

Ms. Veena Mankar
Managing Director
Swadhaar FinServe Pvt. Ltd.
Tenement 1/3 & 1/4, Old MHB Colony,
Anand Nagar, Santacruz (E),
Mumbai 400 055

March 20, 2013

Dear Ms. Mankar,

Re: Ratings of Swadhaar FinServe Pvt. Ltd.'s Non-Convertible Debentures / Long-Term Bank Loans

India Ratings (see definition below) communicates the following ratings:-

'IND BB-' on Swadhaar FinServe Pvt. Ltd.'s (SFPL) INR1bn Non-Convertible Debentures / Long-Term Bank Loans.

The Outlook on SFPL's 'IND BB-' Long-Term Issuer Rating is Stable.

The allocation of long-term bank loans as per bank/institution as on 28 February 2013 is attached in Annexure I.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "**India Ratings**" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,

India Ratings



Ananda Bhoumik
Senior Director



Ehsan Syed
Director

Annexure I

Bank/Institution wise allocation of the INR1 billion rated long-term bank loans

As on 28 February 2013

In INR Million

S. No.	Name of the Bank / Financial Institution	Term Loan Sanctioned	Term Loan O/s
1.a	Central Bank Of India	50.00	25.00
1.b	Central Bank Of India	50.00	50.00
2	MV Microfin Pvt Ltd	25.00	25.00
3.a	Maanaveeya Holdings & Investments Pvt. Ltd	100.00	40.00
3.b	Maanaveeya Development & Finance Pvt Ltd	80.00	66.67
4.a	Ratnakar Bank Ltd	50.00	25.00
4.b	Ratnakar Bank Ltd	69.00	69.00
5	IDBI Bank	100.00	83.30
6.a	Gruh Finance	20.00	18.25
6.b	Gruh Finance	30.00	27.65
7	Standard Chartered Bank	100.00	81.25
8.a	Development Credit Bank Ltd	30.00	23.00
8.b	Development Credit Bank Ltd	50.00	50.00
9	IFMR Capital Finance Private Limited	20.00	20.00
10	MAS Financial Services Ltd	50.00	50.00
	TOTAL 1	824.00	654.12
	Total Allocated	A) 824.00	
	Total Unallocated (1,000 - A)	B) 176.00	
	TOTAL 2 (A + B)	1,000.00	