

Arkay Energy (Rameswaram) Limited

May 02, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|-----------------------|---------------------|---------------|
| Long Term Bank Facilities | - | - | Withdrawn |
| Total Bank Facilities | - | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. has withdrawn the rating assigned to the Bank facilities (Term Loan) of Arkay Energy (Rameswaram) Limited with immediate effect, as the company has surrendered the aforementioned bank facilities rated by us and there is no amount outstanding as on date.

The company has shared No Dues Certificate for the bank facilities rated by CARE which mentioned that entire Term Loan facilities have been repaid. The above action has been taken at the request of Arkay Energy (Rameswaram) Limited and 'No Dues Certificate' received from the Lender that have extended the facilities rated by CARE

Analytical approach: Not Applicable

Applicable Criteria:

[Policy on Withdrawal of ratings](#)

About the Company

Arkay Energy (Rameswaram) Limited (AERL) belongs to Ind-Barath Group and is a subsidiary (67.74%) of Ind-Barath Power Infra Limited (IBPIL), the holding company of the group. Incorporated on December 01, 2004, AERL initially commenced operations of its gas based combined cycle thermal power generation plant with an installed capacity of 95MW (10 gas engines of 8.73 MW each and 1 Waste Heat Recovery Steam Generator (WHRS) of 8MW) at its plant in Valantharvai village in Ramnad district of Tamil Nadu. The company commenced operations from April 2014 and the total installed capacity is 149.18 MW. The company was operating on merchant basis till May 2016 with medium term PPAs with TANGEDCO. Subsequently, the company has moved to third party captive model. The company has more than 150 captive consumers.

| Brief Financials (Rs. crore) | 31-03-2019 (A) | 31-03-2020 (A) | 9MFY22(UA) |
|------------------------------|----------------|----------------|------------|
| Total operating income | 512.55 | 493.41 | NA |
| PBILDT | 162.44 | 135.00 | NA |
| PAT | -185.74 | -82.15 | NA |
| Overall gearing (times) | 0.42 | 0.35 | NA |
| Interest coverage (times) | 4.22 | 4.84 | NA |

A: Audited UA: Unaudited NA: Not Available

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments / Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|---------------------------|------|------------------|-------------|---------------|----------------------------------|--|
| Fund-based - LT-Term Loan | | - | - | - | 0.00 | Withdrawn |

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating history | | | |
|---------|--|-----------------|--------------------------------|--------|---|---|---|---|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | - | - | - | 1)CARE D; ISSUER NOT COOPERATING* (28-Feb-22) 2)CARE D (05-Apr-21) | 1)CARE D (03-Apr-20) | 1)CARE D (01-Apr-19) |
| 2 | Fund-based - LT-Cash Credit | LT | - | - | - | - | 1)Withdrawn (03-Apr-20) | 1)CARE D (01-Apr-19) |
| 3 | Non-fund-based - ST-Letter of credit | ST | - | - | - | - | 1)Withdrawn (03-Apr-20) | 1)CARE D (01-Apr-19) |

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not applicable

Annexure 4: Complexity level of various instruments rated for this company

| Sr. No | Name of instrument | Complexity level |
|--------|---------------------------|------------------|
| 1 | Fund-based - LT-Term Loan | Simple |

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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