

## Brua Hydrowatt Private Limited

July 06, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	50.00	CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable; (Double B; Outlook: Stable)
<b>Total Bank Facilities</b>	<b>50.00</b> <b>(Rs. Fifty Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated May 03, 2021, placed the rating(s) of Brua Hydrowatt Private Limited (BHPL) under the 'issuer non-cooperating' category as BHPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. BHPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 19, 2022, March 29, 2022, April 08, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of BHPL have been revised on account of non-availability of requisite information. The ratings further consider decline in operating income, accumulation of net losses, highly leveraged capital structure and debt coverage indicators during FY21 over FY20.

### Detailed description of the key rating drivers

Please refer to PR dated [May 03, 2021](#)

**Analytical approach:** Standalone with notching based on group support

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

BHPL, a wholly owned subsidiary of Contransys Private Limited (CPL), has setup up a 9 MW 'run-of-the-river' hydroelectric project in Kinnaur District, Himachal Pradesh. The plant was commissioned in April 2016 at total cost of Rs.92 crore (i.e. Rs.10.2 crore/MW). The project is commissioned through a term loan of Rs.49 crore and balance from the promoters/unsecured loans. The project is constructed over the Brua river which is a tributary of river Satluj. Other major companies of the group include Deepak Industries Limited, Deepak Spinners Limited, Contransys Private Limited and Continental Profiles Limited.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23(Prov.)
Total operating income	11.73	10.78	NA	NA
PBILDT	9.45	7.96	NA	NA
PAT	-1.90	-2.38	NA	NA
Overall gearing (times)	NM	NM	NA	NA
Interest coverage (times)	1.21	1.14	NA	NA

A: Audited, Prov.: Provisional, NA: Not Available; NM: Not Meaningful

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** India Ratings has continued the rating assigned to the bank facilities of BHPL into Issuer Not Cooperating category vide press release dated August 12, 2021 on account of its inability to carry out a review in the absence of the requisite information from the company.

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** 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		-	-	September 2026	46.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee		-	-	-	4.00	CARE BB-; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	46.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-May-21)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (12-Mar-20)
2	Non-fund-based - LT-Bank Guarantee	LT	4.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (03-May-21)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (12-Mar-20)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of the covenants of the rated instruments/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
2	Non-fund-based - LT-Bank Guarantee	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 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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