

Press Release

Gemco Energy Limited (GEL)

15 December, 2017



Rating Update

Total Bank Facilities Rated*	Rs.15.00 Cr
Long Term Rating (Indicative)	SMERA BBB- Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

SMERA has reviewed the long term rating of '**SMERA BBB-**' (**read as SMERA triple B minus**) on the Rs.15.00 crore bank facilities of Gemco Energy Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

② Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

GEL was incorporated in 2010 and commenced commercial operations in August, 2013. The company operates an 8 Mega Watt (MW) biomass-power plant in Bhiwani, Haryana. It has obtained regulatory clearances and approvals for a second unit of 7 Mega Watt (MW) at the same site for which the land infrastructure set up has already been created.

In FY2016, GEL reported net operating income of Rs.25.30 crore and Profit after tax (PAT) of Rs.0.04 crore against an operating income of Rs.11.10 crore and net loss of Rs.4.36 crore in FY2015. The net cash accruals, however, increased from Rs.0.42 crore in FY2015 to Rs.3.86 crore in FY2016.

SMERA Ratings Limited

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
19-August-2016	Cash Credit	Long term	10.04	SMERA BBB-/Stable (Assigned)
	Term Loan	Long term	4.6	SMERA BBB-/Stable (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	10.04	SMERA BBB- (Indicative)
Term Loan	NA	NA	NA	4.6	SMERA BBB- (Indicative)

**The issuer did not co-operate; Based on best available information.*

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ABOUT SMERA

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