



ICRA

ICRA Limited

CONFIDENTIAL

Ref No: ICRA/Chen/Grading/MFI/17-18//10

March 23, 2018

Ms. Indrani Singh
Chairman & Managing Director
S.M.I.L.E Microfinance Limited
"The Galaxy"
No. 30, 48th Street, 9th Avenue
Ashok Nagar
Chennai – 600 083

Dear Madam,

Re: ICRA MFI Grading of S.M.I.L.E Microfinance Limited

Please refer to your letter dated February 22, 2018 for grading of the aforesaid entity. Our Rating Committee, after due consideration, has assigned "M2" (pronounced M two) grade to the captioned entity. This grading indicates that in ICRA's current opinion, the Graded MFI's ability to manage its microfinance activities in a sustainable manner is high.[†]

In any of your publicity material or other documents wherever you are using the above grading, it should be stated as "M2". We would appreciate if you can sign on the duplicate copy of this letter and send it to us as a token of your acceptance and use of the assigned grade. The rationale for assigning the above grading will be sent to you on receipt of your confirmation about the use of the grade, as above. Any intimation by you about the above grading to any Banker / Lending Agency / Government Authorities / Stock Exchange / Project Promoter / Consultant / Customers would constitute use of this grading by you.

The above grading along with any subsequent revisions/changes is valid till March 22, 2019, unless revalidated by a fresh mandate. ICRA reserves the right to suspend, withdraw or revise the above at any time on the basis of new information or such other circumstances, which ICRA believe, may have an impact on the grade assigned to you.

The grading, as aforesaid, however, should not be treated as a recommendation to lend or not to lend or to do business with any such graded entity.

You are required to keep us informed of the progress details of your company and any developments, which may have a direct or indirect impact on the performance of the company.

We thank you for your kind cooperation extended during the course of the grading exercise.

With kind regards,

Yours sincerely,
for ICRA Limited

(K Ravichandiran)
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[†] For complete rating scale and definitions please refer to ICRA's Website www. icra.in or other ICRA Rating Publications.