

RATING RATIONALE

23 Apr 2024

Lotus Green Constructions Private Limited

Brickwork Ratings reaffirms the ratings for the Non-Convertible Debentures amounting to ₹ 90.00 Crores of Lotus Green Constructions Private Limited (LGCPL or “The Company”) based on best available information, as the issuer did not cooperate.

Particulars :

Facilities**	Amount (₹ Crores)		Tenure	Rating #	
	Previous	Present		Previous (28 Apr 2023)	Present
NCD	90.00	90.00	Long Term	BWR D Continues to be in the ISSUER NOT COOPERATING* Category Reaffirmed	BWR D Continues to be in the ISSUER NOT COOPERATING* Category Reaffirmed
Total	90.00	90.00	Ninety Crores Only		

*Issuer did not cooperate based on best available information

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

**Complete details of Bank facilities is provided in Annexure-I

The maturity date of the NCD was 03 August 2019, however, there have been no updates regarding the redemption of the facilities from the client, Debenture Trustee. There is also no information available on the public websites like India bonds Info, BSE website, NSDL .

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Brickwork Ratings (BWR) had last rated the bank loan facilities of 'Lotus Green Constructions Private Limited' on Apr 2023 by reaffirming the ratings at BWR D ISSUER NOT COOPERATING*. BWR has consistently taken up with the company through emails and telephone calls to provide the requisite information for the review of the ratings. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not been submitting the monthly “No Default Statement” (NDS) as required by regulatory guidelines and remains non-cooperative. Due to the lack of management cooperation, BWR is unable to assess the company’s financial performance and its ability to service its debt and maintain a valid rating. Hence, owing to lack of management cooperation, Brickwork Ratings reaffirms the ratings at BWR D and continues the rating under ISSUER NOT COOPERATING* category, based on best available information.

The lenders/investors may note to exercise due caution while using the rating which mentions "Issuer Not Cooperating" since the rating lacks any projections or forward-looking component as it is arrived at based on the best available information without any management/banker's interaction.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

ABOUT THE ENTITY

Lotus Green Construction Private Ltd., is a prominent real estate developer in the NCR. The promoters have an experience of over 25 years in the industry through their association with the 3C group. The group has developed residential apartments, commercial and *retail projects, special economic zones, information technology parks, and hotels. The promoters have also ventured into education with its Lotus Valley Schools in Noida and Gurgaon.

Mr. Nirmal Singh is the promoter of Lotus Green group. He is the founder director of 3C group. Directors of the company were arrested on charges of duping homebuyers of Lotus 300 project, and siphoning of funds worth Rs 190 crore. The three have been booked under Section 420 (cheating), Section 409 (criminal breach of trust) and Section 120B (criminal conspiracy) of the Indian Penal Code. An FIR was filed by homebuyers of the project against the Noida-based developer in March 2018. The project was to be delivered in 2011.

KEY FINANCIAL INDICATORS

Please refer to the following link for the previous detailed rationale that captures the Key Financials Drivers and their Description, Liquidity Position. Rating Sensitivities, Key Financial Indicators. [View Previous Document](#)

NON-COOPERATION WITH PREVIOUS RATING AGENCY:

- On 06 Feb 2024, CRISIL Ratings has reaffirmed the ratings at CRISIL D and continues the rating under Issuer Not Cooperating*category for the facilities of Rs.450 crs of Lotus Green Construction Private Limited.

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

Facility	Current Rating (2024)			Rating History			
	Tenure	Amount (Rs. Crs)	Rating	2024	2023 28-Apr-2023	2022 15 Feb 2022	2021 23-Mar-2021
NCD	Long Term	90.00	BWR D Continues to be in the ISSUER NOT COOPERATING* category Reaffirmed	NA	BWR D Continues to be in the ISSUER NOT COOPERATING* category Reaffirmed	BWR D ISSUER NOT COOPERATING Reaffirmed	BWR D ISSUER NOT COOPERATING* Reaffirmed
Total		30.00	Rupees Thirty Crores Only				

*Issuer did not cooperate; based on best available information.

COMPLEXITY LEVELS OF THE INSTRUMENTS:SIMPLE

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Any other information: NA

Hyperlink/Reference to applicable Criteria

- [Analytical Approach](#)
- [General Criteria](#)
- [Rating Criteria -Rating of Real Estate -Residential Projects](#)
- [Default Recognition and Post Default Curing Period](#)
- [Policy On Issuer Non- Cooperation](#)

Analytical Contacts	
Gokul D Rating Analyst gokul.d@brickworkratings.com	Nagaraj K Director - Ratings nagaraj.ks@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

Lotus Green Constructions Pvt. Ltd.

ANNEXURE I

Details of NCD Facilities rated by BWR

Instrument	Issue Date	Previous Amount (₹ Cr)	Present Amount (₹ Cr)	Coupon Rate	Maturity Date	ISIN Particulars
Non Convertible Debentures	04 Aug 2014	90.00	90.00	15 % p.a.	3 Aug 2019	INE123R07013



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.