

March 31, 2023

## Brigade Enterprises Limited: Change in limits

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based – Term loan	1,582.00	1,836.00	[ICRA]A+ (Positive); Outstanding
Long-term fund-based - CC/OD	90.00	90.00	[ICRA]A+ (Positive); Outstanding
Long-term unallocated limits	528.00	274.00	[ICRA]A+ (Positive); Outstanding
Short-term non-fund based sublimit of CC/OD	(40.00)	(40.00)	[ICRA]A1; Outstanding
<b>Total</b>	<b>2,200.00</b>	<b>2,200.00</b>	

\*Instrument details are provided in Annexure-I

### Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, the liquidity position and rating sensitivities, and key financial indicators: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Real Estate Entities</a> <a href="#">Rating approach - Lease rental discounting (LRD)</a> <a href="#">Rating Methodology- Hotels</a> <a href="#">Rating approach - Consolidation</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has consolidated the financial profiles of BEL and its subsidiaries given the close business, financial and managerial linkages among them. Refer- Annexure II.

### About the company

BEL, a real estate development company, is promoted by Mr. M. R. Jaishankar and his family. The Brigade Group has completed and delivered a total area of more than 72 msf, comprising over 255 residential, commercial and hospitality projects. The company has established itself as one of the major diversified real estate developers in Bengaluru. The company is developing 17.8 msf (BEL's share – 13.5 msf) of real estate projects (by saleable area) as of December 31, 2022, 1.3 msf of leasing development and 0.11 msf of hospitality project. Though BEL's operations are concentrated in Bengaluru, it is developing projects in Chennai, which is emerging as the second largest market for the company and a few other projects in Hyderabad, Mysore, Kochi, and GIFT City.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

	Instrument	Type	Current Rating (FY2023)				Chronology of Rating History			
			Amount Rated (Rs. crore)	Amount Outstanding # (Rs. crore)	Date & Rating in		Date & Rating in FY2022		Date & Rating in FY2021	Date & Rating in FY2020
					Mar 31, 2023	Nov 18, 2022	Dec 3, 2021	Aug 2, 2021	Dec 18, 2020	Sep 20, 2019
1	Term loans	Long Term	1836	1440	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
2	Overdraft	Long Term	90	-	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
3	Unallocated limits	Long Term	274	-	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)
4	LC / BG *	Short Term	(40)	-	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1
5	WCTL*	Short Term	-	-	-	-	[ICRA]A1	[ICRA]A1	-	-

# as on Dec 31, 2022; \* - Letter of credit / bank guarantee

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term– Term loan	Simple
Long-term– CC/OD	Simple
Short-term Non-fund based sublimit of CC/OD – interchangeable	Very simple
Long-term– Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loans	FY2013-FY2022 @	-	FY2036&	1,836.0	[ICRA]A+(Positive)
NA	Overdraft				90.0	[ICRA]A+(Positive)
NA	Unallocated limits				274.0	[ICRA]A+(Positive)
NA	Letter of credit/ Bank guarantee				(40.0)	[ICRA]A1

@ Represents loans sanctioned between FY2013 and FY2022.

& Represents the farthest maturity date among the various maturity dates for different term loans.

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company Name	Ownership	Consolidation Approach
<b>Brigade Enterprises Limited (Holding Company)</b>	-	<b>Full Consolidation</b>
<b>Subsidiary Companies</b>		
BCV Developers Private Limited	50.01%	Full Consolidation
Brigade Properties Private Limited	51%	Full Consolidation
Perungudi Real Estates Private Limited	51%	Full Consolidation
SRP Prosperita Hotel Ventures Limited	50.01%	Full Consolidation
Brigade Hospitality Services Limited	100%	Full Consolidation
WTC Trades and Projects Private Limited	100%	Full Consolidation
Brigade Tetrarch Private Limited	100%	Full Consolidation
Brigade Estates and Projects Private Limited	100%	Full Consolidation
Brigade Infrastructure and Power Private Limited	100%	Full Consolidation
Celebrations Private Limited	100%	Full Consolidation
Brigade (Gujarat) Projects Private Limited	100%	Full Consolidation
Mysore Projects Private Limited	100%	Full Consolidation
Brigade Innovations, LLP	95.38%	Full Consolidation
Brigade Hotel Ventures Limited	100%	Full Consolidation
Augusta Club Private Limited	100%	Full Consolidation
Brigade Flexible Office Spaces Private Limited	100%	Full Consolidation
Tetrarch Developers Limited	100%	Full Consolidation
Venusta Ventures Private Limited	100%	Full Consolidation
Zoiros Projects Private Limited	100%	Full Consolidation
Vibrancy Real Estate Private Limited	100%	Full Consolidation
Propel Capital Ventures LLP	99%	Full Consolidation
BCV Real Estates Private Limited	100%	Full Consolidation
Tandem Allied Services Private Limited	100%	Full Consolidation

Source: Company

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