

CARE/HO/RL/2017-18/4254

Mr. Pankaj Thapar

Chief Financial Officer

IndoStar Capital Finance Ltd.

One Indiabulls Center, 17th Floor, Tower 2A,

Jupiter Mills Compound, Senapati Bapat Marg,

Mumbai- 400013.

February 8, 2018

Confidential

Dear Sir,

Credit rating for commercial paper issue

Please refer to our letter dated December 14, 2017 and your request for assigning rating to the Commercial Paper (CP) issue of your company, for an enhanced limit of Rs.2,000 crore, with a maturity not exceeding one year.

2. The following rating has been reviewed:

Instrument	Rated Amount (Rs. crore)	Outstanding Amount as on 31.01.2018 (Rs crore)	Rating ¹	Remarks
Commercial Paper (CP) issue	2,000	1,640	CARE A1+ (A One Plus)	Reaffirmed
Total	2,000 (Rupees Two Thousand crore only)			

2. The rationale for the rating will be communicated to you separately.
3. Please arrange to get the rating revalidated, in case the issue is not made within **two months** from the date of this letter.
4. Please inform us the details of issue [date of issue, name of investor, amount issued, interest rate, date of maturity, etc.] as soon as it has been placed.
5. 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.

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

6. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, 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 bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. 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.

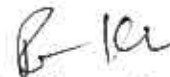
Thanking you,



[Shailee Sanghvi]
Analyst

shailee.sanghvi@careratings.com

Yours faithfully,



[Ravi Kumar Dasari]
AGM

ravi.kumar@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings 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.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating 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.