

June 12, 2023

Mr. Anand Kudigrama

Director

MCT Cards & Technology Private Limited

3rd Floor, 16 330,

Udayavani Building

Tile Factory Road, Press Corner,

Manipal, Udupi 576104

Dear Sir,

Assignment of rating to the Bank facilities MCT Cards & Technology Private Limited

Please refer to the Mandate contract dated **April 13, 2023** on the captioned subject and your E-Mail dated **June 09, 2023** accepting our rating & use thereof.

1. Our Rating Committee has assigned the following ratings:

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long Term Bank Facilities	107.78	IVR BBB+ / Positive (IVR Triple B Plus with Positive Outlook)	Assigned
Long Term Debt Facilities	35.00	IVR BBB+ / Positive (IVR Triple B Plus with Positive Outlook)	Assigned
Short Term Bank Facilities	18.50	IVR A2 (IVR A Two)	Assigned
Total	161.28		

2. Details of the credit facilities are attached in **Annexure I**. Our rating symbols for long-term and short-term ratings and explanatory notes thereon are attached in **Annexure II**.

3. The press release for the rating(s) will be communicated to you shortly.

4. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.



5. The above rating is normally valid for a period of one year from the date of our **initial communication** of rating to you (that is. **June 11, 2024**).
6. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.
7. Further in terms of the mandate executed with us, you have undertaken to comply with the following: -
 - a) Inform INFOMERICS before availing any new bank facility/ies and/or of any changes in the terms, conditions and/or size of the facilities rated.
 - b) Furnish all material information and any other information in a timely manner as may be required by INFOMERICS, for monitoring the Rating assigned during the tenure of the bank facilities rated by INFOMERICS.
 - c) Co-operate with and enable INFOMERICS to arrive at and maintain a true and fair rating and in particular, provide INFOMERICS with true, adequate, accurate, fair, and timely information for the purpose.
 - d) Inform INFOMERICS, in writing and in a timely manner, of any other developments which may have a direct or indirect impact on the CLIENT's debt servicing capability including any proposal for re-schedulement or postponement of the repayment programs of the dues/ debts of the CLIENT with any lender (s)/ investor (s) within seven days from the date of such developments/ proposal.
8. **You shall provide us a No Default Statement as at the last date of the month on the first date of succeeding month without fail.** The NDS shall be mailed every month to nds@Infomerics.com and to the mail id of the undersigned.
9. **You shall provide the quarterly performance results/quarterly operational data (being submitted to Banks) to us within 6 weeks from the close of each calendar quarter for our review/monitoring.**
10. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities.



11. INFOMERICS shall carry out the review/annual surveillance on the basis of best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.
12. INFOMERICS reserves the right to withdraw/revise/reaffirm the rating assigned on the basis of new information. INFOMERICS is also entitled to publicise/disseminate such withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
13. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
14. In case you require any clarification, you are welcome to communicate with us in this regard.

Thanking you,

With Regards,

Sejal Patil

Senior Rating Analyst

Email: sejal.patil@infomerics.com

For Prakash Kabra

Senior Director (Head - Rating Operations)

Email: prakash.kabra@infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

ANNEXURE I

1. Long Term Bank Facility - Fund Based

Sl. No.	Bank	Facility	Amount (Rs. Crore)	Maturity
1.	South Indian Bank	Term-loan	4.15	June 20, 2027
2.	South Indian Bank	Term-loan	4.11	Sept. 20, 2028
3.	Federal Bank	Term-loan	19.52	June 16, 2027
Total			27.78	

2. Long Term Debt Facility - Fund Based

Sl. No.	Issuer	Facility	Amount (Rs. Crore)	Maturity
1.	True North	NCD	35.00	November 16, 2025
Total			35.00	

Synopsis of the Term Sheet - Amount: INR 35.00 crores:

Issuer	MCT CARDS & TECHNOLOGY PRIVATE LIMITED
ISIN number	INE241U07017
Seniority	16.50% Secured Unrated Unlisted Redeemable Non-Convertible Debentures
Issue Size	Rs. 35 Cr.
Coupon	16.50%
Redemption Date	November 16, 2025
Mode of Issue	Private Placement (non-EBP)

3. Long Term Working Capital Limits – Fund Based

Sl. No.	Bank	Facility	Amount (Rs. Crore)	Maturity
1.	ICICI Bank	Cash Credit	30.00	Revolving
2.	Indian Bank	Cash Credit	15.00	Revolving
3.	SIB	Cash Credit	35.00	Revolving
Total			80.00	

4. Short Term Bank Facilities – Non-Fund Based

Sl. No.	Bank	Facility	Amount (Rs. Crore)
1.	Indian Bank	Letter of Credit	18.50
Total			18.50

ANNEXURE II

Credit Rating – Long Term Rating Scale

Long term: Original maturity exceeding one year

Rating Symbol	Rating Definition
IVR AAA	Securities with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such securities carry lowest credit risk
IVR AA	Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk
IVR A	Securities with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such securities carry low credit risk
IVR BBB	Securities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such securities carry moderate credit risk
IVR BB	Securities with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations
IVR B	Securities with this rating are considered to have high risk of default regarding timely servicing of financial obligations
IVR C	Securities with this rating are considered to have very high risk of default regarding timely servicing of financial obligations
IVR D	Securities with this rating are in default or are expected to be in default soon

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories AA to C. The modifiers reflect the comparative standing within the category.

The above rating scale also applies to rating of bank loans and other instruments



Credit Rating - Short Term Rating Scale

Short term: Original maturity of up to one year

Rating Symbol	Rating Definition
IVR A1	Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.
IVR A2	Securities with this rating are considered to have strong degree of safety regarding timely payment of financial obligations. Such securities carry low credit risk.
IVR A3	Securities with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such securities carry higher credit risk as compared to instruments rated in the two higher categories.
IVR A4	Securities with this rating are considered to have minimal degree of safety regarding timely payment of financial obligations. Such securities carry very high credit risk and are susceptible to default.
IVR D	Securities with this rating are in default or expected to be in default on maturity in servicing of debt obligations.

Modifier {"+" (plus)} can be used with the rating symbols for the categories A1 to A4. The modifier reflects the comparative standing within the category.

The above rating scale also applies to rating of bank loans and other instruments.