CRISIL
Ratings

Rating Rationale

February 20, 2024 | Mumbai

Rane (Madras) Limited

Long-term rating placed on 'Watch Positive'; short-term rating reaffirmed

Rating Action

Total Bank Loan Facilities Rated	**Rs.601.62 Crore**
Long Term Rating	**CRISIL A/Watch Positive (Placed on 'Rating Watch with Positive Implications')**
Short Term Rating	**CRISIL A1 (Reaffirmed)**

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has placed its rating on the long term bank facilities of Rane (Madras) Limited (RML) on '**Rating Watch with Positive Implications**' and reaffirmed its 'CRISIL A1' rating on the short term bank facilities.

The rating action follows announcement by RML at the stock exchanges on February 9 , 2024, that its board of directors have approved a scheme of arrangement wherein the two listed entities of Rane group, Rane Engine Valve Limited (REVL; rated CRISIL BBB+/Watch Positive/CRISIL A2) and Rane Brake Linings Limited (RBLL) will be merged with RML on a share swap basis, subject to National Company Law Tribunal (NCLT) approval. 21 shares of RML will be issued for every 20 shares of RBLL to its shareholders while 9 shares of RML will be issued for every 20 shares of REVL for its shareholders.

The merger of the listed Rane group operating companies will create a larger entity which will have sizeable scale, better revenue and product diversity and operating margins of 8-10%. Operating margin will also benefit from sale of RML's erstwhile loss making subsidiary, Rane Light Metal Castings, USA Inc (RLMC), and synergy benefits in form of common raw material procurement, besides streamlining of administration and other costs. In addition, the balance sheet will also strengthen due to modest debt at REVL and no debt at RBLL, and no further requirement to support RLMC. The combined entity is expected to have a net worth of more than Rs. 650 crores post merger, compared to ~Rs. 270 crores estimated for fiscal 2024 while the consolidated debt is expected at Rs. 800 crores, resulting in gearing of 1-1.2 times compared to 2.5 times estimated in fiscal 2024.

RML has filed the scheme with the stock exchanges and SEBI and post its approval, the scheme will be filed with NCLT. The approval for the entire scheme is expected by the end of fiscal 2025. The reorganization has been done to unlock synergies, optimize support functions to improve efficiency and lower the number of listed entities in the group. The watch will be resolved post receipt of necessary approvals and completion of necessary documentation for the merger .

In September 2023, RML divested its step down subsidiary, RLMC, which has been recording operational losses of Rs.40-50 crores per annum. Sluggish demand conditions leading to delay in breakeven would have resulted in continuing support from RML, which had already invested Rs.450-500 crores between fiscals 2016 and 2024. As on March 2023, RLMC had total debt of USD 16 million with USD 11 million of term debt and USD 5 million of working capital debt. In fiscal 2024, RML infused USD 16 million in RLMC to repay the debt and sold the entity to a US based firm. The buyer will pay USD 4.9 million USD for the sale (equivalent to outstanding working capital debt) in three instalments. Towards losses on investments in RLMC, an impairment of Rs.223 crores was taken in fiscal 2023, while Rs. 122 crores was recorded in fiscal 2024.

In September 2023, RML floated a new subsidiary in Mexico, Rane Auto Components Mexico (RACM), which is likely to assemble some of its products from fiscal 2026, for supplies to customers in USA, Mexico and Canada. ~USD 8 million is expected to be invested in RACM over a three-year period.

In the first nine months of fiscal 2024, at standalone level, RML's performance has been steady with on-year revenue growth of 4%, while the operating margin moderated by 70 bps driven by product mix and higher employee costs. RLMC recorded operating losses of Rs.32 crores in the first half of fiscal 2024. With its divestment, while RML's consolidated revenues will be impacted, the operating profitability is expected at 7.5-8% for fiscal 2024, with absence of operational losses from RLMC in the second half of the fiscal. In addition, due to sale of RLMC, RML has accrued deferred tax benefit of Rs.113 crores which will reduce its tax liability over the medium term leading to improved accruals.

The rating reflects RML's leading position in India's automotive steering components segment, diversified revenue profile, and benefits derived from being part of the Rane group, and moderate though improving financial risk profile. These rating strengths are partially offset by sizeable investments in domestic and overseas die casting business and modest though improving operating profitability. RML also remains exposed to demand cyclicality and pricing pressure on account of large exposure to automobile original equipment manufacturers (OEMs)

Analytical Approach

CRISIL Ratings has revised its analytical approach and will now consolidate the business and financial risk profiles of RML, its subsidiaries Rane (Madras) International Holdings B V(RMIH) and RACM, as well as REVL and RBLL (both of which are proposed to be merged into RML from fiscal 2025), to arrive at the credit rating for bank facilities of RML.

Earlier, group support for Rane group was provided while assessing the consolidated credit profile of RML. To arrive at the group rating, CRISIL Ratings had consolidated the operating entities of the Rane group and proportionately consolidated operating joint ventures.

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

Key Rating Drivers & Detailed Description

Strengths:

Leading position in India's auto steering market

RML is a leading player in the domestic steering market with strong presence in mechanical steering gears and hydrostatic gear systems. Further, RML has long standing relationship with marque clients across vehicle segments, namely Maruti Suzuki India Ltd (MSIL; rated CRISIL AAA/Stable/CRISIL A1+), Tata Motors Ltd (TML; rated CRISIL AA/Positive/CRISIL A1+), Tractors and Farm Equipment Limited (TAFE; rated CRISIL AA+/Positive/CRISIL A1+), Mahindra & Mahindra L td (M&M; rated CRISIL AAA/Stable/CRISIL A1+) etc. Further RML acquired the steering component business of Yagachi Technologies in November 2021 for a consideration of Rs.23.19 crores. The acquisition has provided RML with access to other major OEMs as well and has enhanced its leadership position in the domestic passenger vehicle market.

Supported by its established presence, RML has managed to make significant in-roads in terms of share of business with its customers by bagging new significant orders. Besides, in-house capabilities have enabled the company to make product improvements in line with the requirement of its key customers and sustain its healthy market position despite competition from established peers like Z.F. Steering Gear (India) Ltd and JTEKT India Ltd.

Diversified revenue profile

RML has healthy revenue diversity, marked by presence across all segments of the automotive component sector— domestic OEM, aftermarket, and exports, with domestic OEMs accounting for ~60-65% of revenues. Within OEMs, RML caters to the passenger vehicles, commercial vehicle (CV), and tractor segments. Besides, the company also derives about 15-20% of revenues from die-casting components sold to domestic and export customers. With the merger, RML will have presence in steering linkage products, engine valves, light metal castings and friction material which will further augment the diversity. Besides as RBLL has a material presence in the aftermarket, which will provide further revenue diversity.

CRISIL Ratings expects RML (excluding RLMC) to post healthy high single digit revenues growth over the medium term, supported by steady demand from OEMs, flattish exports, and better aftermarket sales.

Moderate though improving financial risk profile

RML's financial risk profile remains moderate marked by gearing of over 2.5 times estimated as on March 31, 2024, and is expected to improve from next fiscal. Debt levels have increased on year in fiscal 2024 due to higher capex of Rs.130 crores and debt taken to pay of loans in RMLC. The interest cover and ratio of debt/EBITDA are estimated to decline to 3.2 times and 3.9 times in fiscal 2024 compared to 5.8 times and 3.3 times respectively in fiscal 2023 driven by increase in debt.

Upon merger, the net worth is expected to increase above Rs. 650 crores which along with gradually lower debt levels, despite annual capex of Rs.100-120 crore and modest investments in RACM, will lead to reduction in gearing below 1.5 times over next 12-13 months. Besides, the interest cover and ratio of debt/EBITDA are expected to improve to 5.1 times and below 2.5 times in fiscal 2025 respectively.

Established presence of Rane group

RML is the flagship entity of the Chennai based Rane group of companies. The Rane group has a consolidated turnover of almost Rs.5,000 crore and is into diverse product segments within the automotive component industry, namely steering components, engine valves, brake components etc. Further, the group also has a vintage of more than 80 years as a result of which it has forged strong ties with leading OEMs in India and abroad.

RML also benefits from the business synergies it derives from other group entities, which augment the product offerings to OEMs. Being part of the Rane group, RML leverages on the 'Rane' brand name. Financial assistance has also been demonstrated with RHL infusing equity of Rs 65 crore in fiscal 2018, Rs 15 crore in fiscal 2019, Rs 55 crore in fiscals 2021 and another Rs 30 crore in fiscal 2022 to support operations at RML, including part funding capex. Supplies of components along with those of other group companies to common customers, also helps RML rationalise on freight costs.

Weakness:

Sizeable investments in domestic die casting business; modest operating profitability

RML had made sizeable investments towards expansion in its domestic die casting division in fiscals 2016 and 2017. However, ramping up of facilities has been slower than expected due to volatile end-user demand resulting in the division making net losses in the past. The company has undertaken measures to tie-up businesses to enhance utilisation level and there has been substantial improvement in die casting division over the past 2 fiscals.

Besides the strategic acquisition of continually loss-making, RLMC, in fiscal 2016, also exerted some pressure on returns. The subsidiary was envisaged to have a turnaround time of 4-5 years. Between fiscals 2017-2022, RLMC registered net losses of over Rs. 175 crores. While initial losses were due to restructuring initiatives taken by RML's management, weak off-take from a leading customer, have resulted in low revenue levels at RLMC resulting in continuing losses. In fiscal 2023 also, the subsidiary recorded operating losses of over Rs.40 crores and due to continuing losses and sluggish demand conditions, RML divested RLMC in September 2023.

Due to modest profitability of light metal castings division, the operating profitability has been constrained in the past with consolidated operating margins declining to less than 3-5% in fiscals 2020 and 2021, compared to 7-9% between fiscals 2015 and 2019. Operating margins recovered to 4.5% in fiscal 2022 and further to 7.8% in fiscal 2023, driven by healthy improvement in profitability at standalone level. However, with divestment in RLMC, and factoring in synergy benefits from the proposed merger, operating profitability is expected to improve to 8-10% over the medium term.

RML's return on capital employed (RoCE) declined to less than 8-10% between fiscals 2015 and 2017 as compared to ove r 17% prior to fiscal 2013; RoCE gradually recovered to 13% in fiscal 2018, however moderated in fiscals 2020 and 2021 owing to the expansion in domestic die casting division and ROCE then improved to over 10% in fiscal 2023, due to healthy standalone performance and it is expected to sustain at these levels over the medium term.

Exposure to demand cyclicality and pricing pressures from OEMs in automobile industry

RML's high dependence on the OEM segment, renders its performance partly vulnerable to th e inherent cyclicality in the automobile industry and any prolonged slowdown, particularly in the CV segment. However, revenue from aftermarket and exports provide some respite; besides presence across OEM sub segments is also expected to lend certain level of stability to business.

Raw material costs account for a substantial portion of revenue, while about two-thirds of revenue is derived from auto OEMs. Operating profitability is moderate at less than 10% historically due to limited pricing power and losses from die-casting business.

Liquidity: Adequate
RML's liquidity is adequate and the accruals of over Rs.120-150 crores per annum will be sufficient to meet repayment obligations of Rs. 80-90 crores per annum over the medium term.

There will be part dependence on debt for funding proposed capex of over Rs.100-120 crores per annum. That said, considering RML's strong franchise with lenders, availing funds for the capex is not expected to be a challenge. Further, moderate utilisation of bank limits of Rs.350 crores provides cushion to meet enhanced working capital needs. CRISIL Ratings also derives comfort from the past instance of equity infusion from the group, especially holding company, to support loss making operations of RLMC, thereby demonstrating support, if needed.

Upon merger, liquidity position is expected to improve further with estimated cash accruals of over Rs.200 crores per annum, and surplus cash of ~Rs.30 crores at RBLL.

Rating Sensitivity Factors
Upward Factors
- Higher than expected revenue growth, supported by better revenue diversity, and sustenance of consolidated operating margins at 9-10%, leading to better cash generation
- Continued improvement in financial risk profile, and faster than expected correction in capital structure including due to equity infusion; for instance, gearing correcting to less than 1.3-1.5 time

Downward Factors
- Lower than expected cash generation due to delays in off-take from new orders or steep decline in margins to less than 5-6% on sustained basis, also impacting cash generation
- Higher than expected debt funded capex leading to further deterioration in capital structure; with gearing sustaining over 2.3-2.5 times.

About the Company, REVL and RBLL
RML is the flagship company of the Rane group, with the group holding company, RHL having 71.77% stake (none of the shares are pledged). Other group companies include Rane Engine Valve Ltd, Rane Brake Lining Ltd, ZF Rane Automotive India Pvt Ltd (joint venture) and Rane NSK Steering Systems Ltd (joint venture).

RML started manufacturing operations in 1960 and today is a leading tier 1 automotive component supplier. It is engaged in the manufacturing of manual steering gears, hydrostatic steering systems, and steering and suspension linkages which together account for about 80% of overall revenues. The balance comes from its high-pressure aluminum die casting division.

RML has manufacturing units at Kanchipuram, Mysore, Puducherry, Pantnagar and Hyderabad (2 units). In February 2016, RML, through its wholly owned subsidiary RMIH, acquired 100% stake in US based Light Metal Casting Inc, subsequently renamed as RLMC. This is RML's first overseas acquisition and marked its foray into the manufacturing in overseas markets. This has been divested in fiscal 2024. RML has incorporated a new subsidiary, RACM in September 2023.

REVL incorporated in 1954 is second oldest entity in the Rane group, with group holding company, Rane Holdings Ltd (RHL) having 58.29% stake (none of the shares are pledged).

REVL is into manufacturing of engine valves, predominantly used in the automotive industry. The company has diverse presence in both domestic and export markets and has established tie-ups with leading OEMs. REVL has five manufacturing units based in South India at Ponneri and Tiruchirapalli (Tamil Nadu), Tumkur (Karnataka), and Aziz Nagar and Medchal (Telangana)

RBLL manufactures friction material products such as brake linings, disc pads, clutch facings, clutch buttons, brake shoes and brake blocks. RHL holds ~ 50.03% stake in RBLL at present.

Key Financial Indicators

Particulars	Unit	2023	2022
Revenue	Rs crore	2354	1748
Profit After Tax (PAT)	Rs crore	30	11
PAT Margin	%	1.3	0.6
Adjusted debt/Adjusted networth	Times	2.81	2.63
Interest coverage	Times	5.96	4.05

Any other information: Not Applicable

Note on complexity levels of the rated instrument:
CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity Level	Rating Assigned with Outlook
NA	Term Loan	NA	NA	Feb-2028	71.2	NA	CRISIL A/Watch Positive
`NA	Term Loan	NA	NA	Mar-2024	35.42	NA	CRISIL A/Watch Positive
NA	Term Loan	NA	NA	Jun-2027	90.00	NA	CRISIL A/Watch Positive
NA	Short Term Bank Facility	NA	NA	NA	405.0	NA	CRISIL A1

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
Rane (Madras) International Holdings B V, Netherlands	Full	Subsidiary; business linkages
Rane Automotive Components, Mexico	Full	Step down subsidiary; business linkages
Rane Engine valve Limited	Full	The entity will be merged with RML from fiscal 2025
Rane Brake Linings Limited	Full	The entity will be merged with RML from fiscal 2025

Annexure - Rating History for last 3 Years

	Current			2024 (History)		2023		2022		2021		Start of 2021
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	ST/LT	601.62	CRISIL A/Watch Positive / CRISIL A1		--	24-05-23	CRISIL A1 / CRISIL A/Stable	31-05-22	CRISIL A2+ / CRISIL A-/Stable	23-06-21	CRISIL A2+ / CRISIL A-/Negative	CRISIL A2+ / CRISIL A-/Negative
			--		--		--	27-05-22	CRISIL A2+ / CRISIL A-/Stable	04-05-21	CRISIL A2+ / CRISIL A-/Negative	--
Commercial Paper	ST		--		--		--		--		--	Withdrawn

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Short Term Bank Facility	**25**	**DBS Bank India Limited**	**CRISIL A1**
Short Term Bank Facility	**25**	**Kotak Mahindra Bank Limited**	**CRISIL A1**
Short Term Bank Facility	**21.38**	**ICICI Bank Limited**	**CRISIL A1**
Short Term Bank Facility	**65**	**HDFC Bank Limited**	**CRISIL A1**
Short Term Bank Facility	**80**	**RBL Bank Limited**	**CRISIL A1**
Short Term Bank Facility	**3.62**	**ICICI Bank Limited**	**CRISIL A1**
Short Term Bank Facility	**100**	**State Bank of India**	**CRISIL A1**
Short Term Bank Facility	**35**	**Standard Chartered Bank Limited**	**CRISIL A1**
Short Term Bank Facility	**50**	**Axis Bank Limited**	**CRISIL A1**
Term Loan	**90**	**Exim Bank**	**CRISIL A/Watch Positive**
Term Loan	**71.2**	**HDFC Bank Limited**	**CRISIL A/Watch Positive**
Term Loan	**35.42**	**The Federal Bank Limited**	**CRISIL A/Watch Positive**

Criteria Details

Links to related criteria
CRISILs Approach to Financial Ratios
Rating criteria for manufaturing and service sector companies
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Auto Component Suppliers
CRISILs Criteria for rating short term debt
CRISILs Criteria for Consolidation
Criteria for Notching up Stand Alone Ratings of Companies based on Group Support
Understanding CRISILs Ratings and Rating Scales

Media Relations	Analytical Contacts	Customer Service Helpdesk
Aveek Datta Media Relations **CRISIL Limited** M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com **Prakruti Jani** Media Relations **CRISIL Limited** M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com **Rutuja Gaikwad** Media Relations **CRISIL Limited** B: +91 22 3342 3000 **Rutuja.Gaikwad@ext-crisil.com**	Anuj Sethi Senior Director **CRISIL Ratings Limited** B:+91 44 6656 3100 anuj.sethi@crisil.com Poonam Upadhyay Director **CRISIL Ratings Limited** B:+91 22 3342 3000 poonam.upadhyay@crisil.com Sree Sankar Senior Rating Analyst **CRISIL Ratings Limited** B:+91 44 6656 3100 Sree.Madhu@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com For Analytical queries: ratingsinvestordesk@crisil.com

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

About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)

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

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

For more information, visit www.crisilratings.com

About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: TWITTER | LINKEDIN | YOUTUBE | FACEBOOK

DISCLAIMER

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

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

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

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

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