

28 March 2023

Mr. Sunil Agrawal,

Managing Director

Paisalo Digital Limited,

101, CSC, Pocket 52, CR Park, Near Police Station,
New Delhi – 110019.

Dear Sir,

Assignment/reaffirmation of rating to the Proposed Commercial Paper programme, Non-Convertible Debentures (NCDs) and Bank loan facilities of Paisalo Digital Limited

Please refer to the Mandate contract dated **November 16, 2022** on the captioned subject and your E-Mail dated **March 28, 2023** accepting our rating & use thereof.

Our Rating Committee has revised and assigned the following ratings:

Sl. No.	Instrument/Facility	Amount (INR. Crore)	Current Ratings	Previous Ratings	Rating Action
1	Proposed commercial paper programme	150.00	IVR A1+ (IVR A One Plus)	Nil	Assigned
2	Long Term Fund Based Facility – Cash Credit	905.00	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	Reaffirmed
3	Long Term Fund Based Facility- Term Loan	155.29	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	Reaffirmed
4	Non-Convertible Debentures (SERIES - 07-2020)	50.00	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	IVR AA-/Stable Outlook (IVR Double A Minus)	Reaffirmed

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CIN : U32202DL1986PTC024575

				with Stable Outlook)	
6	Proposed Long Term Facility – Term Loan	739.71	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	Reaffirmed
7	Proposed Non-Convertible Debentures	65.00	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	IVR AA-/Stable Outlook (IVR Double A Minus with Stable Outlook)	Reaffirmed
	Total	2065.00			

For arriving at the rating, Infomerics has taken the consolidated approach of Paisalo Digital Limited (PDL) and its wholly owned subsidiary, Nupur Finvest Private Limited (NFPL) collectively known as Paisalo group. Moreover, PDL has given corporate guarantee for bank facilities of NFPL.

List of group companies considered for consolidation:

Name of the Company	Extent of Consolidation
Paisalo Digital Limited (PDL)	Full
Nupur Finvest Private Limited (NFPL)	Full

- Details of the credit facilities are attached in **Annexure I**. Our rating symbols for long-term and short-term ratings and explanatory notes thereon are attached in **Annexure II**.
- The press release for the rating(s) will be communicated to you shortly.
- The above rating is normally valid for a period of one year from the date of communication of the rating to you (that is, **22 August, 2023**).
- 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.
- INFOMERICS reserves the right to undertake a surveillance/review of the rating(s) from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

6. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.
7. **You shall provide us with a No Default Statement as at the last date of the month on the first date of succeeding month without fail.** The NDS shall be mailed every month to nds@Infomerics.com and to the mail id of the undersigned.
8. **You shall provide the quarterly performance results/quarterly operational data to us within 6 weeks from the close of each calendar quarter for our review/monitoring.**
9. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities, INFOMERICS shall carry out the review/annual surveillance based on best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.
10. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS does not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
11. Users of this rating may kindly refer our website www.infomerics.com for latest update on the outstanding rating.
12. Further, this is to mention that all the clauses mention in the initial rating letter also stands applicable. If you need any clarification, you are welcome to approach us in this regard.



Thanking you,
With Regards,

Sree Harsha
Senior Manager - Ratings
Email: sree.harsha@infomerics.com

for
Amit Bhuwania
Director

Email: abhuwania@infomerics.com

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 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.

ANNEXURE I

1. Long Term Fund based Facility – Cash Credit

Sl. No	Name of the bank	Remarks	(INR. Crore)	Maturity
1	Bank of India	Existing	45.50	Revolving
2	Bank of Baroda		100.00	
3	Punjab National Bank		120.00	
4	Union Bank of India		165.00	
5	Central Bank of India		125.00	
6	UCO Bank		37.00	
7	IDBI Bank Limited		25.00	
8	Bank of Maharashtra		50.00	
9	The South Indian Bank Ltd.		22.50	
10	State Bank of India		40.00	
11	Karnataka Bank		50.00	
12	Dhanlaxmi Bank		25.00	
13	CSB Bank		50.00	
14	Indian Bank		50.00	
	Total		905.00	

2. Long Term Fund Based Facility- Term Loan

Sl. No	Name of the bank	Remarks	(INR. Crore)	Maturity
1	Bank of Baroda	Existing	43.75	Up to November, 2024
2	Punjab National Bank		60.00	
3	UCO Bank		16.67	
4	State Bank of India		16.12	
5	Dhanlaxmi Bank		18.75	
	Total		155.29	

3. NCD details - Non-Convertible Debentures (SERIES - 07-2020)

Name of Trustee	IDBI Trusteeship Services Limited
Instrument Description	10.50% SECURED RATED LISTED TAXABLE BONDS IN THE NATURE OF DEBENTURES. SERIES -07-2020. DATE OF MATURITY 21/04/2023
Issue Size	INR50 Crore
ISIN No	INE420C07015
Date of Allotment	16-Jul-2020
Redemption Date	21-Apr-2023
Coupon Rate	10.50%
Coupon Repayment timeline	PAYABLE QUARTERLY ON 16/10/2020,16/01/2021 AND SO ON TILL MATURITY.
Objective/Purpose of the Issue	Onward lending

4. Proposed Long Term Facility

Sl. No	Name of the bank	Remarks	(INR. Crore)	Maturity
1	Proposed Facility	Proposed	739.71	--
			739.71	

5. Proposed Non-Convertible Debentures

Sl. No	Instrument	Remarks	(INR. Crore)	Maturity
1	Proposed NCD	Proposed	65.00	--
			65.00	

6. Proposed Commercial Paper programme

Sl. No	Instrument	Remarks	(INR. Crore)	Maturity
1	Proposed Commercial Paper programme	Proposed	150.00	--
			150.00	

ANNEXURE II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes Long Term: Original Maturity exceeding one year.

Rating Scale	Definition
IVR AAA	Securities 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	Securities 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	Securities 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	Securities 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	Securities with this rating are considered to offer moderate risk of default regarding timely servicing of financial obligations.
IVR B	Securities with this rating are considered to offer high risk of default regarding timely servicing of financial obligations.
IVR C	Securities with this rating are considered to offer very high risk of default regarding timely servicing of financial obligations.
IVR D	Securities 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'.

The above rating scale is also applicable to bank loan facilities and other instruments.

INFOMERICS Rating Scale for Short Term Instruments & Borrowing Programmes
Short Term: Original maturity of up to one year

Rating Scale	Definition
IVR A1	Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.
IVR A2	Securities with this rating are considered to have strong degree of safety regarding timely payment of financial obligations. Such instruments carry low credit risk.
IVR A3	Securities with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such instruments carry higher credit risk as compared to instruments rated in the two higher categories.
IVR A4	Securities with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations. Such instruments carry very high credit risk and are susceptible to default.
IVR D	Securities with this rating are in default or expected to be in default on maturity in servicing of debt obligations.

INFOMERICS may apply '+' (plus) signs for ratings assigned from 'IVR A1' to 'IVR A4' to indicate their relative standing within the category.

The above rating scale is also applicable to bank loan facilities and other instruments