



BWR/BLR//SRC/HS/0635/2025-26

16 April 2025

Mr. S. Charles Selvaraj
Managing Director and CEO
Virutcham Microfinance Limited
Plot No 1, Mullai Tower, Mullai Nagar South
Thanakkankulam, Tirunagar,
Madurai- 625006, Tamilnadu

Dear Sir,

Sub: Review of ratings of Bank loan facilities of Virutcham Microfinance Limited aggregating to Rs 81.77 Crores (INR Eighty One Crores Seventy Seven Lakhs Only) enhanced from Rs 59.77 Crores as per BWR Rating Letter **BWR/BLR//SRC/HS/6981/2024-25** dated 19 March 2024.

Brickwork Ratings reviewed the performance of Virutcham Microfinance Limited based on information and clarifications provided by you, along with publicly available sources. Brickwork Ratings informs you that the ratings for the bank loan facilities amounting to Rs 81.77 Crores (enhanced from Rs 59.77 Crores) of Virutcham Microfinance Limited have been reviewed as under:

Facilities**	Amount Rs. Crs.		Tenure	Rating^	
	Previous	Present		Previous (19 Mar 2025)	Present
Fund Based: Term Loans- existing	40.56	45.41	Long Term	BWR BBB-/ Stable Reaffirmation	BWR BBB-/ Stable Reaffirmation
Fund Based: Term Loans- Additional	10.00			BWR BBB-/ Stable Reaffirmation	
Fund Based: Term Loans- Additional	0.00	-		BWR BBB-/ Stable Assignment	
Fund Based: Term Loans- Proposed	9.21	9.21		BWR BBB-/ Stable Reaffirmation	BWR BBB-/ Stable Reaffirmation
Fund Based: Term Loans- Proposed	0.00	5.84		-	BWR BBB-/ Stable Assignment
Total	59.77	81.77	INR Eighty One Crores Seventy Seven Lakhs only		

^Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings

** Details of the Bank loan facilities are provided in Annexure-I



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Virutcham Microfinance Limited

The ratings are valid for twelve months from this letter and subject to terms and conditions as per your mandate letter dated 2 April 2025 and other relevant correspondence if any, along with Brickwork Ratings' standard disclaimer appended at the end of this letter.

The rated bank loan facility will remain under surveillance during the said period. You are required to submit information periodically as per Annexure-II for surveillance/review purposes. Additionally, please keep us informed about any developments that could affect your company's financial performance without delay

Kindly provide a No Default Statement (NDS) every month. Failure to submit the NDS will result in your company's / entity's name being listed under "NDS Not Submitted" section of our website.

Please note that if the NDS is not submitted for three consecutive months, or if we are unable to validate your timely debt servicing through any other sources, we will migrate your rating to "Issuer Not Co-operative "(INC) within seven days of the third consecutive months of non-submission . At our discretion, Brickwork Ratings may migrate your rating to the INC category before the end of three months if the NDS is not received.

Brickwork Rating looks forward to your continued cooperation in maintaining the timely submission of required information for an accurate rating review.

Best Regards,

Hemant Sagare
[Director - Ratings]

Note: The Rating Rationale for all accepted ratings is published on the Brickwork Ratings website. Non-accepted ratings are also published. If interested parties are unable to view the rationale, they are encouraged to contact us at brickworkhelp@brickworkratings.com.

Virutcham Microfinance Limited
ANNEXURE I
Details of Bank wise Facilities rated by BWR

Sr. No.	Lender Name	Type of Facility	Long Term	Sanctioned Limit	Outstanding As of 31 Mar 2025
			(Rs. Crs.)	(Rs. Crs.)	Total (Rs. Crs)
1	State Bank of India TL 02	Term Loan	0	10	0
2	State Bank of India TL 03	Term Loan	3.67	10	3.67
3	State Bank of India TL 04	Term Loan	8.26	18	8.26
4	Tamilnad Mercantile Bank Limited TL-6	Term Loan	0	3	0
5	Tamilnad Mercantile Bank Limited TL-7	Term Loan	0.69	2.5	0.69
6	Tamilnad Mercantile Bank Limited TL-8	Term Loan	1.28	2	1.28
7	Union Bank of India TL-02	Term Loan	0	2.5	0
8	Union Bank of India TL-03	Term Loan	0.76	5	0.76
9	Union Bank of India TL-04	Term Loan	5.15	10	5.15
10	Union Bank of India TL-05	Term Loan	4.25	6	4.25
11	IDFC Bank Limited TL-04	Term Loan	2.17	4	2.17
12	IDFC First Bank Limited (Sub-Debt)		0.00		0.00
13	IDFC First Bank Limited (Sub-Debt)		3.00		3.00
14	Bank of Maharashtra TL-03	Term Loan	0.50	3	0.50
15	Bank of Baroda TL-01	Term Loan	0	2.5	0
16	Dhanlaxmi Bank TL-02	Term Loan	0	2	0
17	Dhanlaxmi Bank TL-03	Term Loan	1.37	3	1.37
18	Indian Overseas Bank TL-01	Term Loan	1.53	5	1.53
19	Indian Overseas Bank TL-02	Term Loan	2.78	5	2.78
20	Tamilnadu Industrial Investment Corporation	Term Loan	10.00	10.00	10.00
	Total Existing Loan		45.41		45.41
21	Canara Bank TL-02	Term Loan	4.31	5.00	4.31
22	Indian Overseas Bank TL-03	Term Loan	10.00	10.00	10.00
23	Union Bank of India TL - 06	Term Loan	7.00	7.00	7.00
	Total Additional Term Loan		21.31	-	21.31
	Proposed Term Loan Facility		15.05		15.05
	Total		81.77	125.50	81.77

Note: The aforesaid additional term loan of Rs. 21.31 crores were sanctioned by Canara Bank TL-02, Indian Overseas Bank TL-03 and Union Bank of India TL-06.



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Virutcham Microfinance Limited
ANNEXURE II

The following documents/ information should be submitted to BWR:

1. Confirmation that the Company has fully complied with the term as and conditions of the sanction letter.
2. Certified copies of periodical Inventories, book debts, and bills receivable statements submitted to the bank.
3. Confirmation about payment of installment and interest upon payment.
4. Schedule of Term Loan installments and interest due, along with payments made to date.
5. Certified copies of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
6. Certified copies of Quarterly Financial Statements (QFS) for the current fiscal year
7. Certified copies of the Banks' Statements of Accounts every quarter.
8. Quarterly / Half- yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
9. Information on any delays or defaults in servicing bank loans, letters of credit, letters of guarantee, NCDs, bonds and other borrowings, by the Company as at the end of March, June, September and December each year.
10. Information on any delays or defaults in debt obligations of subsidiaries or other group companies, at the end of March, June, September and December each year.
11. Certified copies of the monthly/quarterly book debt and receivable statements submitted to the bank.
12. Any other statement/information as requested by sent to dat@brickworkratings.com.



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