

INFOMERICS VALUATION AND RATING PRIVATE LIMITED

Head Office-Flat No. 104/108, Golf Apartments, Sujan Singh Park New Delhi-110003,

Corporate Office:1105-B Wing, KanakiaWallstreet, Off. AndheriKurla Road, Andheri (East), Mumbai-400093.

Email: vma@infomerics.com, Website: www.infomerics.com

Phone: +91-11 24601142, 24611910, Fax: +91 11 24627549

(CIN: U32202DL1986PTC024575)

May 22, 2021

Mr. Pinank Shah

Chief Executive Officer,

Dhani Loans & Services Limited

M-62 & 63, First Floor, Connaught Place,

New Delhi - 110 001.

Dear Sir,

Credit rating for bank facilities/NCDs

After taking into account all the relevant recent developments including operational and financial performance of your company for FY20 and 9MFY21 along with your enhancement mandate contract dated **April 04, 2021**.

1. Our Rating Committee has reviewed the following rating:

Instrument/ Facility	Amount (INR Crore)	Current Rating	Rating Action
<u>Long-Term Fund based Facilities</u> Term Loan Cash Credit	2250.00 250.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Assigned
<u>Long-Term Fund based Facilities</u> Proposed Non-Convertible Debentures*	1000.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Reaffirmed
Total	3500.00		

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

2. Details of the credit facilities are attached in **Annexure I**. Our rating symbols for long-term rating and explanatory notes thereon are attached in **Annexure II**.

3. The press release for the rating(s) will be communicated to you shortly.

4. The above rating is normally valid for a **period of one year** from the date of our **initial communication of rating** to you (that is **March 10, 2021**).

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5. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.
6. This is to mention that all the clauses mentioned in the initial rating letter (**attached as Annexure III**) also stand applicable. If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Amit Bhuwania

Asst. Vice President

abhuwania@infomerics.com

Avik Podder

Asst. Vice President

apodder@infomerics.com

Encl.: As above

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

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Annexure - I

1. Long-term facilities

1.A. Secured Rupee Term Loan

Sr. No.	Lender	Rated Amount (INR Crore)	Debt Repayment Terms
1.	Indian Overseas Bank	300.00	Upto 29-Sep-2022
2.	NABARD	580.60	Upto 31-Dec-2025
3.	Punjab & Sind Bank	500.00	Upto 12-Sep-2022
4.	RBL Bank Ltd.	15.38	Upto 29-Sep-2021
5.	South India Bank	75.00	Upto 14-Dec-2023
6.	Canara Bank (i.e. Syndicate Bank)	50.00	Upto 18-Mar-2023
7.	Union Bank of India	150.00	Upto 18-Jun-2023
8.	Bank of Baroda (i.e. Vijaya Bank)	300.00	Upto 28-Sep-2022
9.	Proposed	279.02	
	Total Rupee Term Loan	2250.00	

1.B. Fund based working capital limits

Sr. No.	Name of Bank	Fund Based Limits		
		CC* (INR Crore)	PCFC/ EPC* (INR Crore)	Total fund-based
1.	RBL Bank Ltd.	250.00	-	250.00
	Total	250.00	-	250.00

*CC=Cash Credit, PCFC=Packing Credit in Foreign currency

1.C. Proposed Long Term Facility – Proposed NCDs*

Facility Type	Sanction Amount (INR Crore)	Tenure
Proposed NCD*	1000.00	To be decided

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

Total Long-Term facilities

INR 3500.00 Crore

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Annexure II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR AAA	Instruments with this rating are considered to offer the highest degree of safety regarding timely servicing of financial obligations. Such issuers carry lowest credit risk.
IVR AA	Instruments with this rating are considered to offer high degree of safety regarding timely servicing of financial obligations. Such issuers carry very low credit risk.
IVR A	Instruments with this rating are considered to offer adequate degree of safety regarding timely servicing of financial obligations. Such issuers carry low credit risk.
IVR BBB	Instruments with this rating are considered to offer moderate degree of safety regarding timely servicing of financial obligations. Such issuers carry moderate credit risk.
IVR BB	Instruments with this rating are considered to offer moderate risk of default regarding timely servicing of financial obligations.
IVR B	Instruments with this rating are considered to offer high risk of default regarding timely servicing of financial obligations.
IVR C	Instruments with this rating are considered to offer very high risk of default regarding timely servicing of financial obligations.
IVR D	Instruments with this rating are in default or are expected to be in default soon in servicing of debt obligations.

INFOMERICS may apply '+' (plus) or '-' (minus) signs for ratings assigned 'IVR AA' to 'IVR C' to indicate their relative standing within the category.

INFOMERICS may assign rating outlooks for ratings from IVR 'AAA' to IVR 'B'.