

CARE/HO/RL/2017-18/3688
Mr. Rahul Bhapkar,
Chief Financial Officer,
Avanse Financial Services Ltd,
DHFL House, 1st floor,
19 Sahar Road,
Off Western Express Highway,
Vile Parle (E),
Mumbai – 400 099

December 28, 2017

Confidential

Dear Sir,

Credit rating for Sub debt

On the basis of recent developments including operational and financial performance of 'Dewan Housing Finance Corporation Ltd' (LOC provider) for FY17 (audited) and H1FY18 (provisional), our Rating Committee has reviewed the following ratings:

Instrument	Amount rated (Rs. crore)	Rating ¹	Remarks
Sub debt	75	CARE AA (SO); Stable (Double A (Structured Obligation); Outlook: Stable)	Reaffirmed
Total	75 (Rupees Seventy five crore only)		

- The above ratings are based on the credit enhancement in the form of 'Letter of Comfort' given by Dewan Housing Finance Corporation Ltd.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument	ISIN	Issue	Coupon	Coupon	Terms of	Redemption	Name and	Details
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¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

type		Size (Rs cr)	Rate	Payment Dates	Redemption	date	contact details of Debenture trustee	of top 10 investors
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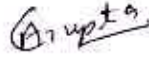
4. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. 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 December 29, 2017, we will proceed on the basis that you have no any comments to offer.
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.
6. 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 instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. 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.

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If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



[Aditi Gupta]
Analyst

aditi.gupta@careratings.com



[Ravi Kumar]
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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/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.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is 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.