

April 18, 2016

Facilities	Amount (Rs. Crore)	Rating
OCC	9.00*	SMERA C (Assigned)
Term Loan	2.68	SMERA C (Assigned)
Facility (Proposed)	0.02	SMERA C (Assigned)

\* CCBD and LG of Rs. 5.00 crore and Rs. 0.15 crore

Respectively – sub limit within OCC

SMERA has assigned rating of '**SMERA C** (read as SMERA C)' to the Rs.11.70 crore bank facilities of A A Energy Limited (AAEL). The rating is constrained by delays in repayment of unrated term loans and the stretched liquidity position. However, the rating derives comfort from the extensive industry experience of the promoter.

### Rating Sensitivity Factors

- Timely servicing of term debt obligation
- Substantial or sustainable growth in the revenues or operating margins
- Efficient working capital management
- Future capital expenditure plans and its funding mix thereof

### About the Company

Incorporated in November 2005, A A Energy Limited (AAEL), promoted by Mr Agrawal and family is engaged in the development of renewable energy. The Nagpur-based company set up a 10 MW biomass-based plant in Gadchiroli, Maharashtra at an approximate cost of Rs.50 crore. The plant commenced operations since April, 2010.

Further, AAEL also set up a fly ash bricks manufacturing and cement grinding unit to dispose off the fly ash generated by the 10 MW biomass-based power plant.

For FY2014-15, AAEL reported profit after tax (PAT) of Rs.0.07 crore on operating income (OI) of Rs.32.51 crore as against PAT of Rs.0.09 crore on OI of Rs.37.94 crore a year earlier.

### Contact List

Media/Business Development	Analytical Contact	Rating Desk
Suman M National Sales Head – Emerging Corporate Group Tel No: 022 67141151 Cell: 9892306888 Email: <a href="mailto:suman.m@smera.in">suman.m@smera.in</a>	Vinay Chhawchharia Associate Vice President- Corporate Ratings Tel: +91-22-6714 1156 Email: <a href="mailto:vinay.chhawchharia@smera.in">vinay.chhawchharia@smera.in</a>	Tel: +91-22-6714 1184 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.