

Ref: ICRA/ Narayana Hrudayalaya Limited / 0303023/ 1

Date: March 03, 2023

Ms. Sandhya J

Group CFO

Narayana Hrudayalaya Limited

C/o - Narayana Hrudayalaya Limited

258/A, Bommasandra Industrial Area

Anekal Taluk, Hosur Road

Bangalore, Karnataka - 560 099

Dear Sir/ Madam,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 800.00 crore Bank Facilities and Enhancement of Rs. 400.00 Crores Bank Facilities of Narayana Hrudayalaya Limited.

Please refer the Rating Agreement/Statement of Work dated August 18, 2020 between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant. Further, please refer Statement of work dated February 16, 2023 for an enhancement of the captioned limit(s) of bank Facilities of your company from Rs. 800.00 crore to Rs. 1200.00 crore.

Please note that the Rating Committee of ICRA, after due consideration, has upgraded the long term rating to [ICRA]AA (pronounced ICRA Double A) from [ICRA]AA- (pronounced ICRA Double A minus) and has reaffirmed the short-term rating at [ICRA]A1+ (pronounced ICRA A One Plus) assigned earlier to the Rs. 800.00 crore bank facilities of your Company, and has assigned a long-term rating of [ICRA]AA and a short-term rating of [ICRA]A1+ to the captioned bank facilities of Rs. 400.00 crore ("Rating"). The Outlook on the long-term rating is revised to Stable from Positive. For Rating definition(s), please refer to ICRA website at www.icra.in.

In any of your publicity material or other document wherever you are using the above Rating(s), it should be stated as **[ICRA]AA (Stable)/[ICRA]A1+**.

The aforesaid Rating(s) will be due for surveillance any time before February 26, 2024. However, ICRA reserves the right to review and/or, revise the above Rating(s) 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 Rating(s). Therefore, request the lenders and investors to visit ICRA website at www.icra.in for latest Rating(s) of the Company.

The Rating(s) 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 Rating(s) by us. In case there is any change in the terms and conditions or the size of the rated bank facilities, the same must be brought to our notice before the bank facilities is 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 Rating(s) 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 Rating(s) 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 bank facilities availed/issued by your Company.

The Rating(s) assigned to the bank facilities of your Company shall require revalidation if there is any change in the size or structure of the rated bank facilities.

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

Suprio Banerjee

Vice President & Sector Head

supriob@icraindia.com

Annexure

Instrument Details

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
	Term Loan	[ICRA]AA (Stable)	February 27, 2023
State Bank of India	162.00		
EXIM Bank Limited	202.00		
HSBC Limited	27.00		
HDFC Bank Ltd	160.00		
Total - A	551.00		
	Overdraft		
Axis Bank	50.00		
	Cash Credit		
HDFC	18.00		
Total - B	68.00		
Total	619.00		

Details of Bank Limits Rated by ICRA (Rated on Long-Term/ Short-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
	Overdraft		
Yes Bank	40.00	ICRA]AA (Stable)/ [ICRA]A1+	February 27, 2023
Yes Bank (Bank Guarantee) (sublimit)	(40.00)	ICRA]AA (Stable)/ [ICRA]A1+	February 27, 2023
HSBC Bank Limited	40.00	ICRA]AA (Stable)/ [ICRA]A1+	February 27, 2023
HDFC Bank Ltd (WDCL) (sublimit)	(18.00)	ICRA]AA (Stable)/ [ICRA]A1+	February 27, 2023
Total	80.00		

Details of Bank Limits Rated by ICRA (Rated on Long-Term/ Short-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
	Unallocated		
Unallocated	456.00	ICRA]AA (Stable)/ [ICRA]A1+	February 27, 2023
Total	456.00		

Details of Bank Limits Rated by ICRA (Rated on Short-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
	Non-Fund Based		
Yes Bank	35.00	[ICRA]A1+	February 27, 2023
HDFC Bank Ltd (LC)	10.00	[ICRA]A1+	February 27, 2023
Total	45.00		