

## Venkateshwara Power Project Limited

October 13, 2022

### Ratings

Facilities/Instruments	Amount (Rs crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	273.39	CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>273.39</b> <b>(Rs Two Hundred Seventy-Three Crore and Thirty-Nine Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 04, 2021, placed the rating(s) of Venkateshwara Power Project Limited (VPPL) under the 'issuer non-cooperating' category as VPPL 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. VPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 20, 2022, June 30, 2022, July 10, 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).**

### Detailed description of the key rating drivers

Please refer to PR dated [August 04, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

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

### About the Company

Venkateshwara Power Projects Limited (VPPL) is a Public Limited Company (closely held) incorporated on December 20, 1994. VPPL, is part of the Mahadik Business Group, which has ventures in dairy business, logistics, LPG and Auto engineering, construction and real estate. VPPL is a sugar factory with Cogeneration, has an installed capacity of 8500 tonne crushed per day (TCD) sugar crushing plant, and 23 MW of co-generation unit. The company has two facilities, one in Bedkihal, Karnataka of 7250 TCD capacity and the other in Babadeo, Nagpur of 1250 TCD capacity (acquired in 2014-15). The day to day affairs of the company are looked after by Mr. Swaroop Mahadik, Chairman & Managing Director and Mr. Rajan Shinde, the cofounder and Executive Director of the company.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	H1FY23 (Prov.)
Total operating income	573.57	587.76	NA	NA
PBILDT	51.46	71.80	NA	NA
PAT	10.94	12.15	NA	NA
Overall gearing (times)	4.71	4.06	NA	NA
Interest coverage (times)	1.25	1.74	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

<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 VPPL into Issuer Not Cooperating category vide press release dated June 03, 2022 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		-	-	March 2024	103.39	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	170.00	CARE BB-; Stable; ISSUER NOT COOPERATING*

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

#### 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) 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	103.39	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (10-Jul-20)	-
2	Fund-based - LT-Cash Credit	LT	170.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (10-Jul-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 the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	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 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](mailto:care@careedge.in) for any clarifications.

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**About CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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