

Tata Sons Private Limited

October 31, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper Programme	13,500.0	13,500.0	[ICRA]A1+; outstanding
Non-convertible Debenture Programme	500.0	0.0	[ICRA]AAA (Stable); withdrawn
Non-convertible Debenture Programme	26,510.0	26,510.0	[ICRA]AAA (Stable); outstanding
Total	40,510.0	40,010.0	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]AAA (pronounced ICRA triple A)¹ with a Stable outlook assigned to the Rs. 500.0-crore² non-convertible debenture programme of Tata Sons Private Limited (Tata Sons). ICRA now has a long-term rating of [ICRA]AAA (Stable) outstanding on the various non-convertible debenture programmes amounting to Rs. 26,510.0-crore of the company and a short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) outstanding on the Rs. 13,500.0-crore commercial paper programme of the company.

Rationale

The rating on the Rs. 500.0-crore non-convertible debenture programme has been withdrawn as the company has fully repaid the said facility and there is no amount outstanding against it. The rating withdrawal is in accordance with ICRA's policy on withdrawal and suspension, and at the request of the company.

The previous detailed rating rationale is available on the following link: [Click here](#)

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below

Links to applicable criteria:

[Corporate Credit Rating Methodology](#)

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)

About the company:

Tata Sons Private Limited, founded in 1917 by the Tata Group's founder, Shri JN Tata, is the principal holding company for the Tata Group and owner of the Tata brand and associated Tata trademark. Charitable trusts own majority of Tata Sons' shareholding at 66%. While income from dividends and profit generated on sale of investments constitute the principal revenue source for the company, it also includes royalty fees earned from Group companies for using the Tata brand. Such fees, however, are largely spent on brand promotion. Tata Sons also provides certain group level services to the Tata companies, key among them being facilitating business excellence within the Group by conducting training programmes (through Tata Quality Management Services), legal assistance and human resource (HR) services. TCS, one

¹ For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

² 100 lakh = 1 crore = 10 million

of the largest software companies in India and the highest contributor to Tata Sons in terms of revenues and profits, was spun-off as a separate entity during FY2005. Currently, Tata Sons' equity investments are spread across seven major industry segments and include investments in flagship concerns like TCS, Tata Steel Limited, Tata Power Company Limited, Tata Motors Limited, Tata Chemicals Limited, TTSL, and Tata Global Beverages Limited, among others.

With effect from August 6, 2018, Tata Sons' name has changed to Tata Sons Private Limited.

For the 12 months ended March 31, 2018, Tata Sons reported a profit after tax (PAT) of Rs. 872.6 crore on an operating income (OI) of Rs. 28,102.3 crore, as against a PAT of Rs. 824.0 crore on an OI of Rs. 9,950.4 crore for the 12 months ended March 31, 2017.

Key financial indicators (audited, standalone)

	FY2017	FY2018
Operating Income (Rs. crore)	9,950.4	28,102.3
PAT (Rs. crore)	824.0	872.6
OPBDIT/ OI (%)	93.6%	97.5%
RoCE (%)	4.2%	4.7%
Total Debt/ TNW (times)	0.5	0.7
Total Debt/ OPBDIT (times)	2.2	1.0
Interest Coverage (times)	5.2	12.3

OI: Operating Income; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net-Worth (TNW) + Deferred Tax Liability - Capital Work - in Progress)

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

		Current Rating (FY2019)		Chronology of Rating History for the Past 3 Years										
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)*	Date & Rating				Date & Rating in FY2018				Date & Rating in FY2017	Date & Rating in FY2016	
				October 2018	October 2018	Aug 2018	June 2018	February 2018	October 2017	September 2017	August 2017	March 2017	November 2015	
1	Commercial Paper Programme	13,500.0	5,200.0	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
2	Non-convertible Debenture Programme	500.0	0.0	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
3	Non-convertible Debenture Programme	26,510.0	20,919.2	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)

*As on September 30, 2018

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE895D08246	NCD	7-Jun-10	8.99%	7-Jun-20	150.0	[ICRA]AAA (Stable)
INE895D08253	NCD	15-Jul-10	8.97%	15-Jul-20	350.0	[ICRA]AAA (Stable)
INE895D08261	NCD	6-Sep-10	9.10%	6-Sep-20	250.0	[ICRA]AAA (Stable)
INE895D08287	NCD	23-Nov-10	9.18%	23-Nov-20	300.0	[ICRA]AAA (Stable)
INE895D08436	NCD	25-Apr-12	9.54%	25-Apr-22	250.0	[ICRA]AAA (Stable)
INE895D08451	NCD	12-Jun-12	9.69%	12-Jun-22	350.0	[ICRA]AAA (Stable)
INE895D08477	NCD	23-Jul-12	9.70%	25-Jul-22	438.0	[ICRA]AAA (Stable)
INE895D08493	NCD	13-Aug-12	9.70%	16-Aug-22	152.0	[ICRA]AAA (Stable)
INE895D08519	NCD	29-Aug-12	9.71%	29-Aug-22	175.0	[ICRA]AAA (Stable)
INE895D08543	NCD	13-Sep-12	9.67%	13-Sep-22	300.0	[ICRA]AAA (Stable)
INE895D07354	NCD	27-Nov-12	9.40%	27-Nov-27	1,000.0	[ICRA]AAA (Stable)
INE895D08550	NCD	2-May-13	8.85%	2-May-23	225.0	[ICRA]AAA (Stable)
INE895D08576	NCD	21-May-13	8.32%	21-May-23	175.0	[ICRA]AAA (Stable)
INE895D07388	NCD	13-Dec-13	9.76%	13-Dec-18	193.0	[ICRA]AAA (Stable)
INE895D07370	NCD	13-Dec-13	9.71%	13-Dec-23	237.0	[ICRA]AAA (Stable)
INE895D07412	NCD	13-Jan-14	9.78%	13-Jan-19	385.0	[ICRA]AAA (Stable)
INE895D07396	NCD	13-Jan-14	9.74%	13-Jan-24	305.0	[ICRA]AAA (Stable)
INE895D07438	NCD	20-Mar-14	9.90%	20-Mar-19	400.0	[ICRA]AAA (Stable)
INE895D07446	NCD	20-Mar-14	9.90%	20-Mar-24	300.0	[ICRA]AAA (Stable)
INE895D07461	NCD	2-Jun-14	9.43%	2-Jun-19	245.0	[ICRA]AAA (Stable)
INE895D07453	NCD	2-Jun-14	9.44%	2-Jun-24	155.0	[ICRA]AAA (Stable)
INE895D07479	NCD	19-Jun-14	9.25%	19-Jun-19	450.0	[ICRA]AAA (Stable)
INE895D07487	NCD	19-Jun-14	9.30%	19-Jun-24	550.0	[ICRA]AAA (Stable)
INE895D07503	NCD	22-Jan-15	8.60%	22-Jan-20	100.0	[ICRA]AAA (Stable)
INE895D07495	NCD	22-Jan-15	8.50%	22-Jan-25	200.0	[ICRA]AAA (Stable)
INE895D08584	NCD	31-Aug-15	8.55%	31-Aug-20	220.0	[ICRA]AAA (Stable)
INE895D08592	NCD	31-Aug-15	8.55%	31-Aug-25	30.0	[ICRA]AAA (Stable)
INE895D07511	NCD	2-Feb-16	8.48%	2-Feb-26	2000.0	[ICRA]AAA (Stable)
INE895D08600	NCD	5-Aug-16	8.07%	5-Aug-21	400.0	[ICRA]AAA (Stable)
INE895D08618	NCD	5-Aug-16	8.08%	5-Aug-26	200.0	[ICRA]AAA (Stable)
INE895D08626	NCD	5-Aug-16	8.09%	6-Aug-29	100.0	[ICRA]AAA (Stable)
INE895D08634	NCD	2-Sep-16	8.01%	2-Sep-21	390.0	[ICRA]AAA (Stable)
INE895D08642	NCD	2-Sep-16	8.04%	2-Sep-26	285.0	[ICRA]AAA (Stable)
INE895D08659	NCD	2-Sep-16	8.07%	3-Sep-29	635.0	[ICRA]AAA (Stable)
INE895D08667	NCD	14-Dec-16	7.55%	14-Dec-19	750.0	[ICRA]AAA (Stable)
INE895D08675	NCD	14-Dec-16	7.60%	14-Dec-21	500.0	[ICRA]AAA (Stable)
INE895D08683	NCD	04-Jan-17	7.90%	04-Jan-32	865.0	[ICRA]AAA (Stable)
INE895D08733	NCD	01-Mar-17	7.90%	01-Mar-20	500.0	[ICRA]AAA (Stable)
INE895D08758	NCD	02-Mar-17	7.90%	02-Mar-20	500.0	[ICRA]AAA (Stable)
INE895D08741	NCD	01-Mar-17	7.90%	03-Mar-20	500.0	[ICRA]AAA (Stable)
INE895D08766	NCD	06-Mar-17	7.90%	06-Mar-20	500.0	[ICRA]AAA (Stable)
INE895D08782	NCD	23-Mar-17	8.25%	23-Mar-22	1,000.0	[ICRA]AAA (Stable)
INE895D08790	NCD	23-Mar-17	8.25%	23-Mar-22	500.0	[ICRA]AAA (Stable)
INE895D08808	NCD	14-Aug-17	7.40%	16-Aug-22	2,000.0	[ICRA]AAA (Stable)
INE895D08816	NCD	14-Aug-17	7.30%	14-Aug-20	200.0	[ICRA]AAA (Stable)
INE895D08824	NCD	16-Aug-17	7.40%	14-Aug-20	600.0	[ICRA]AAA (Stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE895D08832	NCD	18-Aug-17	7.35%	18-Aug-20	250.0	[ICRA]AAA (Stable)
INE895D08840	NCD	21-Aug-17	7.40%	21-Aug-20	250.0	[ICRA]AAA (Stable)
INE895D08857	NCD	28-Aug-17	7.35%	28-Aug-20	200.0	[ICRA]AAA (Stable)
NA	Proposed NCD	-	-	-	500.0	[ICRA]AAA (Stable)
INE895D08873	NCD	17-Jan-18	8.25%	20-Mar-21	500.0	[ICRA]AAA (Stable)
INE895D08881	NCD	18-Jan-18	8.25%	23-Mar-21	500.0	[ICRA]AAA (Stable)
INE895D08899	NCD	19-Jan-18	8.25%	24-Mar-21	500.0	[ICRA]AAA (Stable)
INE895D08907	NCD	22-Jan-18	8.25%	25-Mar-21	500.0	[ICRA]AAA (Stable)
NA	Proposed NCD	-	-	-	3,000.0	[ICRA]AAA (Stable)
NA	Commercial Paper Programme	NA	NA	59-364 days	13,500.0	[ICRA]A1+

Source: Tata Sons Private Limited

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About ICRA Limited:

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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. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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