



ICRA

ICRA Limited

**CONFIDENTIAL**

Ref. No.Surv/Chen/265/20-21

December 29, 2020

**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 Rating for Rs. 250.00 crore bank facilities of S.M.I.L.E Microfinance Limited  
(instrument details in *Annexure*)**

Please refer to the Joint Memorandum of Settlement between ICRA and SMILE dated November 06, 2020 to review the rating action and our subsequent interactions in this regard.

Please note that the Rating Committee of ICRA, after due consideration has revised the rating to **[ICRA]BBB-** (pronounced **ICRA triple B minus**) for the captioned bank lines of your company. The outlook on the long-term rating is Negative.

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 facility availed by your company.

The ratings as stated above are specific to the terms and conditions of the captioned Line of Credit (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.

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 by the Securities and Exchange Board of India ("SEBI") vide circular dated June 30, 2017.

Karumuttu Centre, 5<sup>th</sup> Floor  
634, Anna Salai, Nandanam  
Chennai 600035

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CIN : L74999DL1991PLC042749

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Registered Office : 1105, Kailash Building, 11<sup>th</sup> Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

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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

**(R Srinivasan)**  
**Vice President**  
**r.srinivasan@icraindia.com**



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Encl:

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
Bank of Baroda	0.45	[ICRA]BBB- (Negative)	December 24, 2020
Canara Bank	4.99		
Dhanlaxmi Bank Ltd	5.75		
Indian Bank	7.34		
Lakshmi Vilas Bank Ltd	5.00		
Lakshmi Vilas Bank Ltd	3.75		
MUDRA	3.10		
SIDBI	5.33		
State Bank of India	4.26		
Union Bank of India	6.21		
State Bank of India	10.00		
Proposed	193.82		
<b>Total</b>	<b>250.00</b>		



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Encl:

*'No Default Statement on the Company Letter Head'*

To,

ICRA Limited  
Building No. 8, 2nd Floor, Tower A,  
DLF Cyber City, Phase II, Gurugram -122002

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
3. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our listed debt obligations (Securities).
4. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our un-listed debt obligations(Securities).
5. 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.
6. We hereby confirm that as on date and in the month ended <<Month and Year name>> there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions.
7. We hereby confirm that as on date there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions which continues beyond 30 days.
8. We hereby confirm that as on date there are no over dues or default on revolving facilities like cash credit, from banks/financial institutions which continues beyond 30 days.
9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
10. We also confirm that there has been no overdrawing 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.
11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdrafts beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Text	Term Loan, CC					



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Row 2						

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

<b>Name of the Instrument</b>	<b>ISIN</b>	<b>Amount to be paid</b>	<b>Due Date of Payment</b>	<b>Actual Date of Payment</b>	<b>Remarks</b>
NCD					

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>