



Indian Banking Sector September 2019

Update on merger and
recapitalisation of public
sector banks



Karthik Srinivasan
+91 022 6114 3444
karthiks@icraindia.com

Anil Gupta
+91 124 4545 314
anilg@icraindia.com

Highlights

- *As a part of the union budget, Government of India (GoI) had announced Rs 70,000 crore for recapitalisation of public sector banks (PSBs) for FY 2020*
- *Unlike in the past, when bank-wise capital allocation was typically announced during second half of financial year, the recent slowdown in economic growth prompted GoI to make announcement upfront this time*
- *Accordingly, PSBs shall have better clarity on their capital position and can decide upon their business plans, without fearing the capital shortage or breaches*
- *This is especially when fresh slippages have increased recently in Q1FY2020, and the stress emanating in MSME, retail as well as non-banks threatens to increase the credit provisions, which can subsequently weaken the internal growth capital generation in current year.*
- *Though the CET-I for PSBs stood at 9.0% as on March 31, 2019, as per our estimates, the Return on Assets (RoA) for PSBs is estimated to remain weak at <0.1% during FY2020. The announced capital infusion coupled with proposed capital raisings from markets will enable PSB to support an 8-10% credit growth.*
- *Improved capital position and expected decline in NPA levels will also improve the solvency profile for PSBs with NNPA / CET-I improving to ~36-37% by March 2020 as compared to 61% as on March 31, 2019*
- *As a part of its stated plans for PSB consolidation, GoI also announced the merger among 10 PSBs. After the completion of announced mergers, the number of PSBs shall decline to 12 from existing 18 (excluding IDBI Bank)*
- *After merger, the top 7 PSBs will account for ~58% of the Indian banking sector advances and the residual 5 PSBs (excluding IDBI Bank) will account for only 5.7% of the banking sector advances, thereby leading to a significant consolidation among PSBs.*
- *With increase in size upon merger, some of the merged PSBs are likely to be classified as domestic systemically important banks*
- *Given the sizeable capital announced for merging banks, all the merged banks are likely to be well placed on capital with CET-I of most of the banks above regulatory levels by March 2020*
- *For the PSBs under prompt corrective action (PCA) framework, GoI has provided capital to all the PSBs, including IDBI Bank. GoI has announced capital allocation in a pro-rata share equivalent to its shareholding, while the balance capital will be infused by LIC to maintain its shareholding at 51% level.*
- *We expect other PCA banks shall continue to require additional capital to improve their capital ratios above regulatory levels (including capital conservation buffer) while reducing their Net NPAs below the PCA threshold of 6.0%. IDBI, however may exit PCA in FY2020 supported by large capital infusion*
- *Additionally, GoI has announced various governance reforms with more empowerment of board with longer term for directors, recruitment of chief risk officer from market at market linked salaries and performance appraisal of senior management (including managing director) by board committee.*

Gol and LIC have infused ~Rs 3.0 trillion in PSBs during last four financial years, i.e. FY2017-FY2020

EXHIBIT 1: Bank-wise capital infusion

	Rating Tier II / Fixed Deposits / Certificate of deposits	FY2017 Rs Crore	FY2018 Rs Crore	FY2019 Rs Crore	FY2020 Rs Crore	Total FY17-20 Rs Crore	CET-I Mar-19	CET-I June-19	Improvement in CET based on capital infusion in FY20
Allahabad Bank	[ICRA]A1+	451	1,500	11,470	-	13,421	9.7%	9.7%	0.0%
Andhra Bank	Not Rated	1,100	1,890	5,275	-	8,265	8.4%	8.8%	0.0%
Bank of Baroda (Merged)	[ICRA]AAA Stable	1,046	9,697	5,042	7,000	22,785	8.6%	8.5%	1.2%
Bank of India	MAA+ Stable	2,838	9,232	14,724	-	26,794	11.0%	11.1%	0.0%
Bank of Maharashtra	[ICRA]A+ Stable	300	3,173	4,703	-	8,176	9.9%	9.7%	0.0%
Canara Bank	[ICRA]AA+ Stable	748	4,865	-	6,500	12,113	8.3%	8.2%	1.8%
Central Bank of India	[ICRA]A+ Negative	1,397	5,158	6,588	3,300	16,443	7.5%	7.6%	2.3%
Corporation Bank	[ICRA]A1+	508	2,187	11,641	-	14,336	10.4%	10.5%	0.0%
IDBI Bank (Incl LIC)	[ICRA]A Negative	1,900	12,471	21,624	9,300	45,295	8.9%	5.9%	5.1%
Indian Bank	[ICRA]AA+ Positive	-	-	-	2,500	2,500	11.0%	11.4%	1.6%
Indian Overseas Bank	[ICRA]A+ Negative	2,651	4,694	5,963	3,800	17,108	7.8%	7.6%	3.1%
Oriental Bank of Commerce	[ICRA]A+ Stable	-	3,571	6,686	-	10,257	9.9%	10.8%	0.0%
Punjab National Bank	[ICRA]AA- Stable	2,112	5,473	14,155	16,000	37,740	6.2%	6.4%	4.0%
Punjab and Sind Bank	[ICRA]AA Negative	-	785	-	750	1,535	7.8%	7.9%	1.3%
Syndicate Bank	[ICRA]AA Negative	776	2,839	3,963	-	7,578	9.3%	8.9%	0.0%
UCO Bank	[ICRA]A+ Negative	1,925	6,507	6,406	2,100	16,938	8.6%	8.3%	2.1%
Union Bank of India	[ICRA]A1+	541	4,524	4,112	11,700	20,877	8.0%	7.9%	4.2%
United Bank of India	Not Rated	1,026	2,634	4,998	1,600	10,258	10.1%	9.9%	2.7%
State Bank of India	[ICRA]AAA Stable	5,681	8,800	-	-	14,481	9.6%	9.6%	0.0%
All PSBs by Gol		25,000	90,000	106,000	55,250	276,250	9.0%	9.0%	1.1%
LIC in IDBI				21,624	4,743	26,637			

Source: Banks, Gol, ICRA research. Long-term ratings are for the Tier II bonds. IDBI bank is considered as public sector bank in the note, despite its classification as private bank by RBI

Despite improvement, solvency levels will remain weak for many PSBs

EXHIBIT 2: Estimated solvency levels for PSBs

	Net NPA/CET-I Mar-19 Actual	Net NPA/CET-I Mar-20 ICRA Estimates
Allahabad Bank	59%	49-51%
Andhra Bank	79%	46-47%
Bank of Baroda (Merged)	48%	24-25%
Bank of India	57%	39-40%
Bank of Maharashtra	64%	47-50%
Canara Bank	78%	48-49%
Central Bank of India	104%	64-67%
Corporation Bank	59%	34-35%
IDBI Bank	91%	34-35%
Indian Bank	40%	16-17%
Indian Overseas Bank	150%	81-82%
Oriental Bank of Commerce	65%	46-47%
Punjab National Bank	120%	52-53%
Punjab and Sind Bank	109%	90-100%
Syndicate Bank	85%	82-87%
UCO Bank	114%	72-74%
Union Bank of India	91%	37-38%
United Bank of India	96%	68-69%
State Bank of India	36%	21-22%
All PSBs	61%	36-37%

- The recent capital infusion of Rs 59,807 crore is likely equivalent to ~1.1% to CET level of PSBs based on their risk weighted assets (RWAs) of March 2019 as well as June 2019
- This coupled with proposed market raising of equity capital will enable PSBs to achieve an 8-10% growth in advances during FY2020
- Recent slowdown in economic growth and tight liquidity in non-banks has also resulted in increase in slippages during Q1FY2020, which stood at 4.3% of standard advances (annualized) for PSBs, highest since Q4FY2018.
- ICRA estimates fresh gross slippages for PSBs can be 3.4-4.0% of standard advances during FY2020, which shall translate in elevated credit provisions. Further, ICRA expects credit provisioning to be ~2.5% of advances or ~1.4-1.5% of assets. This shall result in weak internal capital generation for PSBs during FY2020 with RoA of <0.1%
- Accordingly, despite the recent capital infusion, driven by growth as well as limited internal capital generation, the CET-I of PSBs is likely to remain at 9.0-9.4% by March 2020 as compared to 9.04% as on March 31, 2019.
- The net NPAs of PSBs stood at Rs 3.0 lakh crore (or 4.94% of net advances) as on March 31, 2019, which is expected to decline to 2.9-3.1% by March 2020.
- Notwithstanding reduction in net NPAs and the improvement in the solvency profile (net NPAs / CET) for most of PSBs it is likely to remain weak with Net NPAs to core equity capital of 36-37%

Source Banks, ICRA research
ICRA estimates includes the expected profits / losses for FY20E and the capital infusion announced by GoI

Outlook on merged banks – ROA of merged banks to remain weak in FY2020

EXHIBIT 3: ICRA's estimates for financial performance of merging banks

Rs Crore	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019	FY2020
	PNB-M	PNB-M	Union-M	Union-M	Indian-M	Indian-M	Canara-M	Canara-M
	Actual	ICRA Estimates	Actual	ICRA Estimates	Actual	ICRA Estimates	Actual	ICRA Estimates
Operating profits /ATA	1.34%	1.33-1.34%	1.66%	1.71-1.72%	1.51%	1.53-1.55%	1.31%	1.32-1.34%
Credit provisions / ATA	3.20%	1.5-1.6%	3.12%	2.0-2.2%	2.97%	1.0-1.3%	1.85%	1.6-1.7%
% RoA	(1.05) %	(0.1-0.2) %	(1.27) %	(0.2-0.3) %	(1.57) %	0.2-0.3%	(0.23) %	(0.2-0.3) %
% GNPA	14.94%	13.3-13.6%	15.40%	13.6-13.8%	11.97%	10.9-11.0%	9.67%	9.6-9.8%
% NNPA	6.61%	4.1-4.3%	6.30%	3.2-3.4%	4.39%	2.8-3.0%	5.62%	4.0-4.1%
% CET 1	7.46%	8.9-9.2%	8.02%	9.1-9.5%	10.96%	10.6-11.0%	8.62%	8.3-8.7%
% Tier 1	8.35%	9.7-10.0%	9.48%	10.3-10.7%	11.29%	10.7-11.2%	9.76%	9.4-9.8%
Net NPA / CET 1	99%	52-53%	80%	38-39%	49%	30-31%	81%	58-60%
PCR without TWO	59.7%	71-72%	63.1%	78-79%	66.2%	75-77%	44.3%	60-61%

Source: Banks, ICRA research. ATA = Average total Assets. RoA = Return on Assets. GNPA = Gross NPAs. PCR is provision coverage ratio without technical write offs

Key Observations – Punjab National Bank

- Among the merged banks, PNB upon merger will continue to have a higher share of current account and saving account (CASA) deposits at ~ 40% levels, which will be comparable with 44% CASA deposits level of SBI. In our view this will be highly positive for cost of funds and will be a key driver of profitability
- Despite a weak CET-I of ~6.2% as on March 31, 2019 for PNB, because of better CET levels of other merging banks, the CET 1 of PNB upon merger is estimated to be higher at 7.46% as on March 2019. With Capital infusion of Rs 16,000 crore in PNB and Rs 1600 crore in United Bank of India, the CET-I for the merged entity are expected to improve further to 8.9-9.2% by March 2020 as compared to regulator requirement of 8.0%
- The solvency levels of PNB and United bank of India are weak and the Net NPA /CET-I for merged entity is expected to be ~99% as on March 31, 2019. This will however be supported by reduced NPA levels and improved capital position; the solvency is expected improve to ~52-53% by March 2020, but will remain weaker than SBI and BoB (estimated at ~20-25% by March 2020)

Key Observations - Union Bank of India

- Union Bank has received a high level of capital in the current year at ~4.2% of RWAs.
- Given the weaker level of CASA of Corporation Bank and Andhra Bank, the CASA levels of merged Union Bank will remain lower than PSB average
- Moreover, because of high Net NPAs of union Bank as on March 31, 2019 (Corporation bank made high provisions in FY2019 and exited prompt corrective action – PCA framework), the overall net NPAs of merging entity is estimated at 6.8% as on March 2019 and 7.2% as on June 2019.
- ICRA estimates that because of high NPA levels of Union bank, the bank has been provided with high share of capital in current round of capital infusion. None of the other merging banks, i.e. Andhra or Corporation Bank has been provided capital in current announcements
- We expect the merged entity to be comfortably placed on capital, Net NPAs and solvency position by March 2020, even though RoA will remain negative given the need to do accelerated provisions on high level of Net NPAs

Key Observations – Indian Bank

- Both Indian bank and Allahabad bank are placed better than other PSBs in terms of Net NPA position as well as capital ratios
- As a result, the merged entity will have a strong capital position with CET-I of ~10.6% as on June 2019 which is estimated to be ~11% by March 2020
- With better NPA coverage, we expect this entity will be able to report profits with RoA of 0.2-0.3% during FY2020
- The solvency levels of the bank will also be comfortable with Net NPAs / CET-I of 30-31% by March 2020 as compared to 20-25% estimated for March 2020 for AAA rated banks like SBI and Bank of Baroda
- CASA profile of the merged entity will be ~40% of total deposits and will be supported by High CASA share of Allahabad Bank

Key Observations – Canara Bank

- Both Canara Bank and Syndicate bank have lower provision cover on their NPA, translating to a provision cover of ~45% (without technical write off) and 69% including technical write off, much lower than 63% and 75% respectively for public sector banks as on June 2019.
- No capital has been announced for Syndicate bank in recent announcement and hence we expect the bank will be relatively weaker placed on capital with estimated Tier 1 of 9.4-9.8% as on March 2020 as compared to regulatory requirement of 9.5%.
- We expect that either of the merging bank will need to raise capital to improve cushion over the regulatory levels
- Despite being fourth largest PSB, the CASA deposits for merged entity is estimated at ~29-30% of total deposits and will be much weaker than PSBs average of ~38.5% as on June 2019. This may translate in higher cost of funds compared to peers and higher reliance of bulk deposits for growth

PCA Banks

- Among the PCA banks, GoI has provided capital to all the banks, including IDBI Bank.
- With ~46% shareholding by GoI and 51% by Life Insurance corporation (LIC) of India, GoI has provided capital of Rs 4,557 crore to IDBI and balance Rs 4743 crore will be infused by LIC to maintain its shareholding at 51%.
- We estimate the capital infusion of Rs 9,300 crore will be sufficient to exit PCA and will enable IDBI bank to reduce its NNPA below 6%, while maintaining a Tier 1 capital of > 9.5% by March 2020.
- To the other PCA Banks -- Indian overseas bank, Central Bank of India, UCO Bank and United bank of India, GoI has allocated capital as given in exhibit 1
- While United bank will cease to exist upon merger with PNB, ICRA expects the other banks may not be able to exit PCA unless they raise more capital during FY2020. However, the current capital infusion will ensure a significant reduction in their Net NPAs while meeting CRAR of 9%, even though maintaining capital conservation buffer may be a challenge for these banks
- ICRA estimates a capital shortfall of Rs 1000-1500 crore for CBI, Rs 2500-3500 crore for IOB and Rs 1500-2000 crore for UCO bank during FY2020. These banks can exit PCA if they further reduce their risk weighted assets or raise capital from markets or get additional capital from GoI at later stage.
- With upfront capital allocation of Rs 59,807 crore, GoI will be left with capital of Rs 10,193 crore for FY2020. We expect this capital is likely to be allocated in second half of financial year, which may get allocated either to PCA banks if these banks are not able to exit the PCA with current capital allocation, given the GoI's expectation that these banks will exit PCA with allocated capital. Otherwise, it is likely to be allocated to the other Non-PCA banks depending upon the capital raising done by these banks from markets.

Merger of PNB, OBC and United Bank - Second largest PSB after SBI. Well placed on CASA. Large capital allocation to PNB, prior to merger will support capital ratios and solvency going forward

EXHIBIT 4: Key Financials for Punjab National Bank, Oriental Bank and United Bank of India, and their merged financials

Rs Crore		FY2019	Q1FY20	FY2019	Q1FY20	FY2019	Q1FY20	FY2019	Q1FY20
		PNB	PNB	OBC	OBC	United	United	Merged	Merged
Operating Profits	Rs Crore	12,012	3,481	3,432	846	138	683	15,582	5,010
Provisions	Rs Crore	28,342	2,023	7,385	842	5,652	572	41,379	3,437
Profit / (Loss) before tax	Rs Crore	(15,347)	1,458	(3,631)	183	(4,581)	111	(23,559)	1,752
Net Profit / (Loss)	Rs Crore	(9,976)	1,019	54	113	(2,316)	105	(12,238)	1,236
CET 1	Rs Crore	25,107	25,641	14,440	15,301	6,028	6,093	45,575	47,035
CASA Deposits	Rs Crore	273,856	278,264	68,387	66,754	69,448	66,981	411,691	411,999
Total Deposits	Rs Crore	676,030	672,471	232,645	232,374	134,983	132,402	1,043,659	1,037,247
Net Advances	Rs Crore	458,249	421,794	159,285	158,096	66,955	67,206	684,489	647,096
Market Share among PSBs		4.6%	4.6%	1.7%	1.7%	0.7%	0.7%	7.1%	7.1%
% CASA to total deposits		41%	41%	29%	29%	51%	51%	39%	40%
% CET1		6.2%	6.4%	9.9%	10.8%	10.1%	9.9%	7.5%	7.8%
% Tier 1		7.5%	7.6%	10.0%	10.9%	10.1%	9.9%	8.3%	8.6%
% CRAR		9.7%	9.8%	12.7%	13.8%	13.0%	12.6%	10.8%	11.0%
% Net NPA / CET1		120%	118%	65%	61%	96%	90%	99%	96%
% GNPA		15.5%	16.5%	12.7%	12.6%	16.5%	15.9%	14.9%	15.5%
% NNPA		6.6%	7.2%	5.9%	5.9%	8.6%	8.2%	6.6%	7.0%
PCR w/o TWO		61.7%	60.9%	56.5%	56.3%	52.0%	52.8%	59.7%	59.2%
PCR Incl TWO		74.5%	74.6%	75.8%	76.3%	72.9%	74.4%	74.6%	75.0%

Source Banks, ICRA research

Merger of Union, Andhra and Corporation Bank - Fifth largest PSB (After SBI, PNB, BOB and Canara). Below average CASA, even though large capital infusion in Union bank prior to merger will translate in comfortable solvency and capital profile

EXHIBIT 5: Key Financials for Union Bank, Andhra Bank and Corporation Bank, and their merged financials

Rs Crore		FY2019	Q1FY20	FY2019	Q1FY20	FY2019	Q1FY20	FY2019	Q1FY20
		Union	Union	Andhra	Andhra	Corp	Corp	Merged	Merged
Operating Profits	Rs Crore	6,767	1,631	4,892	1,171	4,091	803	15,751	3,605
Provisions	Rs Crore	11,268	1,519	7,434	1,041	11,811	730	30,513	3,290
Profit / (Loss) before tax	Rs Crore	(3,927)	367	(2,411)	135	(8,048)	125	(14,386)	627
Net Profit / (Loss)	Rs Crore	(2,947)	224	(2,786)	52	(6,333)	103	(12,066)	379
CET 1	Rs Crore	22,323	22,476	11,572	11,881	11,735	11,772	45,630	46,129
CASA Deposits	Rs Crore	150,141	146,303	68,998	68,141	58,307	53,219	277,446	267,663
Total Deposits	Rs Crore	415,915	430,014	219,821	216,721	184,568	185,443	820,304	832,178
Net Advances	Rs Crore	296,932	293,811	158,823	159,709	121,251	121,437	577,006	574,957
Market Share among PSBs		3.2%	3.2%	1.8%	1.8%	1.3%	1.3%	6.3%	6.3%
% CASA to total deposits		36%	34%	31%	31%	32%	29%	34%	32%
% CET1		8.0%	7.9%	8.4%	8.8%	10.4%	10.5%	8.0%	8.6%
% Tier 1		9.5%	9.3%	10.4%	10.8%	10.5%	10.6%	9.5%	9.9%
% CRAR		11.8%	11.4%	13.7%	13.7%	12.3%	12.0%	11.8%	12.1%
% Net NPA / CET1		91%	94%	79%	76%	59%	59%	80%	81%
% GNPA		15.0%	15.2%	16.2%	16.4%	15.3%	15.4%	15.4%	15.6%
% NNPA		6.8%	7.2%	5.7%	5.7%	5.7%	5.7%	6.3%	6.5%
PCR w/o TWO		58.3%	56.5%	68.6%	69.4%	66.6%	67.0%	63.1%	62.6%
PCR Incl TWO		66.2%	65.9%	73.8%	74.5%	83.3%	83.6%	73.4%	73.4%

Source Banks, ICRA research

Merger of Indian Bank and Allahabad Bank - Seventh largest PSB – Well placed on CASA deposits, capital and solvency levels

EXHIBIT 6: Key Financials for Indian Bank and Allahabad Bank, and their merged financials

Rs Crore		FY2019	Q1FY20	FY2019	Q1FY20	FY2019	Q1FY20
		Indian	Indian	Allahabad	Allahabad	Merged	Merged
Operating Profits	Rs Crore	4,705	1,172	3,034	816	7,739	1,987
Provisions	Rs Crore	4,596	795	11,898	1,009	16,494	1,804
Profit / (Loss) before tax	Rs Crore	284	579	(9,131)	(149)	(8,847)	430
Net Profit / (Loss)	Rs Crore	322	365	(8,334)	128	(8,012)	493
CET 1	Rs Crore	16,790	17,604	12,483	12,512	29,273	30,116
CASA Deposits	Rs Crore	83,459	80,076	106,070	101,947	189,529	182,023
Total Deposits	Rs Crore	242,076	241,457	214,334	213,076	456,410	454,533
Net Advances	Rs Crore	181,262	177,581	142,212	144,130	323,474	321,711
Market Share among PSBs		2.0%	2.0%	1.6%	1.6%	3.5%	3.5%
% CASA to total deposits		34%	33%	49%	48%	42%	40%
% CET1		11.0%	11.4%	9.7%	9.7%	11.0%	10.6%
% Tier 1		11.3%	11.7%	9.7%	9.7%	11.3%	10.8%
% CRAR		13.2%	13.6%	12.5%	12.6%	13.2%	13.1%
% Net NPA / CET1		40%	39%	59%	66%	49%	50%
% GNPA		7.1%	7.3%	17.6%	17.4%	12.0%	12.1%
% NNPA		3.7%	3.8%	5.2%	5.7%	4.4%	4.7%
PCR w/o TWO		49.1%	49.5%	74.2%	71.3%	66.2%	64.3%
PCR Incl TWO		65.7%	66.3%	79.9%	78.6%	74.9%	74.4%

Source Banks, ICRA research

Merger of Canara Bank and Syndicate Bank - Fourth largest PSB (after SBI, PNB and BOB), but weak on CASA and solvency

EXHIBIT 7: Key Financials for Canara Bank and Syndicate Bank, and their merged financials

Rs Crore		FY2019	Q1FY20	FY2019	Q1FY20	FY2019	Q1FY20
		Canara	Canara	Syndicate	Syndicate	Merged	Merged
Operating Profits	Rs Crore	10,189	2,284	2,455	696	12,644	2,980
Provisions	Rs Crore	12,918	1,899	5,922	1,969	18,841	3,868
Profit / (Loss) before tax	Rs Crore	(2,327)	541	(3,103)	(1,159)	(5,431)	(618)
Net Profit / (Loss)	Rs Crore	347	329	(2,588)	(980)	(2,241)	(651)
CET 1	Rs Crore	29,289	29,759	14,859	14,275	44,148	44,034
CASA Deposits	Rs Crore	174,809	170,319	84,678	83,324	259,487	253,643
Total Deposits	Rs Crore	599,033	610,674	259,897	259,223	858,930	869,897
Net Advances	Rs Crore	427,727	432,768	205,044	202,782	632,772	635,550
Market Share among PSBs		4.8%	4.8%	2.2%	2.2%	7.0%	7.0%
% CASA to total deposits		29%	28%	33%	32%	30%	29%
% CET1		8.3%	8.2%	9.3%	8.9%	8.6%	8.4%
% Tier 1		9.0%	8.9%	11.4%	10.9%	9.8%	9.5%
% CRAR		11.9%	11.7%	14.2%	13.7%	12.6%	12.3%
% Net NPA / CET1		78%	78%	85%	85%	81%	80%
% GNPA		8.8%	8.8%	11.4%	11.8%	9.7%	9.7%
% NNPA		5.4%	5.3%	6.2%	6.0%	5.6%	5.5%
PCR w/o TWO		41.5%	41.2%	48.8%	52.4%	44.3%	45.6%
PCR Incl TWO		68.1%	68.6%	66.4%	69.0%	67.5%	68.8%

Source Banks, ICRA research



ABOUT ICRA

ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited) was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange.

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- Assist the regulators in promoting transparency in the financial markets;
- Provide intermediaries with a tool to improve efficiency in the funds raising process.

Business Contacts

Mr. L. Shivakumar
E-mail: shivakumar@icraindia.com
Tel: +91 22 6114 3406 / +91 98210 86490

Mr. Jayanta Chatterjee
E-mail: jayantac@icraindia.com
Tel: +91 80 4332 6401/ +91 98450 22459

Media and Public Relations

Ms. Naznin Prodhani
E-mail: communications@icraindia.com
Tel: +91 124 4545 860

Registered Office:

1105, Kailash Building, 11th Floor,
26, Kasturba Gandhi Marg,
New Delhi - 110 001
Tel: + 91 11 2335 7940-45

Corporate Office:

Building No.8, 2nd Floor,
Tower A, DLF Cyber City Phase II,
Gurgaon- 122 002
Tel: +91 124 4545300

Ahmedabad

1809-1811, Shapath V,
Opposite Karnavati Club
S.G. Highway, Ahmedabad - 380015
Tel: +91 79 4027 1500/01

Bengaluru 1

'The Millenia', Tower- B, Unit No. 1004,
10th Floor, 1 & 2 Murphy Road,
Bengaluru - 560 008
Tel: +91 80 4332 6400

Bengaluru 2

2nd Floor, Vayudooth Chamber,
15-16, Trinity Circle, M.G. Road,
Bengaluru - 560 001
Tel: +91 80 4922 5500

Chennai

5th Floor, Karumuttu Centre,
634, Anna Salai, Nandanam
Chennai - 600 035
Tel: +91 44 4596 4300

Hyderabad 1

No. 7-1-58, 301, 3rd Floor, 'CONCOURSE',
Above SBI-HPS Branch, Ameerpet,
Hyderabad - 500 016
Tel: +91 40 4920 0200

Hyderabad 2

4A, 4th Floor, SHOBHAN,
6-3-927, A&B Somajiguda,
Raj Bhavan Road,
Hyderabad – 500082
Tel: +91 40 40676500

Kolkata

A-10 & 11, 3rd Floor,
FMC Fortuna 234/3A,
A.J.C. Bose Road,
Kolkata - 700 020
Tel: +91 33 7150 1100/01

Mumbai

3rd Floor, Electric Mansion
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400 025
Tel: +91 22 6169 3300

Pune

5A, 5th Floor, Symphony,
S. No. 210 CTS 3202 Range Hills Road,
Shivajinagar, Pune - 411 020
Tel: +91 20 2556 0194, 020 6606 9999

Email: info@icraindia.com

Helpdesk: 9354738909

Website: www.icra.in/ www.icraresearch.in

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