

Press Release

GEMCO ENERGY LIMITED

December 12, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 15.00 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long-term rating of Gemco Energy Limited (GEL) to '**ACUITE BB+**' (**read as ACUITE double B plus**) from '**ACUITE BBB-**' (**read as ACUITE triple B minus**) on the Rs. 15.00 crore bank facilities. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

GEL was incorporated in 2010 and commenced commercial operations in August, 2013. The company operates an 8 Mega Watt (MW) biomass-power plant at 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.

Non-cooperation by the issuer/borrower

Acuité 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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
06-Feb-2019	Cash Credit	Long Term	10.40	ACUITE BBB- (Indicative)
	Term Loans	Long Term	4.60	ACUITE BBB- (Indicative)
15-Dec-2017	Cash Credit	Long Term	10.40	ACUITE BBB- (Indicative)
	Term Loans	Long Term	4.60	ACUITE BBB- (Indicative)
19-Aug-2016	Cash Credit	Long Term	10.40	ACUITE BBB-/Stable (Assigned)
	Term Loans	Long Term	4.60	ACUITE BBB-/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.40	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	4.60	ACUITE BB+ (Downgraded from ACUITE BBB-) Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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