



Press Release

Zodiac Energy Limited

November 18, 2021

Rating

Facilities/Instruments	Amount (INR Crore)	Rating*	Rating Action
<u>Long Term Fund based Facilities</u> Cash Credit	7.50	IVR BB+; ISSUER NOT COOPERATING (IVR Double B Plus; Issuer not cooperating)	Rating revised and moved to ISSUER NOT COOPERATING category
<u>Short Term Non Fund based Facilities</u> Bank Guarantee	8.50	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; Issuer not cooperating)	Rating revised and moved to ISSUER NOT COOPERATING category
Total	16.00		

* Issuer not cooperating; Based on best available information

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in rating of the bank facilities of Zodiac Energy Limited reflects lack of adequate information available and non-payment of annual surveillance fees. 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 advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria

Rating Methodology for Trading Companies

Financial Ratios & Interpretation (Non-Financial Sector)



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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. Their spectrum of services are including Design, supply, installation, Testing and Commissioning (EPC) and Operation and Maintenance (O&M), in short they provide turnkey solutions from concept to commissioning of power plants. The Company is an ISO 9001:2015, ISO 14000 2015 certified solar energy solution provider and has installed more than 56000 KW of rooftop & ground mounted solar power projects across India till the end of FY 2019-20, having more than 5000 satisfied clients for solar power plants.

Financials: Standalone

INR Crore

For the year ended/ As on*	31-03-2019	31-03-2020	31-03-2021
	Audited	Audited	Audited
Total Operating Income	63.28	68.18	100.37
EBITDA	4.77	4.81	6.87
PAT	3.10	3.00	4.50
Total Debt	4.11	5.80	12.53
Tangible Net Worth	20.40	23.39	27.87
EBITDA margin (%)	7.54	7.05	6.84
PAT margin (%)	4.89	4.38	4.47
Overall Gearing ratio (x)	0.20	0.25	0.45

*As per Infomerics Standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



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Rating History for last three years:

Sr. No.	Facility	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding INR Crore	Rating	Date(s) & Rating(s) assigned in 2020-21 (24-Aug-20)	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Cash Credit	Long Term	7.50	IVR BB+; ISSUER NOT COOPERATING	IVR BBB-/ Stable Outlook	--	--
2.	Bank Guarantee	Short Term	8.50	IVR A4+; ISSUER NOT COOPERATING	IVR A3	--	--
Total			16.00				

* Issuer not cooperating; Based on best available information

Name and Contact Details of the Rating Analyst:

Name: Neha Mehta Email: nmehta@infomerics.com	Name: Prakash Kabra Email: prakash.kabra@infomerics.com
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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

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



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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 Facility – Fund Based – Cash Credit	N.A.	N.A.	Revolving	7.50	IVR BB+; ISSUER NOT COOPERATING
Short Term Non Fund Based Facility – Bank Guarantee	N.A.	N.A.	Upto 1 year	8.50	IVR A4+; ISSUER NOT COOPERATING

* Issuer not cooperating; Based on best available information

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

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Zodiac-energy-lenders-nov21.pdf>

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

Annexure 5: Complexity level of the rated Facilities:

Sr. No.	Instrument	Complexity Indicator
1	Cash Credit	Simple
4	Bank Guarantee	Simple

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.