

Mr. Jagdish Bajaj
Chief Financial Officer
Aditya Birla Fashion and Retail Limited
701-704, 7th Floor,
Skyline Icon Business Park, 86-92,
Off. Andheri – Kurla Road,
Andheri (East),
Mumbai – 400 059, India.

June 12, 2018

Kind Attn: Mr. Jagdish Bajaj, Chief Financial Officer

Dear Sir,

Re: Rating Letter of Aditya Birla Fashion and Retail Limited.

India Ratings and Research (Ind-Ra) has affirmed Aditya Birla Fashion and Retail Limited's (ABFRL) Long-Term Issuer Rating at 'IND AA'. The Outlook is Stable. The instrument-wise rating actions are given below:

Instrument Type	Size of Issue (million)	Rating/Outlook	Rating Action
Term loans	INR304.9 (increased from INR273.9)	IND AA/Stable	Affirmed
Fund-based working capital limits	INR2,000 (reduced from INR7,330)	IND AA/Stable/IND A1+	Affirmed
Non-fund-based working capital limits	INR2,750 (increased from INR1,580)	IND A1+	Affirmed
Non-convertible debentures (NCDs)	INR11,600 (reduced from INR12,600)	IND AA/Stable	Affirmed
Proposed NCDs	INR1,000	Provisional IND AA/Stable	Assigned
Fund/non-fund-based working capital limit	INR3,470	IND AA/Stable/IND A1+	Assigned
Working capital limits (fund/non-fund-based)***	INR3,590	IND AA/Stable/IND A1+	Assigned

***The final rating has been assigned based on the sanction letter shared by ABFRL with Ind-Ra

Details of bank facilities are mentioned in the Annexure.

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.

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 India where the rated security is offered and sold, 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.

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It will be 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

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

Sincerely,

India Ratings



Rakesh Valecha
Senior Director



Prashant Tarwadi
Director