



Press Release

Paisalo Digital Limited

April 16, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	1756.76	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Revalidated	Simple
Proposed Long Term Bank Facilities	343.24 (Reduced from 443.24 crore)	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Revalidated	Simple
Non-Convertible Debentures (NCDs)	125.00	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Revalidated	Simple
Proposed Non-Convertible Debentures (NCDs)	110.00 (Reduced from 137.00 crore)	IVR AA/ Stable (IVR Double A; with Stable Outlook)	Revalidated	Simple
Proposed Commercial Paper (CPs)	378.00 (Increased from 270.00 crore)	IVR A1+ (IVR A One Plus)	Revalidated	Simple
Commercial Paper (CPs)	72.00 (Decreased from 180.00)	IVR A1+ (IVR A One Plus)	Revalidated	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 is on the Board of Paisalo Digital Ltd. He does 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 12 April 2024, outstanding CPs have reduced to Rs 72.00 Crores on account of redemption on maturity. The company proposes to issue commercial papers (CP) amounting to Rs. 60.00 crore out of the proposed limits of Rs. 378.00 crore of CP's. Accordingly, the proposed and outstanding limits have been reclassified.



Press Release

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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Press Release

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	-	-	-	722.50	IVR AA/Stable
Term Loan	-	-	Nov, 2023	3.50	IVR AA/Stable
Term Loan	-	-	Mar, 2024	18.75	IVR AA/Stable
Term Loan	-	-	Aug, 2024	30.00	IVR AA/Stable
Term Loan	-	-	Sep, 2024	10.42	IVR AA/Stable
Term Loan	-	-	Dec, 2024	54.11	IVR AA/Stable
Term Loan	-	-	Mar, 2025	43.75	IVR AA/Stable
Term Loan	-	-	Jun, 2025	50.00	IVR AA/Stable
Term Loan	-	-	Sep, 2025	34.73	IVR AA/Stable
Term Loan	-	-	Dec, 2026	110.00	IVR AA/Stable
Term Loan	-	-	Mar, 2028	403.34	IVR AA/Stable
Term Loan	-	-	Jun, 2028	241.66	IVR AA/Stable
Term Loan	-	-	May, 2029	34.00	IVR AA/Stable
Proposed Term Loan	-	-	-	343.24	IVR AA/Stable
CP (ISIN: INE420C14052)	December 20, 2023	10.00% p.a.	September 13, 2024	12.00	IVR A1+



Press Release

CP (ISIN: INE420C14060)	January 30, 2024	11.00% p.a.	April 30, 2024	30.00	IVR A1+
CP (ISIN: INE420C14078)	February 12, 2024	11.00% p.a.	May 13, 2024	30.00	IVR A1+
Proposed CP	16 April 2024	11.00%	15 July 2024	30.00	IVR A1+
Proposed CP	1 May 2024	11.00%	31 July 2024	30.00	IVR A1+
Proposed CP	-	-	-	318.00	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	20.00	IVR AA/Stable
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	27.00	IVR AA/Stable
Proposed NCD	-	9.95% p.a.	-	110.00	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-Digital-apr24.pdf>

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

Name of Instrument	Non-Convertible Debentures
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Press Release

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 payment date/ redemption date. -Quarterly reports on book debts on which charge has been created to be submitted after end of each quarter.

Draft terms for proposed Commercial paper issue:

Issuer	Paisalo Digital Limited	
Investor	SBI	
IPA	IDBI Bank Limited	
Expected Deal/Issue Date	16-Apr-24	1-May-24
Amount (Rs. Crore)	30	30
Coupon Payment	On maturity	On maturity
Expected Yield Rate (% p.a.) (Disc)	11	11
Depository Participant	NDSL	NSDL
Expected CP Maturity (Date)	15-Jul-24	31-Jul-24
Financial Covenants	Not Applicable	Not Applicable
Rating Covenants	Not Applicable	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](#).