

Lanco Babandh Power Ltd.

July 29, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	8,344	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Issuer not cooperating; Based on best available information
Long/Short Term Bank Facilities	750	CARE D/CARE D; ISSUER NOT COOPERATING* (Single D / Single D; ISSUER NOT COOPERATING*)	Issuer not cooperating; Based on best available information
Total facilities	9,094 (Rupees nine thousand and ninety four crore Only)		

Details of instruments/facilities in Annexure-1

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

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated February 21, 2018, placed the ratings of Lanco Babandh Power Limited (LBPL) under the 'issuer non-cooperating' category as LBPL had failed to provide information for monitoring of the rating. LBPL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated July 03, 2019, July 09, 2019. 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. The ratings of LBPL's bank facilities will continue to be denoted as CARE D; ISSUER NOT COOPERATING/ CARE D; ISSUER NOT COOPERATING.

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

Detailed description of the key rating drivers

At the time of last rating on February 21, 2018 the ratings had taken into account the continuation in delays in servicing of debt by the company.

Analytical approach: Standalone

Applicable Criteria

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

[Criteria on assigning Outlook to Credit Ratings](#)

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

[Criteria for Short Term Instruments](#)

[Rating Methodology – Infrastructure Sector Ratings](#)

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

About the Company

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

Lanco Babandh Power Private Limited was incorporated as a private limited company on 30th May, 2007. The company was converted into a limited company and its name was changed to Lanco Babandh Power Limited (LBPL) on 3rd February, 2010. The company is promoted by Lanco Group, to construct, operate and maintain a 1320 MW (2 X 660MW) coal based power project in Dhenkanal District, Orissa. The flagship company of the Lanco Group is Lanco Infratech Ltd. The project was envisaged at a cost Rs. 10,430 crore to be funded in the debt of Rs.8,344 crore and promoters contribution of Rs.2,086 crore.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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
Fund-based - LT-Term Loan	-	-	-	8344.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - LT/ ST-Bank Guarantees	-	-	-	750.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

*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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	8344.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (21-Feb-18)	1) CARE D (14-Oct-16)
2.	Non-fund-based - LT/ ST-Bank Guarantees	LT/ST	750.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	-	1)CARE D; ISSUER NOT COOPERATING* (21-Feb-18)	1)CARE D (14-Oct-16)

*Issuer did not cooperate; Based on best available information

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

Name: Mradul Mishra

Contact no: +91-22-6837 4424

Email ID: mradul.mishra@careratings.com

Analyst Contact

Name: Mr. Puneet Kansal

Tel: 011- 45333225

Email: puneet.kansal@careratings.com

Business Development Contact

Name: Swati Agrawal

Contact no: +91-11-4533 3200

Email ID: swati.agrawal@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.0020

Disclaimer

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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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