

No. CARE/ARO/RL/2020-21/2858

Shri Vivek Modi
Chief Financial Officer
Namra Finance Limited
502-503, Sakar III, Opp Old High Court,
Off Ashram Road, Ahmedabad,
Ahmedabad
Gujarat 380014

March 22, 2021

Confidential

Dear Sir,

Credit rating for proposed Principal Protected Market Linked Debenture issue

Please refer to your request for rating of proposed long-term Principal Protected Market Linked Debenture (MLD) issue aggregating Rs.23.50 crore of your Company. The proposed MLDs would have tenure of 18 months with bullet repayment at the end of 18 months.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Market Linked Debentures	23.50	CARE PP-MLD BBB+; Stable (Principal Protected-Market Linked Debentures Triple B Plus; Outlook: Stable)	Assigned
	Total Instruments	23.50 (Rs. Twenty-Three Crore and Fifty Lakhs Only)		

3. Please refer to Annexure for details of the rated instrument.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

CARE Ratings Ltd.

4. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is March 22, 2021).
5. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
6. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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7. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
8. The press release and rationale for the rating will be communicated to you separately.
9. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
10. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.

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11. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
12. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
13. CARE ratings are **not** recommendations to buy, sell or hold any securities.
14. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,



Garima Pandey
Analyst
garima.pandey@careratings.com



Naresh Murlidhar Golani
Associate Director
naresh.golani@careratings.com

Encl.: As above

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Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure

Key Indicative Terms of the Proposed Principal Protected Market Linked Debenture (MLD) Issue

Particulars	Key Indicative Terms of the Issue
Issuer	Namra Finance Limited
Type of Instrument	Rated Unsubordinated Secured Transferable Redeemable Principal Protected Non-Convertible Market Linked Debentures
Debenture Trustee	IDBI Trusteeship Services Limited
Listing	To be listed in the Wholesale Debt Market segment of BSE within 4 Business Days from the Deemed Date of Allotment.
Mode of Issue	Private Placement
Issue Size	Rs.23.50 crore
Tenor	18 months
Underlying / Reference Index	Linked to BSE SENSEX
Interest / Coupon Rate	0%-13.30% XIRR based on Reference Index Performance – BSE Sensex 30
Coupon Payment Frequency	On redemption date
Principal Repayment	18 months from date of allotment
Guarantor	Arman Financial Services Limited
Security	The Debentures shall be secured by way of a first ranking, exclusive and continuing charge on identified receivables (“Hypothecated Receivables”/“Hypothecated Property”) created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee. The Hypothecated Property shall at all times be equal to the value of the outstanding principal amount of the Debentures.
Objects of the Issue	To augment the long-term resources of the Company and to meet working capital requirement
Put option	Not applicable
Call option	Not applicable

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