

## RATING RATIONALE

24 August 2021

### Macrotech Developers Limited (MDL)

**Brickwork Ratings upgrades the ratings for various bank loan facilities and NCD issues of Macrotech Developers Limited (MDL or the ‘Company’).**

#### Particulars.

Instrument/ Facilities**	Previous Amount (Rs. Cr)	Present Amount (Rs. Cr)	Tenure	Previous Rating* (August 2021)	Present Rating
Fund Based Loan	4254.00	<b>4254.00</b>	<b>Long Term</b>	BWR BBB+ Stable	<b>BWR A- Stable</b>
Fund Based Facility CC/OD	450.00	<b>450.00</b>	<b>Long Term</b>	BWR BBB+ Stable	<b>BWR A- Stable</b>
NCD	375.0	<b>375.0</b>	<b>Long Term</b>	BWR BBB+ Stable	<b>BWR A- Stable</b>
NCD	1.92	<b>1.92</b>	<b>Long Term</b>	BWR BBB+ Stable	<b>BWR A- Stable</b>
NCD^	387.0	<b>387.0</b>	<b>Long Term</b>	BWR BBB Stable.	<b>BWR BBB+ Stable.</b>
<b>Total</b>	5467.92	<b>5467.92</b>	<b>(Rupees Five Thousand Four Hundred Sixty Seven Crores Ninety Two Lakhs Only)</b>		

\*Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\*\* Details Bank Loan Facilities/NCD is provided in the annexure.

^The rating is one notch lower since it is not a senior debt and has a second charge on the cash flows and security of the project.

#### Rating Action/Outlook:

Rating upgrade for the bank loan facilities and NCD.

The rating upgrade factors in the positive developments with respect to implementation of the plans envisaged and efforts of MDL to gain traction in the warehousing segment through land monetization. The Company has entered into term sheet/definite agreements with one of the leading ecommerce players for leasing 1.2 million sq.ft built up space with total land area of 40 acres. The ratings upgrade also factors in the continuing satisfactory performance with respect to sales and collections in the second quarter as well and is expected to remain satisfactory going forward in view of continuing improvement in the real estate sector in the upcoming festive season.

The ratings continue to factor in group's established track record and dominant position in the real estate industry, land bank reserves, project execution capabilities developed over the years, strong brand presence in Mumbai Metropolitan Region (MMR), experienced leadership,



professional management team and availability of completed and near completion inventories and various efforts the company has taken to reduce the debt and deleverage the balance sheet. The comfort is also drawn from diversity of the project portfolio in multiple phases and across multiple price points.

As constraining factors, the ratings take cognizance of exposure to real estate cyclicity, project execution risk, high inventories levels and debt. However, BWR notes that the Company has formulated plans for graded reduction in debt levels over a 2-year period and is working in that direction.

#### **Rating Outlook: Stable.**

The Outlook, which was revised to Stable from Negative on successful conclusion of IPO, continues as Stable in view of the improvement in conditions.

#### **Key Rating Drivers.**

##### **Credit Strengths:-**

##### **Successful conclusion of IPO and repayment of debt to the Company by the promoters.**

Post IPO, the Company promoters and promoter group hold 88.50% and public shareholding stands at 11.5%. The total proceeds from the IPO was Rs.2407.77 Cr of which Rs. 1500 Cr were utilized towards reduction of borrowings. Also the Company has received back Rs. 1596 Cr which the promoters owed to the Company. This repayment along with the IPO proceeds has not only given comfort for liquidity, but has also enabled the Company to reduce debt through a defined plan of action. Further deleveraging is expected in line with the Minimum Public Shareholding (MPS) requirement to bring down the promoter holding down to a maximum of 75% over a period of three years from listing.

##### **Lodha Group's track record and execution skills.**

The group has completed ~80msf developable area and ~76msf of developable area under ongoing & planned projects. In addition to ongoing and planned projects, the group claims to have land reserves of approximately 3803 acres for future development in the MMR, with the potential to develop approximately 322 million square feet of developable Area. The group has presence across Mumbai Metropolitan region (MMR), Pune and UK. Over the years has established a strong reputation and track record in affordable and mid-income as well as premium housing projects. The Company is currently developing large townships located at Palava (Dombivali) and Upper Thane (Thane outskirts). In the premium and luxury housing category the Company has developed projects such as Lodha Bellissimo, Lodha Primero, Lodha Altamount, World Towers, Lodha Park and New Cuffe Parade, which are prominent projects in their respective locations.

##### **Availability of completed and near completion inventories.**

The Company has ready to move inventory of Rs.6772 Cr and unsold ongoing inventory of Rs.14075 Cr. The completed and near completion nature of inventory position gives an added



advantage to the Company, given the preference of the customers for such inventories. However, the group's ability to sell these units timely and generate cash flows is crucial for the Company's overall performance.

**Visible uptick in domestic residential sales:** Strict lockdowns and subdued business in H1FY21 resulted in the sector facing a huge reduction in demand. However, H2FY21, on the back of receding cases, a reduction in stamp duty in Maharashtra, lower interest rates and pent up demand, improved the overall outlook for the sector, albeit temporarily, before the second wave struck towards end-FY21. While Q1FY22 was subdued, the pace of sales is expected to improve H2FY22 onwards. Benign interest rates, flexible terms, the increased need for a larger home, coupled with the government's thrust on vaccination, is expected to aid the bruised sector in recovery.

**Collections:** The Collections for Q1FY22 stood at Rs.1714 Cr, showing a significant jump year on year from Rs. 384 Cr in Q1FY21. June saw pre-sales of Rs. 654 crore. This pick-up in June is despite some continuing Covid related restrictions in the company operating markets. The Company has given a presales guidance of Rs. 9000 Cr for FY22, subject to no further Covid related disruptions.

**Pre sales:** The Presales for FY21 was Rs.5988 Cr v/s Presale of Rs. 6570 Cr for FY20. The pre sales number for Q4FY21 increased significantly to Rs.2531 Cr v/s presale of Rs.1171 Cr for Q4FY20. **Collections:** The collections for FY21 was Rs.5052 Cr v/s Collections for FY20 of Rs.8190 Cr. The Collections for Q4FY21 increased by 10% to Rs.2089 Cr compared to Q4FY20. The ability to maintain the sales and collection momentum on an incremental basis is critical for overall performance and debt servicing. The Company is confident of meeting its targets.

#### **Other source of cash flows plans of the Company to deleverage.**

As part of the Company's logistics and industrial park portfolio, the company has plans to develop a logistics and industrial park near Palava. The Company has 3500 acres of which it has monetized 275+ acres of land through JV and outright sales. The Company has plans to monetize these land parcels and is expected to generate ~700 Cr on a year on year basis with monetization roughly around 200 to 300 acres/year. The Company is confident of realizing its plans, based on the active enquiries and ongoing discussions. Besides this, some state government agencies have also evinced serious interest for acquiring about 178.5 acres from MDL. The inflows from these land deals are expected to be used to repay the existing debt and help in deleveraging the balance sheet. The timely execution of these plans will be crucial for the company to bring down its debt.

#### **Credit Risks:-**

##### **High Debt; though the Company is taking various measures to reduce the debt.**

The consolidated debt for FY21 was Rs.18166.85 Cr. With the various steps taken by the Company the Net Debt for the India business stood at Rs.12425 Cr as on 30 June 2021 v/s net debt of Rs.16076 Cr as of 31 March 2021. The net debt was reduced by Rs.3641 Cr in the quarter ended June 2021. The gross debt stood at Rs. 13700 Cr as of 30 June 2021. With various plans



envisaged the Company is planning to prepay a significant amount of debt in FY22. The UK project debt has been paid off in full and inventory funding of GBP 382m (including accrued interest) is outstanding in both projects which is self-liquidating in nature from the project cash flows. As per the clarification from the Company these projects are well placed to pay off USD bonds (\$225mn). The Company also has received sanctions for shifts in DCCO for some of the projects. With this approval sanctioned in place the total shift in debt obligation for FY22 was Rs. 1222 Cr.

**Vulnerability of cash flows to the cyclical nature of the industry.**

The real estate market has been witnessing a slowdown in the recent past. Cyclical nature of the real estate industry coupled with subdued demand puts pressure on sales realizations and consequently the cash flows. Some of the projects are also high-end projects, whose sales are influenced by macroeconomic factors.

**Project execution risk and high inventories:** The group is currently executing various projects under various phases and sectors, and as such, is not immune to the project execution risks. However, the comfort is drawn from the group's execution track record and the group's expertise to complete the projects. The pandemic may cause further disruption and adversely impact cash flows of real estate developers.

**Analytical Approach: Consolidated**

The list of entities consolidated is given in the annexure.

**RATING SENSITIVITIES.**

**Positive:** Significant ramp up in the sales and collections, reduction of debt levels and improvement in capital structure.

**Negative:** Downward pressure on sales and collections, weakening of financial risk profile, delays in debt reduction are the key negative sensitivities.

The ratings are also sensitive to successful execution of its key initiatives of asset disposal reduction of debt as envisaged to correct the capital structure.

**Liquidity Indicators:** (As on 20 July 2021): As reflected from cash and bank balance of Rs.51.4Cr, investment in liquid fund amounting to Rs. 165 Cr, Investment in FD amounting to Rs.349.3 Cr (Total FD is Rs.377.3 Cr of which Rs. 28 Cr is lien marked) and unutilized OD balance amounting to Rs.120 Cr. The repayment obligation for FY22 is Rs. 983 Cr and for FY23 is Rs.2918 Cr.

**Company Profile**

**Macrotech Developers Limited.**

Established in 1980, the Lodha Group is a major real estate developer in Mumbai Metropolitan Region (MMR) with focus on developing residential and office spaces. Macrotech Developers Limited (earlier known as Lodha Developers Limited) is the flagship company of the group was

incorporated in 1995. The name of the Company has been changed to “Marcotech Developers Limited” from “Lodha Developers Limited” with effect from 24<sup>th</sup> of May 2019. The brand name continues as Lodha and all projects will continue to be named and sold/leased under the Lodha brands.

The Board of MDL consists of seven members with Mr. Abhishek Mangal Prabhat Lodha as Managing Director and Chief Executive Officer. It has three independent Directors.

#### CONSOLIDATED: KEY FINANCIAL INDICATORS (Rs. Cr)

Result Type	FY20	FY21
Particulars (Rs in Cr)	Audited	Audited
Total Operating Income	12,442.59	5448.57
PAT	741	47.89
Tangible Net Worth	4,093	4578.77
Total Debt	18,423	18,166.85
Total Debt/ Tangible net worth (times)	4.50x	3.9x

**NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Not Applicable**

#### RATING HISTORY FOR THE LAST THREE YEARS.

(Including rating withdrawal and suspended)

Sr. No	Facility	Type	Current Rating				Rating History						
			Amount (Rs. in Cr)	24 August 2021	9 August 2021	May 2021	Sep 2020	Feb 2020	November 2019	August 2019	Feb 2019	2018	2017
1	NCD	LT	65.0	-	Rating withdrawn	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	NA	NA	NA	NA	NA
3	Term Loan (Trump Tower)	LT	613.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative	BWR A Stable	BWR A Stable	NA
4	Term Loan – Lodha Luxuria– Phase 3	LT	123.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative	BWR A Stable	BWR A Stable	NA
5	Term Loan (tower 5)	LT	587.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	NA	NA	NA	NA
6	Loan (Inventory Funding)	LT	365.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	NA	NA	NA	NA
7	Term Loan-Townhouse	LT	129.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative	NA	NA	NA
8	NCD	LT	387.0	BWR BBB+ Stable	BWR BBB Stable	BWR BBB- Stable	BWR BBB- Negative	BWR BBB- Negative	BWR BBB+ Negative	BWR BBB+ Negative	NA	NA	NA

9	Cash Credit	LT	250.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative	NA	NA	NA
10	Term Loan NCP – Tower 2	LT	267.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Assigned	NA	NA
11	Term Loan (Big Win)	LT	322.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Assigned	NA	NA
12	NCD	LT	1.92	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Assigned	NA	NA
13	Term Loan Amara Plot C	LT	849.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Assigned	NA	NA
14	Term Loan (tower I and III)	LT	322.00	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Reaffirmed	BWR A Outlook : Stable Reaffirmed	NA
15	Term Loan NCP Tower 7 and 8	LT	222.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Reaffirmed	BWR A Outlook : Stable Reaffirmed	NA
16	Term Loan Park Tower VI	LT	455.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Reaffirmed	BWR A Outlook : Stable Reaffirmed	NA
17	Term Loan	LT	225		-	-	-	Rating Withdrawn	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Reaffirmed	BWR A Outlook : Stable Reaffirmed	NA
18	FB- - Overdraft Facility	LT	50	BWR A-Stable	50.00	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Reaffirmed	BWR A Outlook : Stable Reaffirmed	NA
19	Secured, Listed, Redeemable Non-Convertible Debenture	LT	375.0	BWR A-Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A-Negative	BWR A-Negative (Downgrade)	BWR A Outlook : Stable Reaffirmed	BWR A Outlook : Stable Reaffirmed	NA

20	FB - Overdraft Facility Sublimit: LC and BG	LT	150.0 0	BWR A- Stable	BWR BBB+ Stable	BWR BBB Stable	BWR BBB Negative	BWR BBB Negative	BWR A- Negative	BWR A- Negative (Downgr ade)	BWR A Outlook : Stable Reaffir med	BWR A Outloo k: Stable Reaffir med	NA
21	FB - Overdraft Facility Sublimit: LC and BG	LT	-		-	BWR BBB Stable BWR A3	BWR BBB Negative BWR A3	BWR BBB Negative BWR A3	BWR A- Negative BWR A2	BWR A- Negative (Downgr ade) BWR A2 (Downgr ade)	BWR A Outlook : Stable BWR A2+ Reaffir med	BWR A Outloo k: Stable BWR A2+ Reaffir med	BWR A Outlo ok: Stable BWR A2+ Stable BWR A2+

### COMPLEXITY LEVELS OF THE INSTRUMENTS:

**Bank Loan Rating: Simple**

**NCD: Complex.**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

[General Criteria](#)

[Approach to Financial Ratios](#)

[Infrastructure Sector.](#)

[Consolidation of Companies](#)

Analytical Contacts	
<b>Ajit Jagnade</b> <b>Senior Manager – Ratings.</b> <b>Board: +91 22 28311426, 28311439.</b> <a href="mailto:ajit.j@brickworkratings.com">ajit.j@brickworkratings.com</a>	<b>Vidya Shankar.</b> <b>Principal Director – Ratings</b> <b>Phone: +91 80 80804490-. Extn: 312</b> <a href="mailto:vidyashankar@brickworkratings.com">vidyashankar@brickworkratings.com</a>
1-860-425-2742	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>

**Macrotech Developers Limited**

**ANNEXURE I**

**Details of Bank Loan Facilities rated by BWR**

<b>Sl. No.</b>	<b>Name of the Bank Lender</b>	<b>Type of Facilities</b>	<b>Long Term (Rs. Crs.)</b>	<b>Short Term (Rs. Crs.)</b>	<b>Total (Rs. Crs.)</b>
1	PNB Housing Finance Limited	Term Loan	613.00	-	613.00
2	Punjab & Sind Bank.	Term Loan	123.00	-	123.00
3	Oriental Bank of Commerce	Term Loan	136.00	-	136.00
4	Canara Bank	Term Loan	92.00	-	92.00
5	Andhra Bank	Term Loan	91.00	-	91.00
6	Bank of India	Term Loan	136.00	-	136.00
7	Bank of Baroda	Term Loan	197.00	-	197.00
8	Punjab & Sind Bank	Term Loan	55.00	-	55.00
9	Bank of Maharashtra	Term Loan	34.00	-	34.00
10	Andhra Bank	Term Loan	36.00	-	36.00
11	L&T Finance Ltd	Term Loan	222.00	-	222.00
12	L&T Infrastructure Finance Company Limited.	Term Loan	267.00	-	267.00
13	Dena Bank (now Bank of Baroda)	Term Loan	322.00	-	322.00
14	Indian Bank	Term Loan	129.00	-	129.00
15	Union Bank of India	Term Loan	314.00	-	314.00
16	IDBI Bank	Term Loan	182.00	-	182.00
17	Punjab & Sind Bank	Term Loan	91.00	-	91.00
18	Union Bank of India	Term Loan	163.00	-	163.00
19	Bank of Maharashtra	Term Loan	131.00	-	131.00



20	Central Bank of India	Term Loan	120.00	-	120.00
21	Bank of Baroda	Term Loan	132.00	-	132.00
22	Andhra Bank	Term Loan	86.00	-	86.00
23	Dena Bank (now Bank of Baroda)	Term Loan	101.00	-	101.00
24	State Bank of India (Hyderabad+ Patiala) (100+100)	Term Loan	116.00	-	116.00
25	State Bank of India	Cash Credit	250.00	-	250.00
26	IndusInd Bank	Overdraft Facilities	150.00	-	150.00
27	Canara Bank	Overdraft Facilities	50.00	-	50.00
28	PNB Housing Finance Limited Term	Term Loan	365.00	-	365.00
Total Rs.4704 Crs (Total Rupees Four Thousand Seven Hundred Four Crores Only)					

## ANNEXURE II

### Details of NCD Instrument

Instrument	Issue Date	Amount [Rs. Crs.]	Coupon Rate (P.A)	Maturity Date	ISIN Particulars
NCD	27-Feb-18	375.0	12.50%	27-Feb-23	INE670K07067
NCD	13-Mar-18	1.92	14%	27- Sept-21	INE711Z07018
NCD	13-Jul-17	387.0	9.50%	13-Jul-23	INE014S07012

Total Rupees Seven Hundred Sixty Three Crores Ninety Two Lakhs Only/-

## ANNEXURE III

### LIST OF ENTITIES CONSOLIDATED AS ON 31 MARCH 2021.

# Annexure 1

List of entities consolidated as at 31 March 2021

Sr. No.	Name of the Company	Relationship
1	Anantnath Constructions and Farms Pvt. Ltd.	Subsidiaries
2	Apollo Complex Pvt. Ltd.	
3	Lodha Developers U.S., Inc.	
4	Ramshyam Infracon Pvt. Ltd.	
5	Bellissimo Constructions and Developers Pvt. Ltd. (Formerly known as Lodha Knowledge Foundation)	
6	Lodha Developers International (Netherlands) B. V.	
7	Odeon Theatres and Properties Pvt. Ltd.	
8	Renover Green Consultants Pvt. Ltd.	
9	Simtools Pvt. Ltd.	
10	Sitaldas Estate Pvt. Ltd.	
11	Copious Developers and Farms Pvt. Ltd.	
12	Center for Urban Innovation	
13	Lodha Developers Canada Ltd.	
14	Palava Institute of Advanced Skill Training	
15	Lodha Developers International Ltd.	
16	Bellissimo Estate Pvt. Ltd. (Formerly known as Palava City Management Association)	
17	Brickmart Constructions And Developers Pvt. Ltd.	
18	Classichomes Developers & Farms Pvt. Ltd	
19	Cowtown Infotech Services Pvt. Ltd. (Formerly known as Cowtown Land Development Pvt. Ltd.)	
20	Cowtown Software Design Pvt. Ltd. (Formerly known as Nabhiraja Software Design Pvt. Ltd.)	
21	Palava Industrial and Logistics Park Pvt. Ltd. (Formerly Grandezza Supremous Thane Pvt. Ltd.)	
22	Homescapes Constructions Pvt. Ltd.	
23	Luxuria Complex Pvt. Ltd.	
24	National Standard (India) Ltd.	
25	One Place Commercials Pvt. Ltd. (Formerly known as Sahasrabuddhe Tutorials Pvt. Ltd.)	
26	Palava City Management Pvt. Ltd.	
27	Palava Dwellers Pvt. Ltd.	
28	Palava Induslogic 2 Pvt. Ltd.	
29	Primebuild Developers and Farms Pvt. Ltd.	
30	Roselabs Finance Ltd.	
31	Sanathnagar Enterprises Ltd.	

32	Bellissimo Buildtech LLP	
33	MMR Social Housing Private Limited (formerly known as Lodha Buildcon Pvt. Ltd.)	
34	Lodha Developers UK Ltd.	
35	Lodha Developers 1GSQ Limited*	
36	Lincoln Square Apartments Limited*	
37	Lodha Developers 48CS Limited*	
38	New Court Holdings Limited*	
39	1GSQ Leaseco Limited*	
40	Lodha Developers Dorset Close Limited*	
41	Lodha Developers 1GSQ Holdings Limited*	Jointly venture
42	Grosvenor Streeel Apartment Limited*	
43	Lodha Developers International (Jersey) III Limited*	
44	New Court Developers Limited*	
45	1GS Investments Limited*	
46	1GS Residences Limited*	
47	1GS Properties Investments Limited (Formerly GS Penthouse Limited)*	
48	Altamount Road Properties Private Limited	
49	Kora Construction Private Limited	Associate

\* Subsidiaries of Lodha Developers UK Limited

#### For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**About Brickwork Ratings :** Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.



**DISCLAIMER :** Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as “Instruments”]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR’s best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR’s opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user’s financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR’s ratings reflect BWR’s opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, “BWR Party”) guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR’s public ratings and analysis are made available on its web site, [www.brickworkratings.com](http://www.brickworkratings.com). More detailed information may be provided for a fee. BWR’s rating criteria are also generally made available without charge on BWR’s website.



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.