Rating A-/ Stable      CRISIL Rating A/ Stable

### Hiranandani Financial Services Private Limited Short Term Rating



CARE Rating

## Key financial parameters (FY21)

Figures in Rs billion

	Total assets	2		GNPA (%)	1.47%
	Total borrowings	1			
	Net worth	0.97			

Note: Above parameters represent standalone financials of the company as of March-2021 and may include, as applicable, reclassification / adjustments to the reported financials by the entity. For more details on reclassification / adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

Hiranandani Financial Services Private Limited has been identified as the primary focus for the group's diversification plans. The company provides MSME financing and operates across seven states with 50 branches as on March 31, 2022. It had total assets under management of Rs 4.20 billion as on March 31, 2022. HFS benefits from the group in terms of the shared brand and financial as well as operational synergies. The promoters have committed Rs 5 billion of initial equity capital and have already infused Rs 4 billion as of fiscal 2022, indicating strong financial support towards HFS. Apart from the equity, the promoters also support HFS through interest-free unsecured loans. Given the strategic importance of HFS to the group's diversification plans, the promoters will continue to provide support (on an ongoing basis and in case of distress) to HFS and hold majority shareholding over the medium term. The NBFCs financial profile is supported comfortable capitalisation and support for capital infusion from the promoters.

## Annexure I – Banks

This section covers reclassification / adjustments, as applicable, done by CRISIL Quantix while arriving at financial parameters highlighted in the player profile section in this report.

<b>Financial parameter used in the report</b>	<b>Definition</b>
Loans and advances	Covers loans and advances including loan term loans, cash credit and loans repayable on demand, and bills purchased and discounted
Total assets	Covers total loans and advances, total investments, total current assets, net fixed assets, net leased assets, total other assets, and deferred tax assets
Total borrowings	Covers borrowings from the RBI, other banks, other institutions and agencies, bonds, debentures, debt outside India, and subordinated debt
Deposit	Covers term deposits from banks and others, savings bank deposits and demand deposits from banks and others
Net worth	Covers equity share capital, share application money pending allotment, and gross reserves, and excludes intangible assets and debit balance in profit and loss account
GNPA (%)	Gross non-performing assets are derived by division of reported gross NPA value by loans and advances including provisions
ROA (%)	Return on assets is derived by division of the reported profit after tax by the average of total assets of the current and previous fiscals
NIM (%)	Net interest margin derived by reducing total interest expense from total interest income during the year divided by average of total assets of the current and previous fiscals
CAR (%)	As in annual report

## Annexure II – NBFCs / HFCs

This section covers reclassification/adjustments, as applicable, done by CRISIL Quantix while arriving at financial parameters highlighted in the player profile section in this report.

<b>Financial parameter used in the report</b>	<b>Definition</b>
Loans and advances	Covers loans and advances, including loans to group company/subsidiary/associate, banks, FIs, foreign governments, bills discounted, loans to dealers, and loans to others, and excludes provision for doubtful advances
Total assets	Covers total assets under financing, total investments, total current assets, net owned fixed assets, capital work-in-process, and deferred tax asset
Total borrowings	Covers bonds; debentures (adjusted for interest accrued but not due); term loans from banks and FIs; fixed deposits; foreign currency loans; ECBs, refinance from NHB; other long-term loans; short-term loans from banks and FIs; inter-corporate loans; bank overdraft; refinance from the RBI; collateral borrowing and lending obligation; loans against government securities; call borrowing; repo; commercial paper; and other short-term loans
Networth	Represents tangible networth adjusted with preliminary /miscellaneous expenses not written off, goodwill, debit balance in profit and loss account and other intangible assets
GNPA (%)	Gross non-performing assets are derived by division of reported gross NPA value by asset under financing
ROA (%)	Return on assets is calculated by division of reported profit after tax by average total assets. Average total asset is average of the current and previous year-end
NIM (%)	Net interest margin is difference between interest income by average funds deployed and interest expense by average funds deployed, wherein average funds deployed is average of current and the previous year-end. Funds deployed is total of assets under financing, investment, cash, and bank balance, debtors, inter-corporate deposits, deposits with banks, deposits with FIs, security deposits and other deposits
CAR (%)	As reported in the annual report

## Peer comparison for Banks

Sr. No	Banks	Key financial parameters (FY22)									
		Loans & advances (Rs billion)	Total assets (Rs billion)	Total borrowings (Rs billion)	Deposits (Rs billion)	Networth (Rs billion)	GNPA %	RoA %	NIM %	CAR %	
1	Axis Bank Limited	7,077	11,754	1,851	8,217	1,152	3.0%	1.2%	3.1%	18.5%	
2	Bank of Baroda	7,772	12,709	1,039	10,459	788	6.6%	0.6%	2.7%	15.8%	
3	Bank of India	4,208	7,277	268	6,279	482	10.0%	0.5%	1.9%	17.0%	
4	Bank Of Maharashtra	1,312	2,290	77	2,023	123	3.9%	0.5%	2.8%	16.5%	
5	Canara Bank	7,036	12,196	463	10,864	576	7.5%	0.5%	2.2%	14.9%	
6	The Federal Bank Limited	1,449	2,212	154	1,817	187	2.8%	0.9%	2.8%	15.8%	
7	HDFC Bank Limited	13,688	20,674	1,848	15,592	2,390	1.2%	1.9%	3.8%	18.9%	
8	ICICI Bank Limited	8,590	14,109	1,072	10,646	1,665	3.8%	1.8%	3.6%	19.2%	
9	IDFC FIRST Bank Limited	1,179	1,899	530	1,056	206	3.7%	0.1%	5.5%	16.7%	
10	Indian Bank	3,854	6,617	171	5,936	375	8.6%	0.6%	2.6%	16.5%	
11	The Karnataka Bank Limited	568	917	23	804	66	3.9%	0.6%	2.8%	15.7%	
12	Kotak Mahindra Bank Limited	2,713	4,293	260	3,117	718	2.3%	2.1%	4.1%	22.7%	
13	Punjab National Bank	7,282	13,084	457	11,462	881	11.8%	0.3%	2.2%	14.5%	
14	South Indian Bank Limited (SIB)	600	998	33	891	55	5.9%	0.05%	2.3%	15.9%	
15	State Bank of India	27,340	49,643	4,260	40,515	2,567	4.0%	0.7%	2.5%	13.9%	
16	SBM Bank (India) Limited	44	81	3	68	7	2.1%	0.3%	2.0%	17.3%	
17	Union Bank of India	6,610	11,858	512	10,324	656	11.1%	0.5%	2.5%	14.5%	

Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I

Source: CRISIL Quantix

## Peer comparison for Small Finance Banks

Sr. No	Small finance banks	Key financial parameters (FY22)									
		Loans & advances (Rs billion)	Total assets (Rs billion)	Total borrowings (Rs billion)	Deposits (Rs billion)	Networth (Rs billion)	GNPA %	RoA %	NIM %	CAR %	
1	AU Small Finance Bank Limited	461	690	60	526	74	2.0%	1.9%	5.4%	21.0%	
2	Bandhan Bank Limited	940	1,391	199	963	174	6.5%	0.1%	6.9%	20.1%	
3	Equitas Small Finance Bank Limited	194	269	26	190	42	4.2%	1.1%	7.5%	25.2%	
4	Suryoday Small Finance Bank Limited	48	82	26	38	15	11.8%	-1.2%	7.8%	37.9%	
5	Ujjivan Small Finance Bank Limited	163	236	18	182	26	7.3%	-1.9%	8.1%	19.0%	

Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure I

Source: CRISIL Quantix

## Peer comparison for NBFCs

Sr. No	NBFCs	Key financial parameters (FY22)							
		Loans & advances (Rs billion)	Total assets (Rs billion)	Total borrowings (Rs billion)	Networth (Rs billion)	GNPA %	RoA %	NIM %	CAR %
1	Adani Capital Private Limited^	12	14	10	3	1.4%	1.3%	7.3%	25.8%
2	Aditya Birla Finance Limited	536	569	460	98	3.6%	2.0%	5.3%	21.8%
3	Arka Fincap Limited	23	26	17	8	0.0%	1.6%	5.3%	30.9%
4	Aseem Infrastructure Finance Limited^	16	27	4	14	0.0%	1.3%	-	150.9%
5	Avanse Financial Services Limited	47	54	38	10	1.3%	1.4%	4.6%	23.0%
6	Bajaj Finance Limited	828	1,676	1,230	416	0.02%	4.2%	10.6%	27.2%
7	Cholamandalam Investment and Finance Company Limited	742	823	692	117	7.0%	2.7%	6.9%	19.6%
8	Fullerton India Credit Company Limited	188	235	178	45	7.1%	0.2%	9.3%	21.3%
9	HDB Financial Services Limited	572	631	498	95	5.4%	1.6%	8.2%	20.2%
10	Hero FinCorp Limited	287	318	262	48	8.4%	-0.7%	8.4%	15.6%
11	Hiranandani Financial Services Private Limited^	2	1	1	NA	1.5%	NA	NA	NA
12	IIFL Finance Limited	129	233	160	44	3.1%	3.3%	9.1%	23.9%
13	India Infrastructure Finance Company Limited	355	537	408	117	10.2%	0.9%	2.4%	29.0%
14	JM Financial Limited	149	258	131	106	0.7%	4.0%	4.2%	-
15	Kotak Mahindra Prime Limited	231	317	196	92	3.2%	3.3%	5.1%	30.9%
16	L&T Finance Limited	772	960	783	164	4.6%	0.8%	6.3%	20.8%
17	Mahindra and Mahindra Financial Services Limited	605	755	558	156	8.2%	1.3%	7.5%	27.8%
18	Manappuram Finance Limited	227	270	179	79	2.9%	5.0%	12.5%	31.3%
19	Muthoot Finance Limited	594	706	498	183	2.9%	5.9%	10.7%	30.0%
20	Navi Finserv Limited	28	41	28	12	0.9%	-1.8%	6.5%	30.7%
21	Poonawalla Fincorp Limited	107	128	67	57	3.5%	2.5%	8.7%	49.1%
22	Shriram Transport Finance Company Limited	1,167	1,477	1,145	259	7.6%	1.9%	6.6%	23.0%
23	Sundaram Finance Limited	284	353	278	69	2.5%	2.6%	5.0%	24.4%
24	Tata Capital Financial Services Limited	538	594	493	77	2.3%	1.5%	5.6%	17.3%
25	Tata Cleantech Capital Limited	77	85	67	17	0.8%	2.7%	4.4%	23.2%
26	Tata Motors Finance Limited	282	343	282	34	10.9%	-0.1%	3.3%	18.7%

Note: 1. Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

2. ^ financial data for these companies represent standalone financials of the company as of March 2021

3. NA: Not available

Source: CRISIL Quantix

## Peer comparison for HFCs

Sr. No	HFCs	Key financial parameters (FY22)							
		Loans & advances (Rs billion) ▲▼	Total assets (Rs billion) ▲▼	Total borrowings (Rs billion) ▲▼	Networth (Rs billion) ▲▼	GNPA % ▲▼	RoA % ▲▼	NIM % ▲▼	CAR % ▲▼
1	Aadhar Housing Finance Limited	120	144	109	31	1.5%	3.2%	5.7%	45.4%
2	AAVAS Financiers Limited	91	110	80	28	1.0%	3.6%	6.7%	51.9%
3	Bajaj Housing Finance Limited	465	485	415	67	0.3%	1.6%	3.1%	19.7%
4	Can Fin Homes Limited	264	279	248	31	0.6%	1.9%	3.3%	23.2%
5	Edelweiss Housing Finance Limited	31	40	23	8	2.0%	0.3%	2.4%	28.3%
6	Godrej Housing Finance Limited	17	20	16	4	0.0%	-6.6%	3.9%	21.8%
7	Housing Development Finance Corporation Limited	5,571	6,427	5,016	1,199	2.3%	2.3%	2.8%	22.8%
8	ICICI Home Finance Company Limited	145	160	126	21	5.9%	1.0%	3.8%	21.9%
9	IIFL Home Finance Limited	153	181	150	27	3.7%	3.4%	4.9%	30.5%
10	Indiabulls Housing Finance Limited	508	763	567	156	4.1%	0.9%	2.9%	22.5%
11	LIC Housing Finance Limited	2,453	2,561	2,242	246	4.7%	0.9%	2.3%	18.1%
12	Mahindra Rural Housing Finance Limited	70	85	67	15	12.3%	0.6%	9.7%	41.6%
13	Motilal Oswal Home Finance Limited	34	38	26	10	1.7%	2.5%	7.2%	51.6%
14	Piramal Capital and Housing Finance Limited	476	735	464	119	2.5%	0.9%	5.5%	22.0%
15	PNB Housing Finance Limited	560	659	544	98	8.4%	1.2%	2.6%	23.4%
16	Repco Home Finance Limited	113	121	97	22	7.8%	1.6%	4.7%	33.3%
17	Shriram Housing Finance Limited	45	52	39	12	1.7%	1.8%	4.3%	30.9%
18	Shubham Housing Development Finance Company Limited	23	25	18	5	3.6%	1.0%	6.8%	36.9%
19	Tata Capital Housing Finance Limited	285	313	274	36	1.6%	2.0%	4.1%	17.8%

Note: Above parameters represent standalone financials of the company as of March -2022 and may include, as applicable, reclassification/adjustments to the reported financials by the entity. For more details on reclassification/adjustments, refer to the detailed notes in Annexure II.

Source: CRISIL Quantix

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Received BSE's Top Performer Award in Primary Market Segment (Debt Public Issue Bids - Members) for the year 2018-19, 2019-20, 2021-22

Received BSE's Top Performer Award in the Corporate Bonds Settlement for the year 2018-19, 2020-21, 2021-22

Received BSE's Top Performer Award in the Wholesale Debt Market (Government Securities) for the year 2020-21

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