Date: July 28, 2018

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Fax No. 022-22721919	**National Stock Exchange of India Limited** Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex Bandra (E), Mumbai – 400051 Fax No. 022-26598120
Ref.: Kwality Limited **(KWALITYLTD/INE775B01025)**	**Ref.: Kwality Limited** **(KWALITYLTD/INE775B01025)**

Subject: Revised Brickwork Ratings

Dear Sir/Madam,

This is with reference to revised rating as received from Brickwork for Fund Based Long Term, Non Fund Based Short Term and Non-Convertible Debentures. The same has been enclosed for your reference.

This is for your information and records.

Thanking you,
For Kwality Limited

For Kwality Limited

Company Secretary & Compliance Officer

Pradeep K. Srivastava
Company Secretary & Compliance Officer

KWALITY LIMITED NEW DELHI

Kwality Limited, Kwality House: F-82,
Shivaji Place, Rajouri Garden, New Delhi-110027
p +91 1147006500
f +91 1125191800
e info@kwality.com
w www.kwality.com
CIN L74899DL1992PLC255519

SEBI Registered
RBI Accredited
NSIC Empanelled

BWR/NCD/DEL/ERC/AM/0255/2018-19
27 July 2018

Mr. Sanjay Dhingra
Managing Director
Kwality Limited
KDIL House: F-82,
Shivaji Place, Rajouri Garden,
New Delhi- 110027

Dear Sir,

Sub: Rating review of the existing secured un-listed redeemable NCD of Rs. 94.45 Crores with tenure of 72 months.

Based on the information in public domain and clarification provided by your company, Brickwork Ratings has downgraded the long term rating of Kwality Limited's secured un-listed redeemable NCD of Rs. 94.45 Crores to **BWR BBB – (Pronounced BWR Triple B Minus) and place it under "Credit watch with Negative Implications".** Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations.

The Rating is valid for one year from the date of of our letter issued vide letter no. BWR/NCD/DEL/ERC/AM/0182/2018-19 dated 27 June 2018 and subject to terms and conditions that were agreed in your mandate dated 22 June 2016 and other correspondence, if any and Brickwork Ratings standard disclaimer appended below. Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any significant information/development that may affect your Company's finances/performance without any delay.

Best Regards,

Yours faithfully

Ashwini Mital
Senior General Manager – Ratings
Brickwork Ratings India Pvt Ltd

Note: In case of all accepted Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on 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.

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BWR/BLR/DEL/ERC/AM/1823/2018-19 **27 July 2018**

Mr. Sanjay Dhingra
Managing Director
Kwality Limited
KDIL House: F-82,
Shivaji Place, Rajouri Garden,
New Delhi- 110027.

Dear Sir,

Sub: Rating Review of the Bank Loan Facilities of *Kwality Limited amounting* to Rs 1493.00 Crores (INR One Thousand Four Hundred and Ninety Three Crores Only)

Based on the recent developments in public domain and information provided by lenders, we advise that ***Kwality Limited's*** Bank loan Facilities amounting to Rs 1493.00 Crores (INR One Thousand Four Hundred and Ninety Three Crores Only) have been downgraded the Ratings[1] as follows:

Facility Rated*	Amount (Rs. Crs)		Tenure	Rating[1]	
	Previous	Present		Previous	Present
Fund Based Cash Credit Term Loans	 1350.00 168.75	 1313.00 150.00	Long Term	**BWR A –** (Pronounced as BWR Single A Minus) **(Outlook Negative)** (Downgrade)	**BWR BBB –** (Pronounced as BWR Triple B Minus) **(Credit watch with Negative Implications)** (Downgrade)
Non Fund Based BG/LC	 50.00	 30.00	Short Term	**BWR A2** (Pronounced as BWR A Two) (Downgrade)	**BWR A3** (Pronounced as BWR A Three) (Downgrade)
Total	**Rs. 1493.00 Crores (INR One Thousand Four Hundred & Ninety Three Crores Only.)**				

**** Details of Bank Loan Facilities are in Annexure I***

The Ratings are valid for twelve months from the date of our letter issued vide letter no. BWR/BLR/DEL/ERC/AM/0132/2018-19 dated 27 June 2018, and subject to terms and conditions as per your mandate dated July 18, 2017 and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended at the end of this letter. The rated Bank Loan facilities would be under surveillance during the said period.

[1] Please refer to BWR website www.brickworkratings.com for definition of the ratings assigned.

Brickwork Ratings India Pvt. Ltd. Chandigarh

Brickwork Ratings India Pvt. Ltd.
BESTECH Business Tower, Tower 'A', Unit No. 601, 6th Floor, SAS Nagar, Mohali, Punjab - 160 059
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27 July 2018

You are required to submit information periodically as per Annexure II 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.

Best Regards,

Yours faithfully

Ashwini Mital
Senior General Manager - Ratings
Brickwork Ratings India Pvt. Ltd

Note: In case of all valid Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com

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BWR/BLR/DEL/ERC/AM/1823/2018-19 **27 July 2018**

Kwality Limited

Annexure I: Details of the bank facilities rated

Rs. Crores

Name of the bank	Renewal Date/ Sanction Date	Previous Fund Based WC Limits	Revised Fund Based WC Limits	Previous Non Fund Based	Revised Non Fund Based	Total Rating Amt.
Sanctioned Limits						
Bank of India (Lead Bank)	**21.08.2017**	**195.00**	**235.00**	**5.00**	**10.00**	**245.00**
Bank of Baroda	22.05.2018	160.00	160.00	5.00	5.00	165.00
Andhra Bank	20.06.2017	190.00	190.00	5.00	5.00	195.00
IDBI Bank	25.10.2017	85.00	85.00	10.00	10.00	95.00
Corporation Bank	18.01.2018	105.00	105.00	--	--	105.00
Allahabad Bank	29.11.2017	95.00	118.00	--	--	118.00
Central Bank of India	19.12.2016	125.00	125.00	--	--	125.00
Dhanlaxmi Bank	21.08.2017	35.00	35.00	--	--	35.00
Syndicate Bank	30.06.2017	50.00	50.00	--	--	50.00
Canara Bank	01.11.2017	60.00	60.00	--	--	60.00
Indian Bank	29.12.2017	-	150.00	-	-	150.00
Proposed Limits						
Proposed Loan	--	**250.00**	-	**25.00**	-	-
Total		**1350.00**	**1313.00**	**50.00**	**30.00**	**1343.00**

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Kwality Limited

Annexure-II

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 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 instalment and interest as and when paid.
4. Schedule of Term Loan instalments 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/defaults in servicing bank loans, letters of credit, letters of guarantee, 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

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