



Press Release
GREEN ENERGY RESOURCES
April 29, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	100.00	ACUITE BBB Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	100.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned its long-term rating of '**ACUITE BBB**' (read as **ACUITE Triple Bo**)n the Rs.100 Cr. bank facilities of Green Energy Resources (GER). The Outlook is '**Stable**'.

Rationale for Rating Assigned

The rating reflects the group's consistent year-on-year growth in operating income, while having fluctuating operating profit margins till FY2025(Prov.). Further, it considers its healthy financial risk profile and adequate liquidity position. The rating assigned also reflects the group's established operational track record and the promoters' extensive experience of over a decade in stevedoring and bulk cargo handling at Visakhapatnam Port, Andhra Pradesh. Additionally, the group has received a Letter of award to operate at EQ(East Quay)-1A Terminal at Visakhapatnam Port Authority. This is expected to augment the group's operational performance, with operations anticipated to commence in July 2025 following the completion of the related debt-funded capital expenditure.

However, the rating remains constrained on account of capex implementation and funding risk, moderate nature of working capital operations and susceptibility of its performance to economic downturns and local government trade regulations.

Going ahead, the ability of the group to secure debt-tie up, timely execute the capex and stabilize the operations at EQ-1A terminal will remain a key monitorable in the near term.

About the Company

Green Energy Resources (GER) is a Proprietorship Firm founded by Mr. Siddharth Saxena in the year 2013. The principal location of operations is Vishakhapatnam port at Andhra Pradesh. The Company is engaged into stevedoring and handling of bulk cargo. The company also has 2 leased plots for warehousing and 10 berthing plots for storing third party goods at Visakhapatnam Port.

About the Group

Green Energy Resources (GER), founded by Mr. Siddharth Saxena in 2013, operates primarily at Vishakhapatnam Port, Andhra Pradesh, specializing in stevedoring and bulk cargo handling, with additional warehousing facilities for third-party goods. The group also includes Green Energy Resources Ports Private Limited (GERPL), incorporated in 2021, with Mr. Siddharth Saxena and Ms. Harshita Shrivastava Saxena as directors, each holding a 50% stake. GERPL continues the group's focus on stevedoring and bulk cargo handling at Vishakhapatnam Port

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has consolidated the business and financial risk profiles of Green Energy Resources (GER) with Green Energy Resources Ports Private Limited (GERPL). The consolidation is in view of common management, operational & financial linkages between the entities. Together these entities are being referred to as GER Group

(GG).

Key Rating Drivers

Strengths

Experienced promoters with established track record of operations of group in the industry

GG is promoted by Mr. Siddharth Saxena and Ms. Harshita Saxena, individually having experience of over a decade in this industry. The group has an established track record of operations in stevedoring and handling of bulk cargo at Visakhapatnam Port in Andhra Pradesh. Acuite believes that the long operational track record of GG and promoters' extensive understanding and expertise will continue to support the business profile over the medium term.

Improving Revenue and Profitability

The group's revenue has consistently improved year-on-year, with a ~13% increase in FY2025 (Provisional), reaching Rs.155.75 Cr. compared to Rs.131.97 Cr. in FY2024 and Rs.122.18 Cr. in FY2023. The group commands approximately 20% of the overall cargo traffic at Visakhapatnam Port. With upcoming planned capital expenditure to operate the EQ-1A Terminal, GER will handle additional bulk cargo, which is expected to considerably increase its scale of operations from FY2026 onwards. Key commodities handled at EQ-1A include coal, magnesium, coke, limestone, and petroleum coke. The operating profit margins stood volatile with significant increase to 22.83% in FY2025 (Provisional), from 13.21% in FY2024 and 14.60% in FY2023.

Going ahead, the timely completion of capex and stabilization of operations will remain a key monitorable as it will directly impact the group's operating performance.

Letter of Award to Operate at EQ-1A Terminal

In August 2024, GER received a Letter of Award to operate at the EQ(East Quay)-1A Terminal at Visakhapatnam Port Authority. Acuite learns from the management that starting July 2025, GER will manage all consignments, including Harbour Mobile Cranes (HMC) operations, cargo handling, transportation, warehousing, and tarpaulin services. The EQ-1A Terminal, the largest berth in the inner harbour, is equipped with two Liebherr Harbour Mobile (LHM) 124T cranes and can handle various dry bulk cargoes, including coal, stone, iron ore, and bauxite ore. It is also capable of managing Baby Cape Vessels for both import and export. GER has secured a 5+1 year license, enhancing medium-term revenue visibility.

Healthy Financial Risk Profile

The financial risk profile of the group is healthy marked by moderate net worth, low gearing and healthy debt protection metrics. The net worth of the group stood at Rs.45.30 Cr. as on 31st March 2025(Prov.) against Rs.22.86 Cr. as on 31st March 2024 and Rs.15.61 Cr. as on 31st March 2023. Gearing of the group stood healthy at 0.71 times as on 31st March 2025(Prov.) and the leverage is expected to remain healthy in near term on account of expected improvement in the profitability in near term despite the planned debt-funded capital expenditure. Interest Coverage Ratio (ICR) stood healthy at 13.96 times in FY2025(Prov.) and DSCR stood comfortable at 5.82 times in FY2025(Prov.). Further the ICR and DSCR are expected to moderate, however, remain healthy over the medium term.

Going ahead, the group's ability to maintain its healthy financial risk profile in view of upcoming debt-funded capex will remain a key monitorable.

Weaknesses

Project Implementation and Funding Risk

The total capital expenditure for installing cranes and other machinery at the EQ-1A terminal is approximately Rs.98.63 crore. This includes Rs.70 crore to be secured through a bank loan, Rs.12 crore from promoters, and the remaining amount from internal accruals. While the debt financing has not yet been finalized, it is expected to be secured shortly. The project is scheduled to commence in May and is anticipated to be completed by July 2025.

Acuite believes that securing the debt, timely execution, and stabilization of the project will remain key monitorable.

Moderate Working Capital Operations

The group has moderate nature of working capital operations marked by GCA days of 84 days in FY2025(Prov.) against 98 days in FY2024 and 86 days in FY2023. The Debtor days stood at 14 days in FY2025(Prov.) as against 34 days in FY2024. The group receives 80% payment in advance and remaining 20% post completing the work. The average bank limit utilization for fund based limits stood at ~73% for past 05 months ending March 2025.

Susceptibility to economic cycles

The port and shipping sector is vulnerable to economic downturns and local government trade regulations. GG faces risks from macroeconomic challenges and fluctuations in EXIM trade, which could affect the company's revenue and profitability.

Rating Sensitivities

- Timely execution and stabilization of planned capital expenditure.
- Any significant delay in project implementation leading to lower than expected growth in revenue, profitability and improvement in the financial risk profile and liquidity position.

Liquidity Position

Adequate

The group's liquidity is adequate marked by generation of healthy cash accruals of Rs.26.86 Cr. in FY2025(Prov.) against maturing debt obligation of Rs.2.50 Cr. during the same period. The current ratio stood at 1.35 times as on 31st March 2025(Prov.). The unencumbered cash and bank balance stood at Rs.5.81 Cr. as on 31st March 2025(Prov.). Further, the group is expected to generate sufficient cash accruals against its repayment obligations over the medium term. The average bank limit utilization for fund-based limits stood at ~73% for past 05 months ending March 2025.

Going ahead, the ability of the group to further improve its liquidity position in view of expected augmentation in the operating performance on the back of benefits accruing from the upcoming capex, will remain a key monitorable over the medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	155.75	131.97
PAT	Rs. Cr.	17.88	6.88
PAT Margin	(%)	11.48	5.21
Total Debt/Tangible Net Worth	Times	0.71	0.52
PBDIT/Interest	Times	13.96	21.25

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

None

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any Other Information

None

Applicable Criteria

- 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>
- 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, 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 :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE BBB Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	70.00	Simple	ACUITE BBB Stable Assigned

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company Name
1	Green Energy Resources (Proprietorship Firm)
2	Green Energy Resources Ports Private Limited

Contacts

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About Acuité Ratings & Research

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