



Press Release

Soham Mannapitlu Power Private Limited
January 10, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	30.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	30.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating from **Acuite BBB (read as Acuite triple B)** to **Acuite BB+ (read as Acuite double B plus)** on the Rs 30.00 Cr bank facilities of SOHAM MANNAPITLU POWER PRIVATE LIMITED.

This rating is now an indicative rating and downgraded on account of information risk. The rating is based on the best available information.

About the Company

Soham Mannapitlu Power Private Limited (SMPL) was incorporated in the year 1993 and is engaged in power generation. The company is running 15 MW hydel power plant at Gurupur stream of Nethravathi river in Dakshina Kannada district in Karnataka. The company has commenced commercial production on September 07, 2009. It is a part of Soham Group and it is a 100 percent subsidiary company of Ambuthirtha Power Private Limited.

About the Group

Soham Group was established in the year 1991, with Soham Renewable Energy India Private Limited (MW6) being the flagship company of the group. Soham Group operates hydro power projects with a cumulative capacity of 53.5 MW in Karnataka. Other entities are Ambuthirtha Power Private Limited (MW22.0) and Soham Phalguni Renewable Energy Private Limited (MW10.50). The entities in the group have long term power purchase agreements (PPA) with several DISCOMs and corporates based out of Karnataka.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 02 consecutive months. Acuite has also 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 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). Acuite 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.

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Liquidity Position

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

Outlook

Not applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	10.14	12.10
PAT	Rs. Cr.	(0.42)	5.02
PAT Margin	(%)	(4.12)	41.45
Total Debt/Tangible Net Worth	Times	1.68	3.27
PBDIT/Interest	Times	2.27	11.37

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Oct 2022	Term Loan	Long Term	29.50	ACUITE BBB Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.50	ACUITE BBB Stable (Reaffirmed)
14 Jul 2021	Term Loan	Long Term	30.00	ACUITE BBB Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	0.50	ACUITE BB+ Downgraded Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	29.50	ACUITE BB+ Downgraded Issuer not co-operating*

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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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