



Press Release

Viviid Renewables Private Limited

February 17, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long term Bank Facilities	1.00	IVR BBB-/ Positive (IVR Triple B Minus with Positive Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Outlook revised from Stable to Positive	Simple
Long Term - Proposed	1.00	IVR BBB-/ Positive (IVR Triple B Minus with Positive Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Outlook revised from Stable to Positive	Simple
Short Term Bank Facilities	73.00	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Reaffirmed	Simple
Total	75.00	(Seventy - Five Crore Only)			

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has revised the outlook to Positive from Stable and reaffirmed its rating assigned to the bank facilities of Viviid Renewables Private Limited which derive strength from experienced promoters and management, VRPL's unique line of business activity, moderate capital structure & debt protection metrics and strong order book indicating high revenue visibility in the medium term. However, the rating is constrained due to susceptibility of the operating revenues to risk associated with timely completion of the projects and high customer concentration risk.

The Positive outlook reflects expected increase in scale of operations and healthy profitability coupled with extensive experience of the promoter and established relationships with suppliers & customer.



Press Release

Key Rating Sensitivities:

Upward Factors

- Substantial and Sustained increase in scale of operations.
- Growth in its order book along with successful execution thereof and reduction in concentration risk on a sustained basis.

Downward Factors

- Any decline in operating income and/or profitability leading to deterioration in overall financial risk profile of the company
- Higher than expected working capital intensity.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experienced promoters and Management

Vivid Renewable Private Limited (VRPL) is promoted by Mr. Siddharth Mehra and Ms Radhika Mehra who cumulatively carries over five decades of experience in renewable energy segment. The promoter has long experience of establishing infrastructure for wind and solar energy. The promoters are well supported by a team of qualified & experienced professional. The company has a team of experienced Corporate Professionals, Air Force Veterans, Wind Research Engineers, Business Development and Operations Officers. VRPL has presence in eight windy states of India with separate land and liasioning teams for each state. Average experience of key personnel of the company stands at 27 years and some of them have performed at senior level in government.

VRPL's unique line of business activity:

VRPL has a unique line of activity which provides ready to plug in facilities for solar and wind parks to its client. In order to establish ready to plug (ready to use) infrastructure, VRPL conducts important activities like site selection, feasibility analysis, land approvals and



Press Release

acquisition, construction and power generations studies etc. Very few companies in the sector offers such infrastructure in renewable segment which make VRPL's line of activity unique

Moderate capital structure & debt protection metrics:

The financial risk profile of the company is comfortable with moderate capital structure as envisaged by overall gearing of 0.83x and TOL/TNW of 1.78x as on March 31, 2024. The company does not have any major term debt outstanding as of March 31, 2024. The debt protection indicators are healthy as of March 31, 2024 as seen by Interest Coverage Ratio of 53.19x.

Strong order book indicating high revenue visibility

VRPL's order book stood at around Rs. 3309.96 crore as on March 31, 2024, which provides adequate revenue visibility in the near to medium term. Infomerics notes that the company's ability to implement the project within the timeline remains a key deliverable.

Key Rating Weaknesses

Susceptibility of the operating revenues to risk associated with timely completion of the projects

The company undertakes contracts for infrastructure construction for solar power projects and wind energy projects across geographies which stipulates timelines for the completion of the project as per the agreed schedule and cost, the company has unexecuted order book of Rs. 3309.61 crore to be executed over the near to medium term. Timely implementation of the projects depends on the acquisition of land & receipt of various other approvals. The company's ability to maintain its operating profitability despite these challenges will remain key to maintain healthy credit profile.

High Customer Concentration Risk



Press Release

VRPL faces high customer concentration risk as 100% sales comes from the top few customers. Any change in key commercial term can have significant impact on profitability and credit risk profile of VRPL.

Working capital intensive nature of business

The company has moderate debtor and inventory days though the company has to invest sizeable amount in wind mast at various project sites for collecting monitoring data and other allied site development activities required for installation of wind and solar power. This is required to offer clients ready to plug wind and solar sites. Once the wind and solar site become operational, the same is recovered from clients. As on March 31, 2024, and March 31, 2023, the amount stood at 86.00 crore and Rs. 99.25 respectively. The debtor and inventory days stood at 103 days and 35 days as on March 31, 2024 and 49 days and 19 days as on March 31, 2023 respectively.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity –Adequate

The liquidity position of the company is adequate. Current ratio stood comfortable at 1.24x as on March 31, 2024. The company has free cash and cash equivalent of Rs.4.73 crore as on March 31, 2024, against negligible fixed debt repayment obligations. The average utilisation of working capital limits was at 22% for the 12 months ended December 2024.

About the Company



Press Release

Vivid Renewables Private Limited (VRPL) is a renewable energy infrastructure provider company (EPC Player), founded by Mr. Siddharth Mehra. It provides basic renewable infrastructure for wind, solar energy to its clients. Currently VRPL has projects in states like Gujarat, Rajasthan, Maharashtra and Karnataka etc.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	188.19	155.09
EBITDA	12.51	9.19
PAT	8.23	11.05
Total Debt	43.97	58.34
Adjusted Tangible Net Worth	82.03	70.49
EBITDA Margin (%)	6.65	5.93
PAT Margin (%)	4.37	7.09
Overall Gearing Ratio (x)	0.54	0.83
Interest Coverage (x)	226.60	53.19

* 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 Security/Facilities	Current Ratings (FY2024-25)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in FY2023-24	Date(s) & Rating(s) assigned in FY 2022-23	Date(s) & Rating(s) assigned in FY2021-22
					Date (January 19, 2024)	Date (September 04, 2023)	Date (August 30, 2022)
1.	Cash Credit	Long Term	1.00	IVR BBB-/Positive	IVR BBB-Stable	-	-
2.	Proposed	Long Term	1.00	IVR BBB-/Positive	IVR BBB-Stable	Withdrawn	IVR BBB/Stable
3.	Overdraft	Short Term	10.00	IVR A3	-	-	-
4.	Bank Guarantee	Short Term	23.00	IVR A3	IVR A3	-	-
5.	Bonds & Guarantees	Short Term	40.00	IVR A3	-	-	-



Press Release

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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 and definition of ratings please visit www.infomerics.com.

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Press Release

Annexure 1: Facility Details

Name of Facility/Security	ISIN	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/Outlook
Cash Credit	-	-	-	-	1.00	IVR BBB- /Positive
Proposed – Long Term	-	-	-	-	1.00	IVR BBB- /Positive
Overdraft	-	-	-	-	10.00	IVR A3
Bank Guarantee	-	-	-	-	23.00	IVR A3
Bonds & Guarantees	-	-	-	-	40.00	IVR A3

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-viviid-feb25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: 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.