

CARE/ARO/RL/2018-19/1725

Mr Nitin R. Patel
Executive Director
Sadbhav Infrastructure Project Ltd.
"Sadbhav House",
Opp. Law Garden Police Chowki,
Ellisbridge,
Ahmedabad – 380006

September 12, 2018

Confidential

Dear Sir,

Credit rating for outstanding Non-Convertible Debentures (NCDs) issue

On the basis of recent developments including operational and financial performance of Sadbhav Infrastructure Private Ltd for FY18 (audited) and Q1FY19 (unaudited), our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Ratings ¹	Rating Action
Non Convertible Debenture	120 [Reduced from Rs.200 crore]	CARE A+ (SO); Stable [Single A Plus (Structured Obligation); Outlook: Stable]	Reaffirmed
Total	(Rupees One Hundred and Twenty Crore Only)		

- The NCDs are repayable as mentioned in **Annexure I**.
- The above rating is based on the credit enhancement in the form of irrevocable and unconditional corporate guarantee extended by Sadbhav Engineering Limited (SEL; rated 'CARE A+; Stable/CARE A1').
- The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which shall be sent to you separately.



¹Complete definitions of the ratings assigned at www.careratings.com and in other CARE publications.
(Formerly known as Credit Analysis & Research Limited)

5. 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.
6. 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 debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

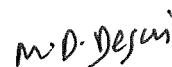
Yours faithfully,



[Ravina Deopura]

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Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. 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.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is 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.



Annexure 1
Details of rated instrument

Particulars	Existing Instrument
Type of Instrument	NCD
Amount of the facility	Rs.200 crore of NCD issued in three series: Series A: Rs.80 crore Series B: Rs.50 crore Series C: Rs.70 crore
Outstanding as on September 11, 2018	Rs.120 crore
Maturity Date	Series A: April 26, 2018 Series B: April 13, 2020 Series C: April 13, 2020 Repayment will be bullet for each series at the maturity date
Call/Put Option	Series A: None Series B: At the end of 3 years from the date of allotment Series C: At the end of 3 years from the date of allotment
Coupon Rate	Series A: Zero Coupon <ul style="list-style-type: none"> • The NCD shall be redeemable at a premium of such amount which gives the holder of the Debentures an IRR of 11.75%. Series B: 11.75% payable annually Series C: Zero Coupon The NCD shall be redeemable at a premium of such amount which gives the holder of the Debentures an IRR of 11.75%.

DNW