



Ref. No. VIPUL/SEC /FY2018-19/ 1891

January 08, 2019

The Secretary BSE Limited, (Equity Scrip Code: 511726) Corporate Relationship Department, At: 1 <sup>ST</sup> Floor, New Trading Ring, Rotunda Building, PhirozeJeejeebhoy Towers, Dalal Street, Fort,Mumbai-400001	The Manager (Listing) National Stock Exchange of India Limited, (Equity Scrip Code: VIPULLTD) Exchange Plaza, BandraKurla Complex, Bandra, Mumbai-400051
--	--

**Re: Update on Credit Rating**

Dear Sir,

This is to inform you that M/s Brickwork Ratings Private Limited (BWR), upon the request of the Company, has assigned the ratings for the Bank Loan facilities to the tune of Rs. 395.67 Cr. of the Company:

Facility	Amount (₹ Crs)	Tenure	Rating
Fund based	342.19	Long Term	BWR BBB-(SO) (Pronounced as BWR Triple B Minus (Structured Obligation)) Outlook : Stable
Non Fund Based	53.48	Short Term	
Total	395.67	INR Three Hundred Ninety Five Crores and Sixty Seven Lakhs Only	

This is to inform you further that based on the current financial position of the Company coupled with the relative market situation the rating has revised as under: -

- **BWR BBB-(SO) (Pronounced as BWR Triple B Minus (Structured Obligation)) Outlook: Stable**

You are requested to kindly take the above on record.

Thanking you  
Yours faithfully  
For Vipul Limited

  
(Punit Beriwal)  
Managing Director

Encl: As above



SEBI Registered  
RBI Accredited  
NSIC Empanelled

**BWR/BLR/HO/SRC/VI/4075/2018-19**  
**04Jan2019**

**Mr. Punit Beriwal**  
Managing Director  
**Vipul Limited**  
Vipul tech square,  
Golf Course Road, Sec-43,  
Gurugram-122009  
Haryana

**Dear Sir**

**Sub: Rating of the Bank Loan Facilities of Vipul Limited amounting to ₹ 395.67 Crores (INR Three Hundred Ninety Five Crores and Sixty Seven Lakhs Only).**

Thank you for giving us an opportunity to undertake the Rating of the Bank Loan facilities sanctioned to your Company. Based on the information and clarifications provided by you, we are pleased to inform you that **Vipul Limited** bank loan facilities aggregating ₹ 395.67 Crs have been assigned ratings as follows:

Facility	Limits (₹ Crs)	Tenure	Rating*
Fund Based	342.19	Long Term	BWR BBB-(SO) (Pronounced as BWR Triple B Minus (Structured Obligation)) Outlook : Stable
Non Fund Based	53.48		
<b>Total</b>	<b>395.67</b>	<b>INR Three Hundred Ninety Five Crores and Sixty Seven Lakhs Only</b>	

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

The Ratings are valid for twelve months subject to terms and conditions that were agreed in your mandate dated **13Dec2018** and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended at the end of this letter.



**Brickwork Ratings India Pvt. Ltd.**

**Page 1 of 3**

204-205, 2<sup>nd</sup> Floor, Kanchenjunga Building, #18, Barakhamba Road, New Delhi - 110 001  
Phone: +91 11 2341 2232 • Fax: +91 11 2341 3896 • 1-860-425-2742 | [info@brickworkratings.com](mailto:info@brickworkratings.com) • [www.BrickworkRatings.com](http://www.BrickworkRatings.com)

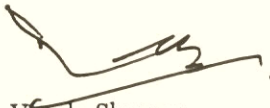
Ahmedabad • Bengaluru • Chandigarh • Chennai • Hyderabad • Kolkata • Mumbai • New Delhi

CIN: U67190KA2007PTC043591

**Vipul Limited**

The rated Bank Loan facilities would be under surveillance during the said period. You are required to submit information periodically as per Annexure-I 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 monthly basis.**

Best Regards,

  
j Vipula Sharma  
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](http://www.brickworkratings.com), If they are unable to view the rationale, they are requested to inform us on [brickworkhelp@brickworkratings.com](mailto:brickworkhelp@brickworkratings.com).

**Disclaimer:** Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

**Vipul Limited**

**Annexure-I**

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/default 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](mailto:dat@brickworkratings.com)



**Brickwork Ratings India Pvt. Ltd.**

**Page 3 of 3**

204-205, 2<sup>nd</sup> Floor, Kanchenjunga Building, #18, Barakhamba Road, New Delhi - 110 001

Phone: +91 11 2341 2232 • Fax: +91 11 2341 3896 • 1-860-425-2742 | [info@brickworkratings.com](mailto:info@brickworkratings.com) • [www.BrickworkRatings.com](http://www.BrickworkRatings.com)

Ahmedabad • Bengaluru • Chandigarh • Chennai • Hyderabad • Kolkata • Mumbai • New Delhi

CIN: U67190KA2007PTC043591



## Rating Rationale

### Vipul Limited

**Brickwork Ratings assigns the ratings for the Bank Loan Facilities of ₹395.67 Crores of Vipul Limited.**

#### Particulars

Facility	Amount (₹ Crs)	Tenure	Rating*
Fund based	342.19	Long Term	BWR BBB-(SO) (Pronounced as BWR Triple B Minus (Structured Obligation)) Outlook : Stable
Non Fund Based	53.48	Short Term	
<b>Total</b>	<b>395.67</b>	<b>INR Three Hundred Ninety Five Crores and Sixty Seven Lakhs Only</b>	

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

#### Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has initially relied on the audited financials of FY18, projected cash flow, publicly available information and information/classification provided by the Company.

The rating has, in addition, factored in the experienced management team and established track record. The rating also takes into account the company flag ship project, Aachan, local demand and an age, increase in FAR in Feb 2018 which has increased the available billable area in the project and increase in cash flow during FY19 due to increase in demand for the project. The rating is, however, constrained by lack of demand for residential project in the NCR region, increase in lease age level and project execution risk.

Going forward, completion of project within time line, achieving projected cash flow and ensuring timely servicing of debt would be the key rating sensitivities.

## Description of Key Rating Drivers

### Credit Strengths:

- Experienced Management:** - Mr. Punit Behera is the Promoter and Managing Director. He holds a B.Com Degree from Kolkata University & has over 31 years of professional experience. Mr. Gunde Singh is the CEO. She holds a B.Arch Degree from Chandigarh College of Architecture & has over 35 years of experience, of which 16 years have been with VRL Limited.
- Established track record:** - The company has delivered 19 projects in a total area of around 12 million sq. ft. of which around 9.33 million sq. ft. of area is developed in Gurgaon indicating company's long experience in the market.
- Flagship Project Aarohan:** - The company recently has launched its flagship project Aarohan which will be developed in Gurgaon. Completion of first phase of the project is going on. The project enjoys locational advantage as it is in Golf Course Road, one of the premium locations of Gurgaon. Also, this is the only land parcel available to be developed in the location and hence demand is expected to be relatively higher for the project.
- The company has already sold around 29.32% of the project. Also the company has received Rs. 146.03 Crores as advance and this will be linked to the progress of the project.
- Increase in FAR:** - In February 2018, FAR available for the project has increased. It has increased the total area which can be developed under the proposed guideline from 1.75 million sq. ft. to 3.26 million sq. ft. Now the company will develop 11000 sq. ft. in place of initially planned 6000 sq. ft. on the same land parcel and hence expected cash flow has also increased from the project. First Phase of the project consists of 3000 sq. ft. and second phase consists of 8000 sq. ft.

### Credit Risks:

- Project Execution Risk:** - The project is under construction and is expected to be completed by FY 2022 depending on implementation in k. Further, substantial portion of the construction cost is expected to be financed from cash advance and hence timely availability will be a key determinant in the successful and timely completion of the project.
- Difficult Industry Scenario:** - Real estate industry is facing a downturn for last 2 or 3 years due to overall economic conditions, reduced demand and impact of



like RERA and ... la ion . Ho e e , loca ional ad an age  
eco di e ec ... iga e he ik of lo e o e all demand.

- **Rating Level:-** Le ... of he com an i on i e com in o l fo la  
ea ... ec ed o g ... he coming ea a loan fo fi ha e of  
ma i ... ll di b ... D e all he le e age fo he projec ha been  
ma ed a ... he le el

### Annual Approach

For rating a ... a ... na ce ... ed e al a ion of all he on going projec hich a e  
ing com le ion ... f o ... ha e of projec Aa ohan hich i eno gh o mee  
b obligation ... projec ... e con ide a ion. The com an i e ec ed o la nch  
of econd ha ... ec in ... half of he ea .

### Rating Outlook

... al Li ... ine ik ofile ill be main ained o e he medi m  
look in ... o likelihood of a ing change o e he medi m e m. The  
ma be e i e ... o i i e' in c



### Promoter of the company

**Punit Beriwal - Promoter & Managing Director:- Mr. Punit Beriwal** Hold a B.Com Degree from Kolkata University & has over 31 years of professional experience. He is an expert in Real Estate business through joint venture in the real estate and business development of independent.

### Company Financial Performance

The company has reported operating income of ₹ 269.16 Crores in an operating profit of ₹ 30.73 Crores in FY18 again and operating income of ₹ 226.40 Crores in an operating profit of ₹ 19.78 Crores in FY17.

### Rating History for the last three years

S.No	Instrument /Facility	Current Rating			Rating History		
		Term	Amount (₹ Crores)	Rating	2017	2016	2015
	<b>Fund Based</b>						
1.	Term Loan	Long Term	305.77	BWR BBB-(SO) (Proposed as BWR Title B Min (Secured Obligation))	NA	NA	NA
2.	Cash Credit /OD		33.00				
3.	Draw Line Limit		3.42				
4.	Bank Guarantee		53.48				
	<b>Total</b>		<b>395.67</b>	<b>₹Three Hundred Ninety Five Crores and Sixty Seven Lakhs Only</b>			

**Status of non-cooperation with previous CRA (if applicable)-NA**





Analytical Contacts	Media
<b><i>Vipula Sharma</i></b> <b><i>Director - Ratings</i></b>	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
<a href="mailto:anal@brickworkratings.com">anal@brickworkratings.com</a>	<b>Relationship Contact</b>
	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</b>	

### For print and digital media

The Rating Rationale is an outcome of the evaluation process, of dissemination through print, digital or electronic media. While it may be used by you for acknowledging credit to BWR, please do not change the wording in the rationale or avoid conveying a meaning different from that intended by BWR. BWR alone has the sole right of having (both direct and indirect) information for consideration of the issuer through any print or electronic or digital media.

### Note on complexity levels of the rated instrument:

BWR complexity level is a meaningful indication in itself. The BWR complexity level is available at [www.brickworkratings.com/download/ComplexityLevel.pdf](http://www.brickworkratings.com/download/ComplexityLevel.pdf). In case you need it, it can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

### About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has already been accredited by RBI and empaneled by NSIC, offering Bank Loan, NCD, Commercial Paper, MSME rating and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by NREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, a partner and strategic alliance.

BWR has its corporate office in Bengaluru and a consolidated presence in its office in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with its presence in 150+ locations. BWR has rated debentures/bonds/bank loans, etc. issued to the tune of ₹ 10,00,000 Cr. In addition, BWR has rated over 6300 MSMEs. Also, Fixed Deposits and Commercial Paper to the tune of ₹ 24,440 Cr. have been rated.

### DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable care to avoid any data distortion; however, it does not guarantee the accuracy of



completeness of the information obtained. And hence, the information in this report is intended as a guide only and does not constitute an offer of any kind. BWR does not make any representation in respect of the accuracy of any information. The ratings assigned by BWR should be read as an opinion and not a recommendation. All holders of the securities and BWR shall not be liable for any loss incurred by them from any of the securities concerned. BWR has the right to change, amend or withhold a rating at any time for any reason.