



Press Release

Paisalo Digital Limited

May 14, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	1747.37 (reduced from 1756.76)	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Reclassification	Simple
Proposed Long Term Bank Facilities	352.63 (increased from 343.24)	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Reclassification	Simple
Non-Convertible Debentures (NCDs)	182.75 (Increased from 125.00)	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Reclassification	Simple
Proposed Non-Convertible Debentures (NCDs)	52.25 (Reduced from 110.00)	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Reclassification	Simple
Proposed Commercial Paper (CPs)	348.00 (Increased from 270.00 crore)	IVR A1+ (IVR A One Plus)	Reclassification	Simple
Commercial Paper (CPs)	102.00 (Decreased from 180.00)	IVR A1+ (IVR A One Plus)	Reclassification	Simple
Total	2785.00	Rupees Two Thousand Seven Hundred Eighty-Five Crore Only		

Details of Facilities are in Annexure 1

Note: Mr. Gauri Shankar who is a member of the Rating Committee of INFOMERICS Valuation and Ratings Pvt Ltd is also on the Board of Paisalo Digital Ltd. He did not participate in any of the discussions and processes related to the aforesaid rating and the rating note has not been circulated to him.

Detailed Rationale

As on 16 April 2024, the company has got fresh term loan sanctions of Rs 200 Crores from IREDA and Rs 71.25 Crores from Indian Overseas Bank. Also, the company has raised fresh NCDs of Rs 57.75 Crores and Commercial paper of Rs 30.00 Crores. There is also reduction in term loans due to periodic repayments. As on 14 May 2024, outstanding CPs have reduced to Rs 72.00 Crores on account of redemption on maturity. The company



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proposes to issue commercial papers (CP) amounting to Rs. 30.00 crore out of the proposed limits of Rs. 378.00 crore of CP's. Accordingly, the proposed and outstanding limits/instruments have been reclassified.

Link to the last Press Release published on Infomerics website:

<https://www.infomerics.com/admin/uploads/pr-Paisalo-Digital-15sep23.pdf>

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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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 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit/WCDL	-	-	-	610.00	IVR AA/Stable
Term Loans	-	-	Upto May 2029	1137.37	IVR AA/Stable
Proposed Term Loan	-	-	-	352.63	IVR AA/Stable
CP (ISIN: INE420C14052)	December 20, 2023	10.00% p.a.	September 13, 2024	12.00	IVR A1+
CP (ISIN: INE420C14078)	February 12, 2024	11.00% p.a.	May 13, 2024	30.00	IVR A1+
CP (ISIN: INE420C14086)	16 April 2024	11.00%	15 July 2024	30.00	IVR A1+
Proposed CP	15 May 2024	11.00%	31 Aug 2024	30.00	IVR A1+
Proposed CP	-	-	-	348.00	IVR A1+
NCD (ISIN: INE420C07056)	November 16, 2023	9.95% p.a.	November 15, 2026	10.00	IVR AA/Stable
NCD (ISIN: INE420C07049)	September 27, 2023	9.95% p.a.	September 26, 2026	50.00	IVR AA/Stable
NCD (ISIN: INE420C07064)	December 15, 2023	9.95% p.a.	December 15, 2033	19.70	IVR AA/Stable



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NCD (ISIN: INE420C07072)	December 28, 2023	9.95% p.a.	June 28, 2025	18.00	IVR AA/Stable
NCD (ISIN: INE420C07080)	January 18, 2024	9.95% p.a.	January 17, 2034	19.71	IVR AA/Stable
NCD (ISIN: INE420C07098)	February 27, 2024	9.95% p.a.	February 24, 2034	20.34	IVR AA/Stable
NCD (ISIN: INE420C07106)	April 12, 2024	9.95% p.a.	October 10, 2025	18.00	IVR AA/Stable
NCD (ISIN: INE420C07114)	May 05, 2024	9.95% p.a.	May 05, 2029	27.00	IVR AA/Stable
Proposed NCD	-	-	-	52.25	IVR AA/Stable
Total				2785.00	

Annexure 2: List of companies considered for consolidated analysis:

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

Annexure 3: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-Paisalo-14may24.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:

Name of Instrument	Non-Convertible Debentures
Financial Covenants	-CAR shall be above 15% -NPA lower than 5% -Total debt/TNW not exceed level of 5x
Rating Covenants	-If at any time during the tenor of the debentures, the rating of the Issuer's bank facilities/other instruments is downgraded below AA-, the coupon rate shall be increased by 25 basis points for every one notch downgrade. Such coupon is applicable from the date of such downgrade until such event is cured on the outstanding principal and accrued interest.
Non-Financial Covenants	-Debentures shall be secured by continuing security by way of an exclusive charge up to extent of 1.10x of principal amount of Debentures outstanding (Security cover) on standard/hypothecated receivable in favour of the Debenture trustee for the benefit of debenture holders -The record date shall be 7 calendar days prior to each coupon



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	payment date/ redemption date. -Quarterly reports on book debts on which charge has been created to be submitted after end of each quarter.
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Draft terms for proposed Commercial paper issue:

Issuer	Paisalo Digital Limited
Investor	SBI
IPA	IDBI Bank Limited
Expected Deal/Issue Date	15-May-24
Amount (Rs. Crore)	30
Coupon Payment	On maturity
Expected Yield Rate (% p.a.) (Disc)	11
Depository Participant	NSDL
Expected CP Maturity (Date)	31-August-24
Financial Covenants	Not Applicable
Rating Covenants	Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [Complexity Level of Rated Instruments/Facilities](#).