

CONFIDENTIAL

Ref. No.Surv/Chen/104/19-20

August 19, 2019

Mr. Murali Srinivas
Managing Director & CEO
S.M.I.L.E Microfinance Limited
No. 14/25, Chakrapani Street
West Mambalam
Chennai – 600 033

Dear Sir,

Re: ICRA-assigned Credit Rating for Rs.250.00 crore Line of Credit of S.M.I.L.E Microfinance Limited (instrument details in Annexure)

Please refer the Rating Agreement dated June 07, 2013, 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.

Please note that the Rating Committee of ICRA, after due consideration, has reaffirmed the long-term rating for the captioned Line of Credit (LOC) at **[ICRA]BBB** (pronounced ICRA triple B).[†] The outlook on the long-term rating is Stable. The aforesaid rating will be due for surveillance any time before June 30, 2020.

The ratings as stated above are specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the ratings assigned. Notwithstanding the foregoing, any change in the over-all limit of the LOC 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 at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

You are requested to furnish a monthly ‘No Default Statement (NDS)’ (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility]. This is in accordance with requirements prescribed in circular dated June 30, 2017 on ‘Monitoring and Review of Ratings by Credit Rating Agencies(CRAs)’ issued by the Securities and Exchange Board of India.

[†] For complete rating definition please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications





You are also requested to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
for ICRA Limited

A handwritten signature in black ink, appearing to read 'K. Ravichandran'.

(K.Ravichandran)
Senior Vice President & Group Head – Corporate ratings
ravichandran@icraindia.com

A handwritten signature in blue ink, appearing to read 'R. Subhashree'.

(Subhashree Ravi)
Senior Associate Analyst
subhashree.ravi@icraindia.com

'No Default Statement on the Company Letter Head'

To
ICRA Limited,
5th floor, Karumuttu Centre,
Chennai.

Dear Sir/ Madam,

1. We hereby Confirm that as on date there are no Over dues or default on our debt obligations
2. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of our debt obligations.
3. We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <Month and Year name>.
4. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
5. We also confirm that there has been no overdraw of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
6. Details of delay/ default/ rescheduling of interest or principal as on date/ in the month ended<Month and Year name> , in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>



Annexure

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
State Bank of India - CC	10.00	[ICRA]BBB(Stable) ; reaffirmed	August 19, 2019
Axis Bank Ltd	8.57		
Bank of Baroda	8.18		
Bank of India	2.20		
Canara Bank	2.27		
Canara Bank	8.79		
Catholic Syrian Bank	1.58		
Dhanlaxmi Bank Ltd	6.67		
Dhanlaxmi Bank Ltd	10.00		
IDBI Bank Ltd	6.67		
Indian Bank	13.33		
Karnataka Bank	0.42		
Lakshmi Vilas Bank Ltd	6.67		
Lakshmi Vilas Bank Ltd	4.58		
MUDRA	8.20		
Oriental bank of Commerce	3.33		
SIDBI	0.66		
SIDBI	16.67		
State Bank of India	10.26		
State Bank of India (State Bank of Patiala)	1.49		
Syndicate Bank Ltd	10.00		
Union Bank of India	4.17		
Union Bank of India	8.33		
Vijaya Bank	1.67		
Proposed Limit	95.30		
Total	250.00		


