

**CONFIDENTIAL**

Ref. No.Surv/Chen/146/15-16

August 05, 2015

**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: Surveillance of ICRA-assigned Credit Rating for Rs.250.00 crore (reduced from Rs.500.00 crore) Line of Credit of S.M.I.L.E Microfinance Limited (Instrument details in Annexure)**

As you are aware that in terms of the mandate letter/ rating agreement received from its clients, ICRA is required to review all its ratings, on an annual basis, or as and when the circumstances so warrant.

The Rating Committee of ICRA, after due consideration of the latest developments in your company, has upgraded the outstanding long-term rating for the captioned Line of Credit (LOC) from [ICRA]BB+ (pronounced ICRA double B plus)<sup>†</sup> to [ICRA]BBB- (Pronounced ICRA Triple B minus). The outlook on the rating is revised from Positive to Stable. The aforesaid rating is valid till June 30, 2016.

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.

ICRA reserves the right to suspend, withdraw 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 required to furnish a periodic statement (in the format enclosed) 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].

You are also required 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).

<sup>†</sup> For complete rating definition please refer to ICRA Website [www.icra.in](http://www.icra.in) or any of the ICRA Rating Publications.

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Website : [www.icra.in](http://www.icra.in)  
Email : [info@icraindia.com](mailto:info@icraindia.com)

Registered Office : 1105, Kallash Building, 11<sup>th</sup> Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +(91-11) 23357940-50 Fax : +(91-11) 23357014  
Corporate Office : Building No. 8, Tower-A, 2<sup>nd</sup> Floor, DLF Cyber City, Phase II, Gurgaon - 122002. Tel. : +(91-124) 4545300 Fax : +(91-124) 4050424



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

With regards,

Yours sincerely,  
for ICRA Limited

A handwritten signature in black ink, appearing to read 'K. Ravichandran', written in a cursive style.

(K. Ravichandran)  
Senior Vice President & Co-Head, Corporate Ratings

A handwritten signature in black ink, appearing to read 'A.M. Karthik', written in a cursive style.

(A.M. Karthik)  
Assistant Vice President

Encl.: as above



Format for periodic undertaking

[To be sent periodically to ICRA Limited by email and fax]

The company has been regular in servicing all its principal and interest obligations in a timely manner and there has not been any delay or default (a missed or delayed payment in breach of the agreed terms of the issue) during the specified period. We also confirm that there has been no re-schedulement in regard to any of company's debt obligations. We also confirm that there has been no overdrawal 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.

*[Handwritten signature]*

*[Handwritten signature]*



Annexure

Details of Limits Rated by ICRA (Rated on Long-Term Scale)	(Rs. crore)	Rating	Rating Date
Andhra Bank	11.67	[ICRA]BBB- (Stable)	August 03, 2015
Bank of Maharashtra	9.98		
Canara Bank	2.60		
Corporation Bank	0.96		
DCB Bank	2.50		
IDBI Bank Ltd	5.00		
Karnataka Bank	4.30		
Lakshmi Vilas Bank	0.81		
Maanaveeya Development & Finance Private Limited	5.00		
Reliance Home Finance Ltd	6.01		
South Indian Bank Ltd	6.25		
State Bank of Patiala	5.43		
The Ratnakar Bank Ltd	1.88		
Vijaya Bank	10.83		
Proposed Borrowings from Banks & FIs	176.78		
<b>Total</b>	<b>250.00</b>		

*A. Pandey*

*[Signature]*



ICRA

ICRA Limited

**CONFIDENTIAL**

Ref. No.Reval/Chen/011/16-17

April 20, 2016

**Ms. Indrani Singh  
Chairman & Managing Director  
S.M.I.L.E Microfinance Limited  
No; 4, Dr. Natesan Road  
Ashok Nagar  
Chennai – 600 083**

Dear Sir,

Re: ICRA Credit Rating for Rs. 250.00 crore bank limit of S.M.I.L.E Microfinance Limited as per Annexure 1 – Break-up of the Bank limits.

Ref: 1. ICRA Rating Letter Ref. No.Surv/Chen/146/15-16  
2. Your email dated April 20, 2016.

This is with reference to our captioned rating letter cited under reference and your subsequent e-mail dated April 20, 2016 regarding revision in bank limits.

Please find enclosed the detailed break-up of the bank limits in Annexure 1. All other terms and conditions are as per our initial letter Ref. No.Surv/Chen/146/15-16 dated August 05, 2015.

With kind regards,

Yours sincerely,  
for ICRA Limited

(K. Ravichandran)  
Senior Vice President & Co-Head, Corporate Ratings

(A.M. Karthik)  
Assistant Vice President

Encl.: as above

Karumuthu Centre, 5<sup>th</sup> Floor  
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**R A T I N G • R E S E A R C H • I N F O R M A T I O N**



ICRA

Annexure 1

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)*	Amount (Rs. Crore)	Rating Outstanding
Andhra Bank	1.25	[ICRA]BBB-(Stable)
Andhra Bank	3.13	
Andhra Bank	5.00	
Bank of Maharashtra	1.60	
Bank of Maharashtra	4.50	
Bharatiya Mahila Bank	5.00	
Canara Bank	1.37	
DCB Bank	0.50	
DCB Bank	2.00	
Hero FinCorp Limited	5.00	
IDBI Bank Ltd	2.08	
IFMR Capital Services Pvt Ltd	20.00	
IFMR Capital Services Pvt Ltd	15.00	
Karnataka Bank	1.25	
Karnataka Bank	1.40	
Karnataka Bank	5.00	
Lakshmi Vilas Bank Ltd	10.00	
Maanaveeya Development & Finance Private Limited	2.50	
Muthoot Capital Services Limited	10.00	
Reliance Home Finance Ltd	10.00	
Religare Finvest Ltd	5.00	
South Indian Bank Ltd	0.83	
South Indian Bank Ltd	1.64	
South Indian Bank Ltd	3.00	
Union Bank of India	5.00	
Vijaya Bank	5.83	
Vijaya Bank	15.00	
Proposed Limits	107.12	
<b>Total</b>	<b>250.00</b>	

\*Outstanding as on March 31, 2016

*Ok. Ravinder*

*[Signature]*