Press Release

Penna Cement Industries Limited

December 01, 2022

Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1220.00	ACUITE A+ | Negative | Downgraded | Stable to Negative	-
Bank Loan Ratings	280.00	-	ACUITE A1 | Downgraded
Total Outstanding Quantum (Rs. Cr)	1500.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded its long term rating to **'ACUITE A+' (read as ACUITE A 'Plus')'** from 'ACUITE AA-' (read as ACUITE double A 'minus') and its short term rating to **'ACUITE A1' (read as ACUITE A One)'** from 'ACUITE A1+' (read as ACUITE A One 'Plus') to the Rs.1,500.00 Cr bank facilities of **Penna Cement Industries Limited (PCIL)**. The outlook is revised from 'Stable' to **'Negative'**.

Reason for rating downgrade and outlook revision

The rating downgrade and outlook revision reckons with PCIL's plan to hold-up the planned capex (under phase 1 and phase 2) which was contingent on raising capital through the IPO listing of PCIL. The rating action is also a consequence of PCIL reporting lower- than-expected operating profitability in FY2022 and continued subdued performance in H1FY23 due to various headwinds like higher coal and fuel costs and PCIL's inability to pass on the cost escalation to the customers. This has resulted in low EBITDA/tonne of Rs.111/MT in Q4FY2022, which sequentially declined from ~Rs.1,100/MT in Q1FY22. The EBITDA/tonne has now marginally improved to ~Rs.300-400/MT in H1FY2023; however, the profitability continues to remain below-industry average despite moderate alleviation of cost pressures. This along with high interest obligations led to losses at PBT level in H1FY2023. Acuite is of the opinion that deterioration in the profitability and inability to raise equity is likely to lead to further deterioration in its key credit ratios and liquidity, with debt service coverage ratio (DSCR) and current ratio going below unity along with insufficient net cash accruals vis-à-vis its debt obligations. The liquidity at the moment remains supported by promoter funding by way of unsecured loans in H1FY2023. Acuité believes that PCIL's ability to pass on such cost hikes in its realizations or better cost efficiencies along with continuous promoter infusion to support the operations shall remain key monitorable and crucial to the rating over the near to medium term.

The rating continues to be driven by PCIL's considerable market share in the Southern region, integrated operations, extensive distribution network, strategically located manufacturing facilities with close proximity and access to its key raw materials, ability to diversify its geographic concentration to Non-southern regions. These strengths are partially offset moderate capacity utilization levels, highly susceptible to volatility in input cost and realisations, inability to launch a long planned IPO and keeping the planned capex on hold, lower-than-expected operating performance and leveraged balance sheet.

About the Company

Incorporated in 1991 by Mr. P Prathap Reddy, PCIL is engaged in the manufacturing of cement. PCIL is an Integrated cement manufacturer operating 4 Cement units and 2 grinding units spread across 3 states of Andhra Pradesh (Talaricheruvu, Boyareddypali and Krishnapatnam), Telangana (Ganeshpahad and Tandur) and Maharashtra (Patas). The aggregate installed capacity for cement stands at 10 Million Metric tonne per annum (MMTPA) and clinker capacity of 7.8 MMTPA as on March 31, 2021. PCIL also has a 77 Mega –watt (MW) coal-based captive power generation plant in Ganeshpahad (AP) and waste heat recovery system (WHR) plants with an aggregate installed capacity of 32MW in Ganeshpahad (Telangana) and Boyareddypali (AP).

Further, PCIL has 7 captive limestone mines under PCIL and 4 under its subsidiary – Marawar Cement Limited located in close proximity to its manufacturing units. PCIL, also, has port-based facilities which includes 4 operational packaging terminals in ports of Cochin, Gopalpur, Colombo and Karaikal.

Analytical Approach

For arriving at this rating, Acuité has consolidated the business and financial risk profiles of Penna Cements Industries Limited (PCIL) and its subsidiaries - Pioneer Cement Industries Limited, Marwar Cement Limited and Singha Cement (Pvt) Limited. The consolidation is in the view of common management, same line of business, strong operational and financial linkages between the entities, future expansion plans under the subsidiaries and management stated posture of extension of support to these subsidiaries.

Extent of Consolidation: Full.

Key Rating Drivers

Strengths

One of the integrated Southern region player; Extensive distribution network
PCIL's market share in terms of total cement sales volume vis-a-vis total demand in South India is estimated to be ~6 to 7 percent in FY2022. As of March 31, 2022, PCIL's cement and clinker production capacity represented ~6 percent and ~6.5 percent, respectively, of the total cement production and clinker production capacity, respectively, in South India, comprising Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Andaman and Nicobar Islands, and Pondicherry. PCIL, a regional player, has a strong hold in the local market they are operating in, due to cost leadership and market advantage along with proximity to raw material sources. Besides, PCIL operates an integrated facility supported by infrastructure for limestone extraction and crushing, production of clinker and cement by inter-grinding clinker along with fly ash/ slag/ gypsum, packing facilities and quality control lab. PCIL operates 4 integrated manufacturing facilities and 2 grinding units with an aggregate cement production capacity of 10.00 MMTPA, as of March 31, 2022.

PCIL's business operations are supported by an extensive sales and distribution network spread across South, West and East India. PCIL's cement products are sold to the trade segment (which typically incudes retail customers and wholesale customers including dealers and distributors who then resell products to retail customers) and the non-trade segment (which typically includes government and private infrastructure projects, real estate companies, and ready-mixed concrete stations). In FY2020, FY2021 and 2022, sales to the trade segment were 53.45 percent, 51.04 percent and 48 percent, respectively, of its total gross revenue. PCIL has developed long-term relationships with its dealers and distributors, with its distribution network comprising ~3,000 dealers and distributors as of March 31, 2022.

Acuité believes that PCIL's eastablished position in the Southern region and Integrated facilities along with extensive distribution network will aid its business operations going forward.

Strategically located manufacturing facilities with close proximity and access to it s key raw materials

PCIL's facilities are strategically located to enable access to markets such as Hyderabad, Vishakhapatnam, Bengaluru, Chennai, Pune and Ahmednagar, which provides significant convenience in logistics management and cost benefits. Each of its facilities are well connected to both the national highway and railway network which provides easy access to the transportation of laterite, coal, clinker, gypsum, slag and cement, as required. In addition, its Krishnapatnam grinding unit is located at approximately less than 280 kms, 290 kms and 320 kms from its integrated manufacturing facilities at Talaricheruvu, Boyareddypalli and Ganeshpahad, respectively, while the Patas grinding unit is located at approximately less than 418 kms from its Tandur facility. With Krishnapatnam grinding unit, packing terminals at Cochin, Gopalpur, Karaikal and Colombo ports and proposed packing terminal at the Kolkata port, PCIL is likely to become one of the few market players in India with superior port-based logistics infrastructure and distribution facilities. Efficient raw material sourcing of limestone, gypsum and fly ash, and coal, in close proximity to its integrated manufacturing facilities, has a direct result on cost of production and profitability as well as ensuring protection against operational risks.

Further to meet its coal requirements, PCIL's facilities are supported by a 77.00 MW captive power plant, at Ganeshpahad facility, along with WHR units with an aggregate capacity of 32.00 MW, at Ganeshpahad and Boyareddypalli facilities. PCIL met ~48 percent of its power requirements through captive sources in FY2022 against 53.03 percent in FY2021. Further, it optimizes its coal procurement by sourcing coal and pet coke from the international markets and coal through coal linkages with Singareni Collieries Company Ltd (SCCL) located in the state of Telangana. PCIL depends majorly on imports for its coal requirement; it imported 93 percent of its total coal required in FY2022 against 95.5 percent in the previous year. For Limestone, PCIL has 7 captive long term mining leases for its integrated manufacturing facilities, which are pit head mines having a lead distance of within 6 kilometres which provides its integrated manufacturing facilities with a stable and timely supply of limestone in a cost efficient manner. The residual reserves of PCIL's mining leases with respect to the mines currently operated are sufficient for its current production capacity for at least 32 years, based on the stipulated amount of annual excavation specified in its mining leases.

In addition to utilizing fly ash from captive power plant at Ganeshpahad facility, PCIL procures fly ash from other coal-fired power plants located near its integrated manufacturing facilities. For Krishnapatnam grinding unit, the company has been able to access relatively low cost fly ash by virtue of being in close proximity to fly ash sources. Further, it obtains gypsum and slag from nearby fertilizer companies and steel manufacturing plants, respectively.

Acuité believes that PCIL's strategically located manufacturing units and packing terminals, together with port based logistics infrastructure and distribution strategy, would provide PCIL access to the coastal markets and will also enable it to serve markets in East and West India along with improvement in its logistic and EBITDA per MT cost.

Higher-than-estimated improvement in Operating income in FY2022

PCIL's total operating income grew by a compounded annual growth rate (CAGR) of ~16 percent over the period FY2020-22 supported by exponential growth in FY2022 and FY2021 with other years witnessing a flattish growth. PCIL reported Y-o-Y higher total operating income of Rs.3,204.21 Cr in FY2022; surpassed Acuité's estimates by a modest margin and reported 29.39 percent Y-o-Y growth in FY2022. This was supported by higher capacity utilization of 66.9 percent in FY2022 vs 54.3 percent in FY2021. The growth was a combination of 22.6 percent growth in volume coupled with mere 2.3 percent increase in the realization/MT. The net revenue realization/MT improved from ~Rs.4,500/MT in FY2021 to 4,600/MT in FY2022. The key revenue drivers in FY2022 were a) increasing contribution from Krishnapatnam and Pune cement grinding plant along with existing grinding units leading to higher production; packaging terminals at key ports which helped achieve higher volumes in non-southern regions b) increasing contribution from Non-southern regions like West, East and SriLanka and c) improvement in realization/MT.

Promoter's fund support and stake sale in Anrak Aluminium Ltd to aid liquidity to an extent; NCDs to take care of the Phase 1 capex creditors/reimbursement
PCIL's promoters have infused Rs.80.00 Cr in H1FY2023 to fund the losses at PBT level and are further expected to infuse fund in H1FY2023 (roughly Rs.200 Cr) to support its operations. The promoters are further expected sell its stake in Anrak Alumium and infuse ~Rs.1,000 Cr in PCIL to fund the Marwar cement's capex and the capex at PCIL level. However, they are also expected to load further debt of Rs.1,400 Cr to complete the Marwar capex which remains critical from the further leveraging point of view at PCIL balance sheet. Marwar cement is a 100 percent step down subsidiary of PCIL. The total project cost of setting up 3 MTPA clinker, 2 MTPA cement plant at Jodhpur and 1.5 MTPA grinding unit at Bathinda is Rs.2,043 Cr. The proposed funding pattern is equity to debt of 30:70. Of the equity portion (30 percent) which is Rs. 613 Cr, the promoter has already spent Rs.350 Cr as on date. The balance Rs.263 Cr will be infused by promoter by sale of stake in Anrak. The proposed debt is yet to be tied up.

Weaknesses

Moderate capacity utilization
Owing to the oversupply situation in south India, the company continues to operate at moderate capacity utilization levels, which was 66.9 percent for FY2022 (PY: 54.3 percent).

Highly susceptible to volatility in input cost and realisations, and cyclicality in the cement industry; cost headwinds hit hard in FY2022 and H1FY2023
Capacity addition in the cement industry tends to be periodical because of the long gestation period for setting up a facility and the numerous players adding capacity during the peak of a cycle. This leads to unfavourable price cycles for the sector. Moreover, profitability remains susceptible to volatility in input prices, including raw material, power, fuel and freight. Realisations and profitability are also affected by demand, supply, offtake and regional factors. PCIL remains exposed to fluctuations in fuel prices in addition to the risks of volatile cement prices, given the oversupply situation in South India.

PCIL reported lower-than-estimated Earnings before Interest, tax and depreciation (EBITDA) in FY2022 at Rs. 469.96 Cr; missed Acuité's estimates by a huge margin. The resultant was on account of higher power cost and logistic/fuel cost which it could not pass on despite cost rationalization capex undertaken in last 2-3 years of time. The EBITDA margin was lower against estimates due to higher-than-expected coal and pet coke prices in H2FY2022 and H1FY2023. Prices of key input materials required to manufacture cement such as petroleum coke, coal and diesel have sharply risen on a Y-o-Y and Q-o-Q basis during this period.

The EBITDA/MT reached lowest to Rs.111/MT in Q4FY2022 from Rs.1,100/MT in Q1FY2022; further improved to Rs.300-400/MT; remained sub-par to industry levels. The aforesaid decrease was on account of power cost/ MT rising from Rs.1,350/MT in Q1FY2022 to Rs.2,100/MT in Q4FY2022. The poer cost/MT remained high in H1FY2023 at Rs.2,200/MT. The power cost and logistic cost have been the major contributor to its total costs. Acuité believes that PCIL's ability to do better inventory and price management and ability to pass on the price hikes would remain crucial for the rating over the medium term.

Leveraged, weakening of key credit metrics
The tangible net worth of PCIL stood at ~Rs.1,084.29 Cr. as on March 31, 2022 visi-a-vis Rs.1,153.30 Cr as on previous year. The gearing (debt to equity ratio) stood at 1.16 times as on 31 March 2022 (1.17 times as on March 31, 2021 and 1.36 times as on March 31, 2020). The

total debt stood at ~Rs.1,206.54 Cr as on March 31, 2022 as against Rs.1,351.95 Cr as on March 31, 2021. Debt/EBITDA stood at 2.66 times for FY2022 as against 2.24 times in the previous year. Besides the on balance sheet borrowings, PCIL has significant contingent liabilities on account the guarantees provided to its group companies. The debt service coverage ratio (DSCR) stood at 0.95 times as on March 31, 2022 vis-à-vis 1.27 times as on previous year and interest coverage at 2.08 times in FY2022 compared to 2.63 times in FY2021. Acuité believes that any major deviation in the Debt / EBITDA will impart a negative bias to the rating over the medium term.

Dropping of IPO; capex on hold

PCIL intended to utilise a reasonable portion of the Net Proceeds for funding its on-going/upcoming capital expenditure requirements which includeed, inter alia, purchase of electrical equipment, and plant and machinery amongst others. PCIL plans to utilize Rs.425 Cr for the balance capex of Phase-I. PCIL was in progress of launching an Initial Public Offer (IPO) worth Rs.1,550 Cr which included fresh issue of equity shares worth Rs.1,300 Cr and promoter stake sale (33.41 percent stake of P.R. Cement Holdings Limited) through offer sale amounting to Rs. 250 Cr. PCIL was awaiting SEBI's approval and the issue was expected in September 2021. The net proceeds from the IPO were expected to be utilized towards partial repayment/prepayment of existing debt, towards capex and for general corporate purposes. The IPO was expected to de-leverage its balance sheet with improvement in key credit metrics as well as liquidity to an extent.

PCIL was still underway to complete its Phase-I of Capacity expansion plan which included doubling of grinding capacity at Krishnapatnam unit to 4MMTPA, Upgrading the raw grinding and cement mill at Talaricheruvu, setting up WHR plant at Talaricheruvu and Tandur and packaging terminal at Kolkata Port. PCIL has estimated the total cost of such capital expenditure to be Rs.530.91 Cr (of which Rs.85 Cr has already been incurred). Besides, PCIL had Phase-II of the capex which is expected to be taken up simultaneously to expand its reach in the North and Central India. PCIL planed to set up cement manufacturing facility with a proposed clinker production capacity of 3.00 MMTPA and cement production capacity of 2.00 MMTPA in Jodhpur, Rajasthan and two grinding units in Kathuwas, Neemrana, National Capital Region and Bathinda, Punjab with a proposed cement production capacity of 1.50 MMTPA and 1.0 MMTPA, respectively, which is expected to be operational by the Q4FY2024. The aforementioned capex was to be supported by a WHR plant of 15MW.

ESG Factors Relevant for Rating

PCIL is under the process of having adequate policies in corporate governance category on board independence, key management retention and business conduct and ethics. The company has designated committees for CSR, Risk management, stakeholders relationship, nomination and remuneration amongst others. The company has a total of 10 number of board of directors out of which 5 number are independent and 2 number are female directors.

Rating Sensitivities

Positive

- Improvement in operational performance on a sustained basis
- EBITDA/MT to reach historical level
- Fresh equity infusion to support the increase in scale of operations
- Sustainable improvement in Leverage and Solvency position of the company

Negative

- Any material increase in net debt levels, on a sustained basis Lower-than-expected promoter fund support
- Lower-than-expected EBITDA/MT leading to deterioration its credit profile

Material covenants
None

Liquidity: Adequate

PCIL's cash accruals are expected to remain in the range of Rs. 165-300 Cr per fiscal over the medium term against its debt obligations ranging between Rs.200-230 Cr over the same period. Average utilisation of the bank limit remained high at around 90 per cent during the last 12-month period through September 2022, indicating limited cushion. Cash accruals, cash and cash equivalents, promoter fund support and unutilised bank lines taken together, however are expected to be adequate to meet funding requirements over the medium term. Further, the company operates in a negative working capital cycle.

Outlook: Negative

Acuité believes that PCIL is likely to maintain a 'Negative' outlook over the medium term backed by mounting stress on the financial risk profile. The outlook might be revised to 'Stable' in case of higher-than-anticipated improvement in EBITDA per tonne thereby leading to an improvement in debt protection indicators and consequent improvement in liquidity. Conversely, the rating might be 'downgraded' in case of any further deterioration in debt coverage indicators from the current levels or if the company is unable to the ramp up the operations from its existing capacity or inability of promoters to bring in timely fund support.

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	3204.21	2476.40
PAT	Rs. Cr.	23.72	152.07
PAT Margin	(%)	0.74	6.14
Total Debt/Tangible Net Worth	Times	1.16	1.17
PBDIT/Interest	Times	2.08	2.63

Status of non-cooperation with previous CRA (if applicable)
None

Any other information
None

Applicable Criteria
• Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Consolidation Of Companies: https://www.acuite.in/view-rating-criteria-60.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité 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
03 Sep 2021	Bank Guarantee	Short Term	20.00	ACUITE A1+ (Reaffirmed)
	Letter of Credit	Short Term	115.00	ACUITE A1+ (Reaffirmed)
	Working Capital Demand Loan	Long Term	24.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Letter of Credit	Short Term	20.00	ACUITE A1+ (Reaffirmed)
	Letter of Credit	Short Term	50.00	ACUITE A1+ (Reaffirmed)
	Term Loan	Long Term	85.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Cash Credit	Long Term	65.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Bank Guarantee	Short Term	10.00	ACUITE A1+ (Reaffirmed)
	Cash Credit	Long Term	16.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Term Loan	Long Term	240.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Term Loan	Long Term	725.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Cash Credit	Long Term	130.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
08 Jul 2020	Letter of Credit	Long Term	69.00	ACUITE A+ | Stable (Assigned)
	Cash Credit	Long Term	143.00	ACUITE A+ | Stable (Assigned)
	Term Loan	Long Term	245.00	ACUITE A+ | Stable (Assigned)
	Term Loan	Long Term	3.00	ACUITE A+ | Stable (Assigned)
	Cash Credit	Long Term	65.00	ACUITE A+ | Stable (Assigned)
	Cash Credit	Long Term	16.00	ACUITE A+ | Stable (Assigned)
	Letter of Credit	Short Term	40.00	ACUITE A1+ (Assigned)
	Proposed Bank Facility	Long Term	237.00	ACUITE A+ | Stable (Assigned)
	Term Loan	Long Term	760.00	ACUITE A+ | Stable (Assigned)
	Working Capital Demand Loan	Long Term	24.00	ACUITE A+ | Stable (Assigned)
	Proposed Bank Facility	Short Term	44.00	ACUITE A1+ (Assigned)
	Letter of Credit	Short Term	60.00	ACUITE A1+ (Assigned)
	Letter of Credit	Short Term	115.00	ACUITE A1+ (Assigned)
	Term Loan	Long Term	8.00	ACUITE A+ | Stable (Assigned)
	Term Loan	Long Term	91.00	ACUITE A+ | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE A1 | Downgraded (from ACUITE A1+)
IDBI Bank Ltd.	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE A1 | Downgraded (from ACUITE A1+)
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	130.00	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
IDBI Bank Ltd.	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	16.00	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
Yes Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	100.00	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
State Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE A1 | Downgraded (from ACUITE A1+)
Yes Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	180.00	ACUITE A1 | Downgraded (from ACUITE A1+)
IDBI Bank Ltd.	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	50.00	ACUITE A1 | Downgraded (from ACUITE A1+)
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	94.34	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
State Bank of Mauritius	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	52.50	ACUITE A+ | Negative | Downgraded | Stable to Negative (

Ltd								from ACUITE AA-)
Hero Fincorp Ltd.	Not Applicable	Term Loan	Nov 13 2017 12:00AM	10.5	Dec 31 2028 12:00AM	Simple	66.56	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
Yes Bank Ltd	Not Applicable	Term Loan	Mar 30 2017 12:00AM	10.5	Dec 31 2028 12:00AM	Simple	554.06	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
L&T Finance Limited	Not Applicable	Term Loan	Dec 26 2017 12:00AM	10.5	Dec 31 2028 12:00AM	Simple	182.54	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)
IDBI Bank Ltd.	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	Simple	24.00	ACUITE A+ | Negative | Downgraded | Stable to Negative (from ACUITE AA-)

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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.