

Essel Green Energy Private Limited

January 22, 2021

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Long Term Bank Facilities	100.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	100.00 (Rs. One Hundred Crore Only)		

*Issuer did not cooperate; Based on best available information

CARE had, vide its press release dated July 09, 2019, placed the rating(s) of Essel Green Energy Private Limited (EGEL) under the 'issuer non-cooperating' category as EGEL had failed to provide information for monitoring of the rating. EGEL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 06, 2021. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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

Key Rating Weakness

CARE is unable to arrive at a fair rating on account of non-cooperation by EGEL in providing adequate information required to derive view on company's operational performance and debt servicing ability.

Analytical approach: Standalone

Applicable Criteria

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

[CARE's Policy on Default Recognition](#)

[Financial ratios – Non-Financial Sector](#)

About the Company

Incorporated in September 2013, EGEL is promoted by Essel Infraprojects Limited (EIL, holds 100%, rated CARE D; Issuer Not Cooperating). EGEL is the holding company for the solar portfolio of the Essel Group. The company provides Operation & Maintenance (O&M) services to the projects of the Essel Group.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	13.56	16.23
PBILDT	-0.56	0.56
PAT	-24.20	-39.56
Overall gearing (times)	0.54	1.68
Interest coverage (times)	-0.02	0.01

A: Audited

Status of non-cooperation with previous CRA:

Brickwork Ratings (BWR, Press Release dated April 03, 2020) - In the absence of adequate information from EGEL, BWR is unable to assess the company's financial performance and its ability to service its debt and maintain a valid rating.

Any other information: Not Applicable

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

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non-fund-based - LT-Bank Guarantees	-	-	-	100.00	CARE D; 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) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Non-fund-based - LT-Bank Guarantees	LT	100.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (12-Dec-19) 2)CARE C (CE); ISSUER NOT COOPERATING* (09-Jul-19)	1)CARE BB (SO) (Under Credit watch with Negative Implications) (12-Feb-19) 2)CARE BBB-(SO) (Under Credit watch with Developing Implications) (07-Dec-18) 3)CARE BBB-(SO) (Under Credit watch with Developing Implications) (26-Sep-18) 4)CARE BBB+(SO) (Under Credit watch with Developing Implications) (31-Jul-18)	1)CARE BBB+(SO); Stable (12-Jul-17)

*Issuer did not cooperate; Based on best available information

Annexure-3: N.A.**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Non-fund-based - LT-Bank Guarantees	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Group Head Name - Ratnam Raju N

Group Head Contact no.-022- 6837 4472

Group Head Email ID- ratnam.nakka@careratings.com

Business Development Contact

Name: Ankur Sachdeva

Contact no. : 022- 6754 3495

Email ID: Ankur.sachdeva @careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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