



# Brickwork Ratings Policy for Management Interaction and Site Visits

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## Policy for Management Interaction and Site Visits

Brickwork Ratings (BWR) understands the value of interaction with the management of the company/client while undertaking the rating of a client/borrower. The rating team would follow the following guidelines for the new clients and already rated clients that are in the active category and not in INC category.

### i. New clients

- a) For new clients who have approached BWR for a rating for the first time, it is important to understand the management and the facilities of the company (especially in the manufacturing segment). For such new clients following policies will generally be followed and exceptions to these will be presented to the rating committee with the reasons thereof.
- b) The rating team should interact with the management of the company in all cases. These interactions can be through the virtual modes like teleconference or videoconference for the lower rated companies ('BBB' category or below). However, for higher rated companies ('A' category and above), any member of the analytical team should preferably have a physical meeting with the company management, where feasible.
- c) Further, for manufacturing companies that are setting up a new plant (Greenfield projects) and don't have a history of operations, a member of BWR should preferably visit the manufacturing facilities of the company. While, these site visits can also be undertaken in companies with existing operations, they are less critical given the track record of operations. For Greenfield projects, where site visits are not feasible, the rating team should seek a TEV report from the company or a visit Report by an independent qualified professional.

### ii. Existing clients

- a) For existing clients, the rating team should interact with the management of the company at least once a year. The principles of physical meeting vs virtual meeting remain the same as for new clients. Further, for higher rated companies (as defined above), the rating team should interact with the management of the company through teleconference or video conference, at least once every 6 months to understand the performance of the company. In addition to these, interactions may be necessitated based on events that have an impact on the credit profile of the company. These may also be undertaken through a physical meeting or virtual interaction depending on the mutual convenience of the rating team and the company management.
- b) All physical meetings can happen at the company's offices / facilities, BWR offices or any mutually convenient place.
- c) Management interaction/ Site visit report to be prepared and shared by the concerned analyst/Sector Head for information and needful action and for placing it in the client folder/file in the Bcrisp.