



21 April 2022
BWR/BLR/HO/SRC/HS/0470/2022-23

Mr. S.Charles Selvaraj
Managing Director & Chief Executive Officer
Virutcham Microfinance Ltd.
Plot No 1, Mullai Tower, Mullai Nagar South,
Thanakkankulam, Thirunagar,
Madurai, 625006, Tamilnadu.

Dear Sir/Madam,

Sub: Rating of the Bank Loan Facilities of Virutcham Microfinance Ltd. amounting to ₹ 30.00 Crores (Rupees Thirty Crores Only).

Thank you for giving us an opportunity to undertake the Rating of the Bank Loan facilities *sanctioned/proposed* to your Company. Based on the information and clarifications provided by you, we are pleased to inform you that **Virutcham Microfinance Ltd.** bank loan facilities aggregating **₹ 30.00 Crs** have been assigned ratings as follows:

Facility	Limits (₹ Crs)	Tenure	Rating*
Fund Based- Term Loans	16.59	Long Term	BWR BBB- Outlook: Stable (Assignment)
Fund Based- Term Loans (Proposed)	13.41		
Total	30.00	Rupees Thirty Crores Only	

**Please refer to BWR website www.brickworkratings.com for definition of the rating assigned*

Note: Details of bank wise facilities is as per Annexure-I

The Ratings are valid for twelve months from the date of communication of the rating i.e. 19 April 2022, subject to terms and conditions that were agreed in your mandate dated **14 March 2022** and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended at the end of this letter.



Brickwork Ratings India Pvt. Ltd.
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Virutcham Microfinance Ltd.

The rated Bank Loan facilities would be under surveillance during the said period. You are required to submit information periodically as per Annexure-II for the purpose of surveillance/review. You are also required to keep us informed of any information/development that may affect your Company's finances/performance without any delay. **You are also requested to submit 'No Default Statement' on a monthly basis.**

Please find enclosed a copy of the Rating Rationale accepted by you.

Best Regards,

Hemant Sagare
Associate Director - Ratings

Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings web-site . Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.

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This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.

Virutcham Microfinance Ltd.

Annexure-I

Name of the Lender	Type of Facilities	Long Term (Rs.in Crs)	Short Term (Rs.in Crs)	Total (Rs.in Crs)
IDFC First Bank Limited	Term Loan	6.35	-	6.35
IDFC First Bank Limited	Term Loan (Sub Debt)	4.00	-	4.00
Union Bank of India	Term Loan	1.82	-	1.82
Union Bank of India	Term Loan	2.27	-	2.27
Bank of Baroda	Term Loan	2.15	-	2.15
Indian Overseas Bank	Term Loan (Proposed)	5.00	-	5.00
Bank of Maharashtra	Term Loan (Proposed)	5.00	-	5.00
Un-tied Portion	Term Loan (Proposed)	3.41	-	3.41
Total Rated Facilities	Rupees Thirty Crores Only			30.00



Virutcham Microfinance Ltd.

Annexure-II

The following documents/ information should be submitted to BWR:

1. Confirmation from the Company that all the terms and conditions stipulated in the Bank's Term loan sanction letter has been fully complied with.
2. Certified copy of periodical book debts/bills receivables statements submitted to the bank.
3. Confirmation about payment of installment and interest as and when paid.
4. Schedule of Term Loan installments and Interest due and payment made so far.
5. Certified copy of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
6. Certified copy of Banks' Statements of Accounts on a quarterly basis.
7. Quarterly / Half yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
8. Information on delays/defaults in servicing bank loans, letters of credit, letters of guarantee, NCDs, bonds and other borrowings, if any, by the Company as at the end of March, June, September and December each year.
9. Information on delays / defaults in servicing of debt obligations of any subsidiary / other group companies, if any, as at the end of March, June, September and December each year.
10. Any other statement / information sought by BWR from time to time.
11. All the aforesaid information shall be mailed to dat@brickworkratings.com