No. CARE/HO/RL/2023-24/4260

Shri Shubham Agarwal
AVP
Credence Family Office Private Limited-Securitisation
7th floor, 711-713, Carlton Towers, Tower A, Old Airport Road,
Kodihalli
Bengaluru
Karnataka 560038

February 13, 2024

Confidential

Dear Sir,

Provisional Rating of pass-through certificates (PTCs) issued by Bond Basket 01 2024 backed by non-convertible debentures (NCDs) receivables assigned by Credence Family Office Private Limited

This has reference to your request for rating of the proposed above-mentioned PTCs. The following ratings have been assigned by our Rating Committee:

Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Series A1 PTC	19.98	Provisional CARE BBB (SO)	Assigned

2. The above ratings are based on the credit enhancement detailed in Annexure I.

3. Further, the above ratings are provisional and will be confirmed once the company submits copies of relevant executed documents, to the satisfaction of CARE Ratings Ltd. CARE Ratings Ltd shall issue the final rating letter, brief rationale and rating rationale at the time of confirmation of the rating.

4. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **one month** from the date of our initial communication of rating to you (i.e., February 12, 2024)

5. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

6. Please inform us the details of issue, date of issue and name of investor, immediately, but not later than 7 days from the date of placing the instrument.

7. CARE Ratings Ltd 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. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is being sent along with the letter for your perusal. We request you to peruse the draft document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by February 14, 2024, we will proceed on the basis that you have no comments to offer.

9. CARE Ratings Ltd 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 Ratings Ltd 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 Ratings Ltd so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE Ratings Ltd shall carry out the review on the basis of best available information throughout the lifetime of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. 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.

11. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

CARE Ratings do **not** recommend to buy, sell or hold any securities.

Thanking you,

Yours faithfully,

Chirag Gambhir
Assistant Director
chirag.gambhir@careedge.in

Sriram Rajagopalan
Associate Director
sriram.rajagopalan@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited 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. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a 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 Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.
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Annexure I

Transaction	Securitisation
Seller / Assignor	Credence Family Office Private Limited (CFPL)
Servicer / Collection Agent	Credence Family Office Private Limited (CFPL)
Trustee	Mitcon Credentia Trusteeship Services Private Limited
Underlying Assets	NCDs issued by underlying issuers: • Amrit Malwa Capital Limited ('Amrit Malwa') • Ashv Finance Limited ('Ashv Finance') • Bhanix Finance and Investment Limited ('Bhanix') • Kinara Capital Private Limited ('Kinara Capital') • Lendingkart Finance Limited ('Lendingkart')

NCD Principal Outstanding

Obligor	Principal Outstanding at assignment (₹ crore)	Proportion (%)
Amrit Malwa	5.00	26.86%
Ashv Finance	6.00	32.26%
Bhanix	2.38	12.77%
Kinara Capital	2.33	12.53%
Lendingkart	2.90	15.59%
Total	18.60	100.00%

Issuer / SPV	Bond Basket 01 2024
PTC	Series A1 PTCs, to be issued by the SPV
Transaction Structure	Premium with 11.003% XIRR as discounting rate
PTC principal	Series A1 PTCs principal: ₹19.98 crore
PTC Structure	Payment of principal amount of PTCs by the final legal maturity
Final Legal Maturity of the PTC	July 02, 2026, which is two days after the last scheduled due date
Coupon Rate	0.00% (Nil)
Expected Yield	11.003% (XIRR). This will flow to investor as residual cash flow as no coupon payment is promised to the PTC Investors. This will be subject to compression on account of prepayment of NCD (including on exercise of put option), any deduction of tax on NCD or any other charge impacting cash flow. Any compression of residual cash flows and consequent reduction in expected yield will not be a default on the PTCs.
Effective date / Pay-in Date	15th February 2024*
Transfer date	5th March 2024 (14 business days after the effective date)

Credit Enhancement	Not applicable
Rating Assigned	Series A1 PTC: 'Provisional CARE BBB (SO)'