

**BGR ENERGY SYSTEMS LIMITED**

443 ANNA SALAI, TEYNAMPET, CHENNAI 600018 INDIA
TEL: 91 44 24326171, 24326174 FAX: 91 44 24360576
E-mail: compliance@bgrenergy.com Web site: www.bgrcorp.com

November 07, 2023

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

BSE Limited
Department of Corporate Services
P J Towers, Dalal Street,
Fort, Mumbai - 400001

NSE Symbol: BGREENERGY

BSE Scrip: 532930

Dear Sir / Madam,

Sub.: Disclosure under Regulation 30(2) read with Clause 3 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Pursuant to Regulation 30(2) read with Clause 3 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby inform the revision in ratings assigned to the Company's bank loan facilities by Brickwork Ratings India Pvt. Ltd. vide its letter dated 06/11/2023 as under:

Facilities	Aggregate Amount (Rs. in Crore)	Credit Rating	
		Previous	Present
Fund Based Working Capital Facilities - Long Term	1854.50	BWR BBB- / Negative Reaffirmation	BWR D Downgrade
Non-Fund Based Working Capital Facilities - Short Term	3999.10	BWR A3 Reaffirmation	BWR D Downgrade
Total	5853.60		

The rating rationale provided by Brickwork Ratings India Pvt. Ltd. in this regard is enclosed.

Kindly take the above information on record.

Thanking You,

Yours truly,
For BGR Energy Systems Limited
KRISHNA
KUMAR
S.Krishna Kumar
President & Company secretary

Encl : As above

REGISTERED OFFICE:

A-5 PANNAMGADU INDUSTRIAL ESTATE, RAMAPURAM POST, SULURPET TALUK, NELLORE DISTRICT, ANDHRA PRADESH 524401 INDIA
TEL: 91 44 27900181, 27948549 FAX: 91 44 27948249
Corporate Identity Number: L40106AP1985PLC005318

RATING RATIONALE

06Nov2023



BGR Energy Systems Limited

Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of Rs. 5853.60 Crs. of BGR Energy Systems Limited

Particulars

Facilities**	Amount (Rs.Crs.)		Tenure	Rating#	
	Previous	Present		Previous (08 Aug 2022)	Present
Fund Based	2134.30	1854.50	Long Term	BWR BBB- /Negative Reaffirmation	BWR D Downgrade
	(40.20)	(34.80)			
	(31.00)	(25.00)			
Non Fund Based	4564.76	3999.10	Short Term	BWR A3 Reaffirmation	BWR D Downgrade
	(10.00)	(10.00)			
	(65.00)	(0.00)			
	(30.00)	(0.00)			
	(175.00)	(170.00)			
	(25.00)	(0.00)			
Grand Total	6699.06	5853.60	(Rupees Five Thousand Eight Hundred Fifty Three Crores and Sixty lakhs Only)		

#Please refer to BWR website www.brickworkratings.com (<https://www.brickworkratings.com>) for definition of the ratings

**Details of Bank Loan facilities,consolidation or instruments are provided in Annexure

RATING ACTION / OUTLOOK

The revision of the ratings of the bank loans of BGR Energy Systems Ltd ('BESL' or 'the company') follows the classification of the account as a Non-Performing Asset (NPA) by three of its lenders as disclosed by the company on BSE's website on 03Nov2023. The company has disclosed that the downgrade was based on the RBI divergence remarks to these banks, inter alia, on the financial position of the Company. The lenders have confirmed to BWR about the slippage of the account status to NPA. BWR understands from all the lenders that the debt servicing is regular, however, the asset classification was revised to NPA with retrospective effect by three of its lenders as mentioned earlier, on account of the RBI divergence remarks.

The ratings also reflect the declining financial risk profile marked by a reduction in revenues in FY23, continuing losses at a net level for the past three years and deterioration in the gearing as on 31 Mar 2023. The ratings continue to be constrained by the modest scale of operations in a competitive landscape, low order accretion with an unexecuted order book concentration and industry inherent risk viz, Raw material price volatility and working capital intensity.

KEY RATING DRIVERS

Credit Strengths:

- **Experienced and qualified management team :**

BGR Energy Systems Limited and the promoters have a long track record of around four decades and extensive experience in the industry of Boiler, Turbine and Generator (BTG) and Balance Of Plant (BOP) segments of the power sector. Such extensive relevant experience has led to a demonstrated record of project deliveries, established relationships with suppliers and customers, obtaining repeat orders and addressing associated inherent risks.

- **Established operational track record and moderate order book :**

The company has been in operation since 1985. The company has demonstrated its project execution capability in the sector and has been able to win repeat orders from various state government discoms based on its established track record. The company's unexecuted order book has remained stable at Rs.6671 Crs as on 30 Jun 2023 (Rs.6300 crs as on 31 March 2022) with new order accretion to the tune of ~ Rs.800 crs for FY23 (inclusive of ~Rs.518 crs of Civil Contracts). The unexecuted order book provides revenue short to medium-term visibility as reflected at 8.26x times the FY23 revenues which has accentuated due to decline in TOI.

- **Reputed clientele :**

The clientele base of the company includes state govt entities like Tamilnadu Generation and Distribution Corporation Ltd, Andhra Pradesh Power Generation Corporation Ltd, Neyveli Uttar Pradesh Power Limited, Tamilnadu Generation and Distribution Corporation Ltd which are known to be reputed and have lower counterparty risk. Due to the reputed client profile, the company has low counterparty credit risk, though at times there can be delays in realisations of some bills.

Credit Risks:

- **Account classification as NPA :**

As disclosed by the company to the exchanges on 03 Nov 2023, three of the lenders have classified the accounts of the company as NPA with retrospective effect. The change in classification by lenders follows observations of RBI in its divergence report of these banks notwithstanding the regularity in the company's debt servicing as confirmed by all the lenders.

- **Declining financial profile marked by a reduction in the scale of operations, continuing net losses and high gearing :**

The company's moderate scale of operations is reflected by the YOY decline of ~34% in the operating revenue of Rs.807.27 Crs during FY23(Rs.1220.70 Crs in FY22). The company has reported an EBITDA loss of Rs.270.32 Crs during FY23 as against an EBITDA profit of Rs.137.09 Crs in FY22 primarily on account of exceptional items like writing off of Rs. 135 Crs of receivables from RRVUNL project, levy of performance Liquidated Damages. The net loss stood at Rs 478.54 Crs in FY23(PY: Rs 178.07 Crs). Tangible Networth (TNW) deteriorated to Rs 403.24 Crs as on 31 Mar 2023 as against Rs 881.35 Crs as on 31 Mar 2022 mainly on account of accumulated losses. Gearing was stretched at 4.57 times as on 31 Mar 2023 when compared to 2.13 times as on 31 Mar 2022 on the back of deteriorated tangible net worth. TOL/TNW position remained weak at 10.53 times as on 31 Mar 2023 as against 4.99 times as on 31 Mar 2022. The ISCR and DSCR were below average on account of the EBITDA and net losses in FY23. As per the unaudited Q1FY24 results, the company has achieved a TOI of Rs 144.95 Crs during Q1FY24, an EBITDA loss of Rs 23.07 Crs and a PAT loss of Rs 90.95 Crs.

- **Orderbook concentration risk :**

The company's ~73% of the unexecuted order book as on 30 Jun 2023 is concentrated in Tamilnadu. Additionally, the company's Power Projects Division (PPD) segment holds ~65% (Rs.4345 Crs) share in the unexecuted order book with sole project from TANGEDCO (Ennore) continues to contribute ~85% of PPD order book and ~55% of the total unexecuted order book as on 30 Jun 2023. The top five projects constitute ~66% of the order book as on 30 Jun 2023. As such the company's revenue and profitability remain susceptible to the associated risks related to the segment. Any unforeseen political uncertainty or other adverse scenarios in these states could adversely affect the industry having a direct impact on the company's timely execution of projects, billing, revenue realization and margins.

- **Competition and low order accretion :**

In the BOP segment, BGR faces competition from established domestic players such as L&T Limited, Tata Projects Limited, Thermax Limited, etc. The company derives strength from its established track record in executing BOP projects backed by in-house Engineering and Manufacturing capability developed over the years to support the BOP projects. However, the growth prospects in the long term would depend upon project diversification, given the slowdown in the new project addition/expansion in the thermal power project segment. The company's unexecuted order book has remained stable at Rs.6671 Crs as on 30 Jun 2023 as against Rs 6300 crs as on 31 Mar 2022 with new order accretion to the tune of ~ Rs.800 crs for FY23 and ~Rs.185 Crs during Q1FY24. The order accretion has been low given the scale of operations of the company.

- **Raw material price volatility and working capital intensity :**

The company's operations are vulnerable to price variations in key raw materials as most of the contracts (~80%) are fixed price contracts without price escalation or variations clauses. Further, the tender-based operations limit pricing flexibility in an intensely competitive industry which in turn adversely impacts the profitability. The company's operations are working capital-intensive due to the high cost of construction materials, high labour costs, advances to suppliers, and delays in getting payments from government departments, among others. Additionally, delays in receivables and high retention money with the Government departments also lead to working capital intensity and reliance on bank borrowings.

ANALYTICAL APPROACH - Standalone

For arriving at its ratings, BWR has considered the standalone financials of the company. BGR has 3 subsidiary companies and 1 Joint Venture, namely, BGR Boilers Pvt Ltd, BGR Turbines Company Pvt Ltd, Sravanna Properties Ltd and Mecon - GEA Energy System (India) Limited. However, as the contribution from the subsidiary companies is not significant, a standalone approach is adopted for rating. BWR has applied its rating methodology as detailed in the Rating Criteria.

RATING SENSITIVITIES

The ability of the company to register significant improvement in revenues, achieve profits at EBITDA and net level aiding the liquidity of the company, improve its order accretion, commencement of full-fledged operations in the Ennore project, achieve resolution of the NCLT cases by the financial creditors will remain key rating sensitivities.

Upward:

- Change in Asset classification by the Lenders to standard category.
- Significant improvement in the revenue with the achievement of profit at EBITDA and net level on a sustained basis.
- Significant improvement in order accretion and unexecuted orderbook on a sustained basis supporting the business profile.
- Improvement in the liquidity profile due to cash flow from operations on a sustained basis and resolution of the NCLT proceedings.

Downward: Not applicable.

LIQUIDITY INDICATORS - Poor

The company's liquidity position is poor marked by high utilisation of working capital limits (~90-100%), past operational losses and low current ratio. The average limit utilization remained ~90-100% as confirmed with the working capital lenders. The current ratio has remained static at 1 time as on 31 Mar 2023 (PY 1 time). The unencumbered cash and cash equivalents were low given the scale of operations at ~Rs 2.19 crs as on 31 March 2023 and Rs 2.47 Crs as on 30 Jun 2023. The EBITDA loss stood at Rs.270.32 Crs for FY 23 (PY EBITDA profit of Rs 137.09 Crs) which was not sufficient to cover interest and finance charges of Rs.399.42 Crs for FY23. The Debt protection metrics continue to be subdued as on 31 Mar 2023 with losses at EBITDA and Net level. The EBITDA loss stood at Rs.23.07 Crs for Q1FY24 which was insufficient to cover interest and finance charges of Rs. 99.63 Crs for Q1FY24. BWR also takes note of ongoing litigation with respect to the BG invocation of Rs 163.37 Crs. An adverse final judgement shall further impact the liquidity profile of the company. However, BWR notes the liquidity support available by timely infusion of promoter funds. During FY23, the promoters infused unsecured loans (USL) of Rs.231 Crs which are interest-bearing and repayable on demand subject to Banker's approval. The company has further infused an unsecured loan of Rs 70 Cr in Q1FY24 and Rs 88 Crs in Q2FY24 as reported by the company. The company does not have any long term debt apart from the said USLs. The liquidity is expected to be supported by the settlement of the claim from an earlier shelved project (DVC). The company expects to receive Rs.200 crs (net off expenses) in the business during Q3FY24.

ABOUT THE ENTITY

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Construction	Construction	Civil Construction

BGR Energy Systems Limited (BESL) is a listed company, was incorporated in 1985 as GEA Energy System India Pvt Ltd, as a joint venture between GEA Energie technik GmbH, Germany and the Promoter, Mr B G Raghupathy to manufacture and sell Condenser Tube Cleaning Systems, Debris Filters and Rubber Cleaning Balls used in Thermal and Nuclear Power Plants.

In 1993, BGR family became the sole shareholders of the Company as the joint venture partner exited the business. During 2007, it was renamed to BGR Energy Systems Limited. BESL comprises of 6 divisions viz., Power Projects division, Oil & Gas Equipment Division, Air Fin cooler division, Environmental Engineering Engineering, Procurement & Construction(EPC) division and Electrical Projects Division. Majority of the projects of the company are in the BTG (Boiler, Turbine & Generator) and BOP (Balance of Plant) segments for the power sector.

KEY FINANCIAL INDICATORS (Standalone)

Key Parameters	Units	FY 21 - 22 (Audited)	FY 22 - 23 (Audited)	FY 23 - 24 (Unaudited - Midterm_Q1)
Operating Revenue	Rs.Crs.	1220.70	806.27	144.95
EBITDA	Rs.Crs.	137.09	-270.00	-23.07
PAT	Rs.Crs.	-178.07	-478.54	-90.95
Tangible Net Worth	Rs.Crs.	881.35	403.24	Not Available

Total Debt / Tangible Net Worth	Times	2.13	4.57	Not Available
Current Ratio	Times	1.00	1.00	Not Available

KEY COVENANTS OF THE FACILITY RATED

The terms of sanction include standard covenants normally stipulated for bank loan facilities.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY

NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)

Facilities		Current Rating (2023)		2022		2021		2020	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	1854.50	BWR D (Downgrade)	08Aug2022	BWR BBB-Negative (Reaffirmation)	05Mar2021	BWR BBB Negative (Reaffirmation and change in Outlook)	07Sep2020	BWR BBBStable (Downgrade)
		0.00	NA	NA	NA	12Jul2021	BWR BBB-Negative (Downgrade)	NA	NA
Non Fund Based	ST	3999.10	BWR D (Downgrade)	08Aug2022	BWR A3 (Reaffirmation)	05Mar2021	BWR A3 (Downgrade)	07Sep2020	BWR A3+ (Downgrade)
		0.00	NA	NA	NA	12Jul2021	BWR A3 (Reaffirmation)	NA	NA
Grand Total		5853.60	(Rupees Five Thousand Eight Hundred Fifty Three Crores and Sixty lakhs Only)						

COMPLEXITY LEVELS OF THE INSTRUMENTS - Simple

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com / download / ComplexityLevels.pdf](https://www.brickworkratings.com/download/ComplexityLevels.pdf) (<https://www.brickworkratings.com/download/ComplexityLevels.pdf>). Investors queries can be sent to info@brickworkratings.com (<mailto:info@brickworkratings.com>).

Hyperlink/Reference to applicable Criteria

- [General Criteria](https://www.brickworkratings.com/download/Criteria-GeneralCriteriaUpdated.pdf) (<https://www.brickworkratings.com/download/Criteria-GeneralCriteriaUpdated.pdf>)
- [Approach to Financial Ratios](https://www.brickworkratings.com/download/Criteria-FinancialRatiosUpdated.pdf) (<https://www.brickworkratings.com/download/Criteria-FinancialRatiosUpdated.pdf>)
- [Infrastructure Sector](https://www.brickworkratings.com/download/Criteria-InfrastructureUpdated.pdf) (<https://www.brickworkratings.com/download/Criteria-InfrastructureUpdated.pdf>)
- [Engineering Procurement and Construction \(EPC\) Companies](https://www.brickworkratings.com/download/Criteria%20%E2%80%93EPC-Companies-Web-Version_1.4.pdf) (https://www.brickworkratings.com/download/Criteria%20%E2%80%93EPC-Companies-Web-Version_1.4.pdf)
- [Short Term Debt](https://www.brickworkratings.com/download/Criteria-ShortTermDebtUpdated.pdf) (<https://www.brickworkratings.com/download/Criteria-ShortTermDebtUpdated.pdf>)
- [Default Recognition and Default Curing Period](https://www.brickworkratings.com/download/Criteria-DefaultRecognitionDefaultCuringPeriodlatest.pdf) (<https://www.brickworkratings.com/download/Criteria-DefaultRecognitionDefaultCuringPeriodlatest.pdf>)

Analytical Contacts

Revathy Thamizharasu

Rating Analyst

revathy.t@brickworkratings.com

(<mailto:revathy.t@brickworkratings.com>)

Saakshi Kanwar

Associate Director - Ratings

saakshi.k@brickworkratings.com

(<mailto:saakshi.k@brickworkratings.com>)

1-860-425-2742 | media@brickworkratings.com (<mailto:media@brickworkratings.com>)

ANNEXURE-I

Details of Bank Facilities rated by BWR

SL.No.	Name of the Bank/Lender	Type Of Facilities	Long Term(Rs.Crs.)	Short Term(Rs.Crs.)	Total(Rs.Crs.)
1	Axis Bank Ltd.	Bank Guarantee-Sanctioned	-	63.90	63.90
2	Bank of Baroda	Bank Guarantee-Sanctioned	-	10.10	10.10
3	Bank of Baroda	Cash Credit-Sanctioned	62.00	-	62.00
4	Bank of India	Cash Credit-Sanctioned	88.40	-	align="right"> 88.40
		Sub-Limit (Letter of Credit) -Sanctioned		(10.00)	
5	Bank of India	Bank Guarantee-Sanctioned	-	180.20	180.20
6	Canara Bank	Bank Guarantee-Sanctioned	-	307.50	307.50
7	Canara Bank	Cash Credit-Sanctioned	105.40	-	align="right"> 105.40
		Sub-Limit (Letter of Credit) -Sanctioned		(0.00)	
8	Canara Bank	Working Capital Demand Loan-Sanctioned	158.10	-	158.10
9	Central Bank of India	Working Capital Demand Loan-Sanctioned	23.40	-	23.40
10	Central Bank of India	Cash Credit-Sanctioned	35.60	-	35.60
11	Central Bank of India	Bank Guarantee-Sanctioned	-	57.30	57.30
12	Export Import Bank of India	Bank Guarantee-Sanctioned	-	-	0.00
13	ICICI Bank	Bank Guarantee-Sanctioned	-	81.00	81.00
14	ICICI Bank	Cash Credit-Sanctioned	25.00	-	align="right"> 25.00
		Sub-Limit (Working Capital Loan) -Sanctioned	(25.00)		
15	IDBI Bank	Working Capital Demand Loan-Sanctioned	25.40	-	25.40
16	IDBI Bank	Bank Guarantee-Sanctioned	-	273.50	273.50
17	IDBI Bank	Cash Credit-Sanctioned	16.70	-	16.70
18	Indian Bank	Cash Credit-Sanctioned	203.00	-	align="right"> 203.00
		Sub-Limit (Letter of Credit) -Sanctioned		(0.00)	
19	Indian Bank	Bank Guarantee-Sanctioned	-	122.00	122.00
20	Indian Bank	Letter of Credit-Sanctioned	-	-	0.00
21	Karur Vysya Bank	Bank Guarantee-Sanctioned	-	-	0.00
22	Kotak Mahindra Bank	Bank Guarantee-Sanctioned	-	16.20	16.20
23	Kotak Mahindra Bank	Cash Credit-Sanctioned	0.50	-	0.50

SL.No.	Name of the Bank/Lender	Type Of Facilities	Long Term(Rs.Crs.)	Short Term(Rs.Crs.)	Total(Rs.Crs.)
24	Punjab National Bank	Cash Credit-Sanctioned	-	-	0.00
25	Punjab National Bank	Bank Guarantee-Sanctioned	-	277.00	277.00
26	State Bank Of India (SBI)	Bank Guarantee-Sanctioned	-	1191.40	1191.40
27	State Bank Of India (SBI)	Cash Credit-Sanctioned	853.00	-	853.00
		Sub-Limit (Letter Of Credit) -Sanctioned		(170.00)	
28	State Bank Of India (SBI)	Credit Exposure Limit (CEL)-Sanctioned	-	10.00	10.00
29	State Bank Of India (SBI)	Letter of Credit-Sanctioned	-	65.00	65.00
30	Un tied portion	Letter of Credit-Proposed	-	450.00	450.00
31	Un tied portion	Bank Guarantee-Proposed	-	750.00	750.00
32	Un tied portion	Cash Credit-Proposed	200.00	-	200.00
33	Union Bank of India	Cash Credit-Sanctioned	58.00	-	58.00
		Sub-Limit (Letter of Credit) -Sanctioned		(0.00)	
		Sub-Limit (Working Capital Loan) -Sanctioned	(34.80)		
34	Union Bank of India	Bank Guarantee-Sanctioned	-	144.00	144.00
Total			1854.50	3999.10	5853.60
TOTAL (Rupees Five Thousand Eight Hundred Fifty Three Crores and Sixty lakhs Only)					

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, Securitization Products, Municipal Bonds, etc. BWR has rated over 11,560 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.

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, Securitization 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 judgment 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 judgment 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 (<https://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.