

CONFIDENTIAL

Ref: ICRA/PNB GILTS LIMITED/04012022/1

Date: January 04, 2022

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

Dear Sir,

Re: ICRA Credit Rating of Rs. 1,000 crore Commercial Paper programme of PNB Gilts (instrument details in annexure)

Please refer the Rating Agreement between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments 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. The modifier {"+" (plus)} reflects the comparative standing within the category. Thus, the rating of [ICRA]A1+ is one notch higher than [ICRA]A1.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as **[ICRA]A1+**. Additionally, we wish to highlight the following with respect to the rating: (a) 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. (b) 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). (c) 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 CP issued by you. The rating is restricted to your CP programme size of **Rs. 1,000 crore** only. In case, you propose to enhance the size of the CP 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 CP.

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.

Enclosed herewith is a copy of the rationale of the aforementioned rating for your reference. We request you to provide your comments on the rationale, if any, by **January 07, 2022 (Friday)**.

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,

Yours sincerely,

For ICRA Limited

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RATING

RESEARCH

INFORMATION



Annexure:

ISIN No.	Name of Instrument*	Amount (Rs. Crore)	Rating
Unplaced	Commercial Paper	1,000.00	[ICRA]A1+; reaffirmed
	Total	1,000.00	

**As on December 29, 2021*



Encl:

'No Default Statement on the Company Letter Head'

To,

ICRA Limited
Building No. 8, 2nd Floor, Tower A,
DLF Cyber City, Phase II, Gurugram -122002

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
3. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our listed debt obligations (Securities).
4. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our un-listed debt obligations (Securities).
5. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
6. We hereby confirm that as on date and in the month ended <<Month and Year name>> there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions.
7. We hereby confirm that as on date there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions which continues beyond 30 days.
8. We hereby confirm that as on date there are no over dues or default on revolving facilities like cash credit, from banks/financial institutions which continues beyond 30 days.
9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
10. We also confirm that there has been no overdrawing of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdrafts beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Text	Term Loan, CC					
Row 2						

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks
NCD					

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>