

## Press Release

K M Energy Private Limited

December 09, 2021



### Rating Downgraded and Issuer not co-operating

Product	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Long Term Rating	Short Term Rating
<b>Bank Loan Ratings</b>	15.14	15.14	ACUITE BB   Downgraded   Issuer not co-operating*	
<b>Total</b>	-	15.14	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB**' (read as **ACUITE double Bf**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs. 15.14 crore bank facilities of K M Energy Private Limited (KMEPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

### About the Company

Lucknow based KMEPL was incorporated in 2014. The company is engaged in power generation through its 5 Mega Watts (MW) solar grid plant at Bundelkhand Region (Uttar Pradesh). The company commenced its operations from October, 2016. Further KMEPL has entered into a Power Purchase Agreement (PPA) with Uttar Pradesh Power Corporation Limited (UPPCL) to supply solar power for 13 years at a fixed tariff of Rs.9.25 per unit.

### 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.

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

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

### Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.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). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### Liquidity Indicators

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

### Rating Sensitivity

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

### About the Rated Entity - Key Financials

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

### Status of non-cooperation with previous CRA

None

### 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

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Sep 2020	Term Loan	Long Term	10.11	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	5.03	ACUITE BB+ (Downgraded and Issuer not co-operating*)
28 Jun 2019	Proposed Bank Facility	Long Term	5.03	ACUITE BBB-   Stable (Assigned)
	Term Loan	Long Term	10.11	ACUITE BBB-   Stable (Reaffirmed)
11 Apr 2018	Term Loan	Long Term	15.14	ACUITE BBB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Net Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.03	5.03	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	10.11	10.11	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )

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### About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

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