

Press Release

Lineage Power Private Limited

September 14, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	49.50	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	74.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2**' (read as **ACUITE A two**) on the Rs. 74.50 Cr bank facilities of Lineage Power Private Limited (LPPL). This rating is downgraded on account of information risk, and it is now flagged as issuer not cooperating based on best available information.

About the Company

Incorporated in 2010 and later acquired by Pace Digitek Infra Private Limited (PDIPL) in 2014, Bangalore-based, LPPL is a 79.73-per-cent subsidiary of PDIPL. LPPL manufactures, supply and installs integrated power management systems in telecom sites. Along with this, the company also undertakes O&M of certain sites. The company was acquired by pace group in 2014 from General Electric

Non-cooperation by the issuer/borrower

Acuite 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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials:

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

Status of non-cooperation with previous CRA

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

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Jun 2021	Cash Credit	Long Term	45.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	15.50	ACUITE BBB+ (Withdrawn)
	Proposed Bank Guarantee	Short Term	10.00	ACUITE A2 (Withdrawn)
	Term Loan	Long Term	4.50	ACUITE BBB+ Stable (Reaffirmed)

	Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Reaffirmed)
10 Jun 2021	Cash Credit	Long Term	45.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	15.50	ACUITE BBB+ Stable (Assigned)
	Letter of Credit	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Term Loan	Long Term	4.50	ACUITE BBB+ Stable (Assigned)
	Proposed Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
13 Mar 2020	Proposed Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE BBB+ Negative (Reaffirmed)
	Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Proposed Letter of Credit	Short Term	35.00	ACUITE A2 (Reaffirmed)
02 Jan 2019	Proposed Letter of Credit	Short Term	15.00	ACUITE A2 (Assigned)
	Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	45.00	ACUITE BBB+ Stable (Reaffirmed)
21 Nov 2017	Cash Credit	Long Term	45.00	ACUITE BBB+ Stable (Assigned)
	Bank Guarantee	Short Term	10.00	ACUITE A2 (Assigned)
	Proposed Bank Guarantee	Short Term	10.00	ACUITE A2 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	45.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB+)
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2)
Canara Bank	Not Applicable	Term Loan	26-06-2020	8.20	01-09-2022	4.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB+)

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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