

Mr. Sandeep Gambhir
Managing Director
ORIX Leasing & Financial Services India Limited
Plot No. 94, Marol Co-operative Industrial Estate
Andheri-Kurla Road, Andheri (East)
Mumbai-400059

May 13, 2019

Dear Sir,

Re: Ratings of ORIX Leasing & Financial Services India Limited (OL&FS)

India Ratings (see definition below) assigns / affirms the following ratings:-

- Long-Term Issuer Rating: 'IND AAA'; Outlook Stable (affirmed)
- Short-Term Issuer Rating: 'IND A1+' (affirmed)
- INR7.2bn non-convertible debentures: 'IND AAA'; Outlook Stable (affirmed)
- INR19.36bn bank loans (increased from INR 13bn): 'IND AAA'; Outlook Stable (affirmed, assigned for incremental)
- INR1.7bn of commercial paper: 'IND A1+' (affirmed)

Of the above OL&FS has already issued INR5.2bn of the rated NCD.

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

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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.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating to investors.

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. The rating detailed above is valid for 12 months from the date of issue of securities under this issuance or 31st May 2020, whichever is earlier. Notwithstanding the above, the rating is subject to review on a continuing basis, with formal reviews being undertaken at regular intervals of no more than 12 months.

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



Rakesh Valecha
Senior Director



Jindal Haria
Director

ORIX Leasing & Financial Services India Limited			
Bankwise allocation of INR 19.356 bn rated bank loans as on Mar 31, 2019			
Sr. No.	Banks & Financial Institutions	Type of Facility	To be Rated as in March 2019
1	Bank of Baroda	Short Term	400.00
2	IDBI Bank	Short Term	300.00
3	United Bank of India	Short Term	400.00
4	Deutsche Bank AG,	Short Term	750.00
5	SMBC	Short Term	1,910.71
6	IDFC Bank Limited	Short Term	750.00
7	ICICI Bank	Short Term	300.00
8	Mizuho Bank	Short Term	650.00
9	Kotak Mahindra Bank	Short Term	200.00
10	Citi Bank	Short Term	630.00
11	MUFG Bank	Term Loan	125.00
12	Kotak Mahidra Bank	Term Loan	41.67
13	SMBC	Term Loan	214.29
14	Kotak Mahidra Bank	Term Loan	270.83
15	IDFC Bank	Term Loan	72.97
16	IDFC Bank	Term Loan	54.05
17	IDFC Bank	Term Loan	72.97
18	The Fedaral Bank	Term Loan	166.67
19	The Fedaral Bank	Term Loan	166.67
20	HDFC Bank	Term Loan	362.50
21	The Fedaral Bank	Term Loan	666.67
22	HDFC Bank	Term Loan	333.33
23	Mizuho Bank	Term Loan	653.33
24	The Fedaral Bank	Term Loan	750.00
25	IDFC Bank	Term Loan	812.50
26	Kotak Mahidra Bank	Term Loan	625.00
27	SMBC	Term Loan	875.00
28	HDFC Bank	Term Loan	604.17
29	ICICI Bank	Term Loan	1,281.25
30	The Fedaral Bank	Term Loan	850.00
31	ICICI Bank	Term Loan	916.67
32	ICICI Bank	Term Loan	468.75
33	Australia and New Zealand B	Term Loan	700.00
34	MUFG Bank	ECB	750.00
	Total		18,125.00
	Bank loan to be rated		19,356.58
	Unallocated Amount		1,231.58

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