

CARE/ARO/RL/2021-22/2276
Mr. Dilip Suryavanshi

Director

DBL Infra Assets Private Limited

Plot No 5, Inside Govind Narayan Singh Gate,

Chuna Bhatti, Kolar road,

Bhopal – 462 016

Madhya Pradesh

August 20, 2021

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs.995.40 crore of your company. The proposed NCDs would have tenure of five years with repayment in eight quarterly installments of Rs.124.43 crore commencing after expiry of 36 months from date of allotment of (Tranche-I). The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Proposed Non-Convertible Debenture issue -Tranche-I	582.70	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Assigned
Proposed Non-Convertible Debenture issue -Tranche-II	89.70	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Assigned
Proposed Non-Convertible Debenture issue -Tranche-III	323.00	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Assigned
Total	995.40 (Rs. Nine Hundred Ninety Five Crore and Forty Lakh Only)		

2. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is August 19, 2021).
3. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
4. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

CARE Ratings Ltd.

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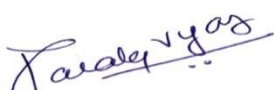
Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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5. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
6. The press release and rationale for the rating will be communicated to you separately.
7. 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.
8. CARE reserves the right to revise/reaffirm/withdraw the rating assigned 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 instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
11. 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,



Palak Vyas

Manager

Palak.gandhi@careratings.com



Maulesh Desai

Associate Director

Maulesh.desai@careratings.com

CARE Ratings Ltd.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. 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. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, 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. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure – 1
Details of rated NCD

1. Proposed Non-convertible debenture of Rs.995.40 crore

Particulars				
Size of the issue	Rs.995.40 crore Tranche-I Rs.582.70 crore Tranche-II Rs.89.70 crore Tranche-III Rs.323.00 crore			
Tenure	5 years from the date of allotment of Tranche-I			
Call Option	Nil			
Put Option	Nil			
Rate of Interest	9.00% per annum			
Redemption	At premium with IRR of 13% per annum			
Redemption Schedule (All three Tranches)	Sl No	Redemption Dates	Amount (in INR)	Redemption (%)
	1	39 th month from date of allotment of first tranche	124.43	12.50%
	2	42 nd month from date of allotment of first tranche	124.43	12.50%
	3	45 th month from date of allotment of first tranche	124.43	12.50%
	4	48 th month from date of allotment of first tranche	124.43	12.50%
	5	51 th month from date of allotment of first tranche	124.43	12.50%
	6	54 th month from date of allotment of first tranche	124.43	12.50%
	7	57 th month from date of allotment of first tranche	124.43	12.50%
	8	60 th month from date of allotment of first tranche	124.43	12.50%
	Total		995.40	
	Premium along with last redemption		454.55	-
Specified projects under consideration	Near Ready Portfolio: <ul style="list-style-type: none"> i. DBL Rewa Sidhi Highways Private Limited ii. DBL Byrapura Challakere Highways Private Limited iii. DBL Bangalore Nidagatta Highways Private Limited iv. DBL Gorhar Khiratunda Highways Private Limited v. DBL Bellary Byrapura Highways Private Limited vi. DBL Nidgatta – Mysore Highways Private Limited Early Stage Portfolio: <ul style="list-style-type: none"> i. Pathrapali Kathghora Highways Private Limited ii. Dodaballapur Highways Private Limited iii. Repallewada Highways Private Limited iv. Narenpur Purnea Highways Private Limited 			
Financial Covenants	<ul style="list-style-type: none"> • 3 months DSRA i.e. interest servicing to be maintained from the year of commencement of interest servicing • Combined debt/CFAD of 5x to be maintained from FY25 onwards • Aggregate debt cap of Rs.5,200 crore at consolidated level of company and specified projects 			
Group asset coverage ratio	Group Asset Cover Ratio of 1.2:1 is to be maintained through out the tenor of NCD.			