



Press Release Zodiac Energy Limited

February 16, 2023

Ratings:

Instrument / Facility	Amount (INR Crore)	Ratings	Rating Action	Complexity Indicator
Long Term Fund based Facilities- Cash Credit	7.50	IVR BB; Negative Outlook: ISSUER NOT COOPERATING (IVR Double B ; Issuer not cooperating)	Revised and moved to ISSUER NOT COOPERATING category	Simple
Short Term Non Fund based Facilities- Bank Guarantee	8.50	IVR A4; ISSUER NOT COOPERATING (IVR A Four; Issuer not cooperating)	Revised and moved to ISSUER NOT COOPERATING category	Simple
Total	16.00			

**Issuer Not Cooperating; based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale:

The rating revision is because of lack of adequate information regarding Zodiac Energy Limited reflects lack of adequate information available about the performance of the company 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 the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

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 January 18, 2022, January 25, 2022, January 30, 2023, January 31, 2023 and February 02, 2023 and



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concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/Information.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the bank loan ratings aggregating to INR 16.00 Crore of Zodiac Energy Limited shall be continued in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB/Negative; ISSUER NOT COOPERATING; IVR A4; ISSUER NOT COOPERATING based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Trading Companies](#)

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

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

[Criteria for rating outlook](#)

About the Company:

The Company was originally incorporated as "Zodiac Genset Private Limited" at Ahmedabad on May 22, 1992. Subsequently, the name of the company was changed to "Zodiac Energy Private Limited" on April 30, 2007. Consequently upon the conversion of the Company into public limited company, the name of the Company was changed to "Zodiac Energy Limited." The Company then came up with its maiden IPO & got listed on NSE in 2017. They are an Energy Solution Provider company having experience of more than two decades in majority of verticals of power generations spectrum.

Financials:

For the year ended / INR. Crore*	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	100.37	142.97
EBITDA	6.87	8.88
PAT	4.50	5.46
Total Debt	12.53	17.06
Tangible Net Worth	27.87	32.59
Ratios		



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EBITDA Margin (%)	6.84	6.21
PAT Margin (%)	4.47	3.79
Overall Gearing Ratio (x)	0.45	0.52

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: NA

Any other information: NA

Rating History for last three years:

Sr. No.	Name of Instrument /Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21 (24-Aug-2020)	Date(s) & Rating(s) assigned in 2019-20
1.	Long Term Bank Facility – Cash Credit	Long Term	7.50	IVR BB; Negative Outlook: ISSUER NOT COOPERATING *	IVR BB+; ISSUER NOT COOPERATING RATING	IVR BBB-/ Stable outlook	-
2.	Short Term Non Fund based Facilities Bank Guarantee	Short Term	8.50	IVR A4; ISSUER NOT COOPERATING *	IVR A4+; ISSUER NOT COOPERATING RATING	IVR A3	-

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

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI). Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks. Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. 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, suspend 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.

Annexure 1: Details of Facilities:

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Bank Facility – Cash Credit	--	--	Revolving	7.50	IVR BB; Negative Outlook: ISSUER NOT COOPERATING * (IVR Double B with Negative Outlook: ISSUER NOT COOPERATING *)



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Short Term Non Fund Based Facility – Bank Guarantee	--	--	Upto 1year	8.50	IVR A4; ISSUER NOT COOPERATING (IVR A Four; Issuer not cooperating)
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**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