

CONFIDENTIAL

Ref: ICRA/PNB GILTS LIMITED/16012024/2

Date: January 16, 2024

Mr. Vikas Goel
MD & CEO
PNB Gilts Ltd.
5, Sansad Marg,
New Delhi - 110001

Dear Sir,

Re: Surveillance of ICRA Credit Rating of Rs. 1,000 crore of Inter-Corporate Deposits (ICD) programme of PNB Gilts

In terms of the Rating Agreement, executed between PNB Gilts and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating assigned to the aforementioned instrument at **[ICRA]A1+** (pronounced as ICRA A one plus). Instruments with [ICRA]A1 rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category, rating modifiers {"+" (plus)/ "-" (minus)} can be used with the rating symbols to signify the comparative standing within the category.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as **[ICRA]A1+**.

Additionally, we wish to highlight the following with respect to the rating:

- If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance.
- Subject to Clause (c) below, once the instrument is issued, the rating is valid throughout the life of the captioned programme (which shall have a maximum maturity of twelve months from the date of the issuance of the instrument).
- Notwithstanding anything containing in clause (b) above, ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the ICD issued by you. The rating is restricted to your ICD programme size of Rs. 1,000 crore only. In case, you propose to enhance the size of the ICD programme, the same would require to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of ICD.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

For ICRA Limited

Anil Gupta
Senior Vice President
anilg@icraindia.com