



Press Release

Uttamenergy Limited

November 03, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long term bank facility – Cash Credit	20.00	IVR BB+/Negative outlook; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative outlook; Issuer Not Cooperating) *	Rating Revised and migrated to Issuer Not Cooperating category	Simple
Short term bank facilities – LC/BGs	63.00	IVR A4+, ISSUER NOT COOPERATING* (IVR A Four Plus; Issuer Not Cooperating) *	Rating Revised and migrated to Issuer Not Cooperating category	Simple
Total	83.00			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Uttamenergy Limited reflects lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.



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Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated October 5, 2023, October 10, 2023, October 12, 2023, October 13, 2023, October 20, 2023, October 30, 2023, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the ratings.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the ratings for the bank facilities of Uttamenergy Limited aggregating Rs.83.00 crore has been migrated to 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Manufacturing sector Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

About the company

Uttamenergy Limited (UEL) was incorporated in the year 2012, after take-over of LIPI Boilers, which had over 40 years of experience in the field of biomass fired boilers. The plant is located in Aurangabad. The company is ISO 9001 certified and therefore offers the highest quality standards, most technological advanced products and the reliable solutions for sugar plants, ethanol plants, co-generation plants, captive power plants, biomass based independent power plants, waste to energy plants, as well as equipment and services for sugar, distilleries, energy and power.



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Financials (Standalone):

For the year ended* As on	INR in Crore	
	31-03-2022	31-03-2023
	Audited	Audited
Total Operating Income	292.56	390.11
EBITDA	22.23	15.47
PAT	12.57	6.01
Total Debt	11.47	36.13
Tangible Networth	68.21	83.07
EBITDA Margin (%)	7.60	3.97
PAT Margin (%)	4.28	1.53
Overall Gearing Ratio (x)	0.17	0.43

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (Sep 23, 2022)	Date(s) & Rating(s) assigned in 2021-22 (Sep 09, 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Long term bank facility – Cash Credit	Long Term	20.00	IVR BB+/Negative Outlook; ISSUER NOT COOPERATING*	IVR BBB+/Stable	IVR BBB/CWDI	--
2.	Short term bank facilities – LC/BGs	Short Term	63.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A2	IVR A3+	--

*Issuer did not cooperate; based on best available information



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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Mat urity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long Term Fund Based Facility – Cash Credit	-	-	-	20.00	IVR BB+/Negative outlook; ISSUER NOT COOPERATING* (IVR Double B plus with Negative outlook; Issuer Not Cooperating) *
Short Term Non-Fund Based Facility – LC/BG	-	--	-	63.00	IVR A4+, ISSUER NOT COOPERATING* (IVR A Four plus; Issuer Not Cooperating) *

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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not applicable.

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.