

Rating Rationale

24 July 2023

Alamelu Charitable Foundation

Brickwork Ratings downgrades and withdraws the ratings for the Bank Loan Facilities of Alamelu Charitable Foundation amounting to Rs. 52.00 Crs.

Particulars:

Facilities**	Amount (Rs. Crs.)		Tenure	Ratings#	
	Previous	Present		Previous (18 May 2022)^	Present
Non Fund Based					
Capex letters of Credit	50.00	50.00	Long Term	BWR AA / Stable Reaffirmation	BWR AA-/Stable Downgrade/ Withdrawal
Mark to Market Limit	2.00	2.00	Short Term	BWR A1+ Reaffirmation	BWR A1 Downgrade/ Withdrawal
Grand Total	52.00	52.00	(Rupees Fifty Two Crores only)		

#Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings;

**Details of bank facilities are provided in Annexure-I;

^Rating advisory was issued on 24 May 2023.

Note: As the ILC/FLC is a capex facility, it has been considered as a long-term facility. Yet, in many instances, the ILC/FLC may be opened for a shorter duration, and in such cases the mapped short-term rating shall be applicable

Rating Action/Outlook:

Brickwork Ratings (BWR) has downgraded and simultaneously withdrawn the bank loan rating of Alamelu Charitable Foundation (ACF or 'the company') based on the request for withdrawal of its rating and receipt of No Objection Certificate (NOC) from its lender. The ratings continue to take support from the funding model for ACF and the implementations of the social objectives of the Tata Trusts through ACF. However, the ratings are constrained by a high dependence on grants and donations from the Tata Trusts and Tata Group entities along with an exposure to the risks of the termination of grants in the event of unsatisfactory progress of projects/breach of the terms of grants commitment. Hence, in accordance with extant regulatory guidelines and BWR's Rating Withdrawal Policy, the ratings for the bank loan facilities of Rs. 52.00 Crs are downgraded and simultaneously withdrawn.



About the Company

Alamelu Charitable Foundation was established on 22 May 2017 as a Section 8 Not-For-Profit entity at Vijayawada, Krishna district, Andhra Pradesh. ACF is a special purpose implementation vehicle for the Cancer Care programme of Tata Trusts through setting-up necessary oncology infrastructure across India through the Build and Operate, and Build and Transfer models approach, with support provided by the Tata Trusts by way of grants. ACF has the implicit support of Tata Trusts#. ACF's objective is to develop infrastructure, technology, awareness and human resources in the healthcare sector to ensure affordable, accessible and high-quality healthcare to millions of Indians at their doorstep. ACF has partnered with Tata Trusts# to set-up a model that promises to transform healthcare delivery in India by ensuring the availability of healthcare at every level.

The board of directors of ACF comprises one of the vice chairman of Tata Trusts, two senior executives and a senior advisor of Tata Trusts.

Tata Trusts refers to Sir Dorabji Tata Trust, Sir Ratan Tata Trust, Tata Education and Development Trust and allied Trusts.

(As per information available with BWR in May 2022)

Key Financial Indicators - Standalone

Key Parameters	Units	31 March 2021 Audited	31 March 2022 Audited	31 Mar 2023 Unsigned Provisional
Income	Rs. Crs	142.14	278.34	128.17
EBITDA	Rs. Crs	1.21	1.30	6.95
Net Profit	Rs. Crs	0.00	0.00	0.00
Tangible Net Worth (TNW)	Rs. Crs	110.81	271.81	315.55
Total Debt/TNW	Times	0.00	0.00	0.00
Current Ratio	Times	1.05	0.96	0.94

Status of non-cooperation with previous CRA - NA

Rating History for the last three years [including withdrawal and suspended]:

Facility	Current Rating (24 July 2023)			Rating History				
	Amount (Rs.Cr.)	Tenure	Rating	2023	2022 18 May 2022	2021 12 May 2021	2020 23 Apr 2020	
Fund Based								
Term Loan	-	Long Term	NA	NA	NA	NA	BWR AA/ Stable Reaffirmation	
Term (Proposed)	-							
Non Fund Based								
Capex Letters of Credit	50.00		BWR AA-/ Stable Downgrade/ Withdrawal		BWR AA/ Stable Reaffirmation	BWR AA/ Stable Reaffirmation	-	
Mark to Market Limit	2.00	Short Term	BWR A1 Downgrade/ Withdrawal	NA	BWR A1+ Reaffirmation	BWR A1+ Reaffirmation	BWR A1+ Reaffirmation	
Bank Guarantee	-		NA		NA	NA		
Loan Equivalent Risk	-		NA		NA	NA		
Total	52.00	Rupees Fifty Two crores Only						

Rating advisory for delay in exercising surveillance review was issued on 24 May 2023

Complexity Levels of the Instruments: Simple

For more information, visit <https://www.brickworkratings.com/download/ComplexityLevels.pdf>

Hyperlink/Reference to applicable Criteria

• General Criteria	• Services Sector
• Approach to Financial Ratios	• Short Term Debt
• BWR Rating Withdrawal Policy	

Analytical Contacts	
Revathy Thamizharasu Rating Analyst revathy.t@brickworkratings.com	Saakshi Kanwar Associate Director Ratings Board: +91 80 4040 9940 saakshi.k@brickworkratings.com
1-860-425-2742	I media@brickworkratings.com

Alamelu Charitable Foundation
Annexure I: Details of Bank Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Crs.)	Short Term (Rs. Crs.)	Total (Rs. Crs.)
1	Kotak Mahindra Bank	Capex Letters of Credit (ILC/FLC)	50.00	-	50.00
2		Mark to Market/ Forward Contract Limit	-	2.00	2.00
Total: Rupees Fifty Two Crores Only			50.00	2.00	52.00

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 11,560 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, 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. 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.