



ICRA Limited

Ref: D/RAT/2020-21/D-1/2

January 28, 2021

Mr. Kumar Bansal
Assistant Executive Director
Dalmia Bharat Sugar and Industries Limited
Hansalaya (11th and 12th Floor)
15, Barakhamba Road
New Delhi-110 001

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 1259.63 crore Bank Facilities (details as per Annexure) and Rs.700 crore Commercial Paper (CP) Programme of Dalmia Bharat Sugar and Industries Limited

Please refer to the Rating Agreement dated February 9, 2017 executed between ICRA Limited (“ICRA”) and your Company, whereby, ICRA is required to review its ratings, on an annual basis, or as and when the circumstances so warrant. Based on a review of the latest developments, the Rating Committee of ICRA, after due consideration has reaffirmed a long-term Rating of [ICRA]AA- (pronounced ICRA double A minus) for the Bank Facilities as per Annexure and a short-term Rating of [ICRA] A1+ (pronounced ICRA A one plus) for the Bank Facilities and CP Programme. Outlook on the long-term Rating is revised to Positive from Stable. Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. 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 modifier {“+”} can be used with the rating symbol. The modifier reflects 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] AA-(Positive) / [ICRA]A1+.

The aforesaid Bank Facilities ratings will be due for surveillance any time before September 30, 2021.

The Ratings are specific to the terms and conditions of the Bank Facilities as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any change in the terms and conditions or the size of the rated the Bank Facilities, the same must be brought to our notice before the Bank Facilities are used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the Bank Facilities from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.



ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings assigned.

The Rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated CP issued by your company.

Additionally, we wish to highlight the following with respect to the Commercial Paper 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 CP rating would need to be revalidated before issuance;
- (b) Our CP rating is valid from the date of this letter till January 27, 2022 (“Validity Period”). The Rating will generally be due for review at the end of the Validity Period. The maturity date of CP shall not be after the end of the Validity Period. The CP will have a maximum maturity of twelve months.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold CP issued by you. The rating is restricted to your CP programme of Rs. 700 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.

We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,

For ICRA Limited

Sabyasachi Majumdar
(Senior Vice President)
sabyasachi@icraindia.com



Annexure

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)

	Amount (Rs. crore)	Rating	Rating Assigned on
Cash Credit Limits			
Axis Bank Ltd.	87.50	[ICRA]AA- (Positive)	25 January 2021
Bank of Baroda	50.00	[ICRA]AA- (Positive)	25 January 2021
Canara Bank	40.00	[ICRA]AA- (Positive)	25 January 2021
Corporation Bank	80.00	[ICRA]AA- (Positive)	25 January 2021
IDBI Bank Ltd.	45.00	[ICRA]AA- (Positive)	25 January 2021
Punjab National Bank	125.00	[ICRA]AA- (Positive)	25 January 2021
Allahabad Bank	140.00	[ICRA]AA- (Positive)	25 January 2021
ICICI Bank Ltd.	100.00	[ICRA]AA- (Positive)	25 January 2021
Sub-Total Cash Credit Limits	667.50	[ICRA]AA- (Positive)	25 January 2021
Term Loans			
Axis Bank Ltd.	64.16	[ICRA]AA- (Positive)	25 January 2021
Axis Bank Ltd. (soft loan)	145.71	[ICRA]AA- (Positive)	25 January 2021
HDFC Bank Ltd.	98.83	[ICRA]AA- (Positive)	25 January 2021
RBL Bank Ltd.	107.56	[ICRA]AA- (Positive)	25 January 2021
Un- Allocated	3.37	[ICRA]AA- (Positive)	25 January 2021
Sub-Total Term Loans	419.63	[ICRA]AA- (Positive)	25 January 2021
Total	1087.13	[ICRA]AA- (Positive)	25 January 2021

Details of Bank Limits Rated by ICRA (Rated on Short-Term Scale)

	Amount (Rs. crore)	Rating	Rating Assigned on
Letter of Credit /Bank Guarantee Limits			
Axis Bank Ltd.	12.50	[ICRA]A1+	25 January 2021
Bank of Baroda	25.00	[ICRA]A1+	25 January 2021
Canara Bank	20.00	[ICRA]A1+	25 January 2021
Corporation Bank	25.00	[ICRA]A1+	25 January 2021
Punjab National Bank	50.00	[ICRA]A1+	25 January 2021
RBL Bank Ltd.	25.00	[ICRA]A1+	25 January 2021
IDBI Bank Ltd.	15.00	[ICRA]A1+	25 January 2021
Total	172.50	[ICRA]A1+	25 January 2021