



Press Release
MEIL ANPARA ENERGY LIMITED (ERSTWHILE LANCO ANPARA POWER LIMITED)
July 04, 2025
Rating Upgraded and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1915.43	ACUITE BB+ Upgraded & Withdrawn	-
Bank Loan Ratings	729.57	Not Applicable Withdrawn	-
Bank Loan Ratings	195.00	-	ACUITE A4+ Upgraded & Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	2840.00	-	-

Rating Rationale

Acuite has upgraded and withdrawn the long term rating to “**ACUITE BB+**” (read as **ACUITE Double B plus**) from “**ACUITE C**”(read as **ACUITE C**) and short term rating to “**ACUITE A4+**” (read as **ACUITE A four plus**) from “**ACUITE A4**”(read as **ACUITE A four**) on the Rs.2110.43 Cr. bank loan facilities of MEIL Anpara Energy Limited (Erstwhile Lanco Anpara Power Limited). The rating has been withdrawn on account of the request received from the issuer along with no objection certificate received from the lender.

Further Acuite has withdrawn the long-term rating on the Rs.290.25 Cr. bank loan facilities of MEIL Anpara Energy Limited (Erstwhile Lanco Anpara Power Limited) without assigning any rating as it is a proposed facility. The rating has been withdrawn on account of the request received from the issuer.

Acuite has withdrawn the long term rating on the Rs.439.32 Cr. bank loan facilities of MEIL Anpara Energy Limited (Erstwhile Lanco Anpara Power Limited) without assigning any rating as the instrument is fully repaid. The rating has been withdrawn on account of the request received from the issuer along with no dues certificate received from the lender.

The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument.

Rationale for rating

The rating upgrade takes into account feedback from the lenders confirming no delays/ defaults in repayment of term loans in last twelve months and release of corporate guarantee and subservient charges on assets. Moreover, liquidity position of the company is adequate as reflected by net cash accruals of Rs.302.05 Crore and unencumbered cash and bank balance at Rs.334.54 Crore as on 31st March 2025 (Prov.). The rating also factors in the operations of the company being supported through availability of power purchase agreement and fuel supply agreements in place and healthy operating performance as reflected by the Plant Availability Factor (PAF) in the range of 85-90 percent and Plant Load Factor (PLF) of more than 75 percent in the last three years. Further, the financial risk profile of the company is moderate reflected by gearing of 1.52 times as on 31st March, 2025 (Prov.). However, the rating remains constrained by project risk related to setup a fuel gas desulphurisation (FGD) plant and as any delay or cost overrun in implementation of the capex may impact operating and financial risk profile of the company. Further, Acuite notes that any significant delay in receipt

of payments from counterparties may impact the debt servicing and liquidity position of the company.

About the Company

Meil Anpara Energy Limited (Erstwhile Lanco Anpara Power Limited), a public limited company and is engaged in power generation and it operates coal based thermal power plant ~ Anpara 'C' in Anpara, Uttar Pradesh. The power plant consists of two units of 600 MW each. The thermal power plant has a Power Purchase Agreement (PPA) with

Uttar Pradesh Power Corporation Ltd (UPPCL) for 1100 MW for 25 years (extendable by 5 years) and the remaining 100 MW capacity is being sold in the open market. The company is presently owned by Megha Engineering and Infrastructures Limited. Directors of the firm are Ms. Salila George, Mr. Praveen Kumar Singh, Mr. Surendra Nath Pandey, Mr. Anand Kumar Singh, Mr. Srinivas Bommareddy, Mr. Valli Natarajan, Mr. Venkata Krishna Reddy Puritipati and Mr. Srinivas Bonthu.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of Meil Anpara Energy Limited (Erstwhile Lanco Anpara Power Limited) to arrive at the rating.

Key Rating Drivers

Strengths

Availability of power purchase agreement and fuel supply agreements

Meil Anpara Energy Limited has a long-term power purchase agreement (PPA) of 25-year Power Purchase Agreement (PPA) with Uttar Pradesh Power Corporation Ltd (UPPCL) signed in 2006 and extendable by 5 years (post the completion of its term). The power plant has a total capacity of 1,200 megawatts (MW) wherein the company benefits from long term off-take agreement for more than 90 percent of its capacity. The remaining capacity is being sold in the open market. Moreover, the company has Fuel Supply Agreements (FSA) in place for 4.18 million tonnes per annum (MTPA) with Northern Coal Fields Limited which mitigates fuel availability risks. Due to the proximity of the company's plant to NCL's coal mines, it has been able to procure the balance coal requirement also from NCL which further ensures the stability of fuel supply. Any additional fuel is procured through e-auctions and the company has pass through for coal's landed cost under the PPA safeguarding the plant's profitability against any adverse movements in coal prices. The gross power generation of the company has remained stable in near to medium term.

Moderate Financial Risk Profile

The financial risk profile of the company is moderate, marked by the net worth of Rs.1072.47 Crore in FY2025 (Prov.) as against Rs.895.93 Crore in FY2024. The increase in net worth is on account of accretion of profits into reserves. Further, the total debt of the company stood at Rs.1627.92 Crore as on 31st March 2025 (Prov.) as against Rs.2069.25 Crore as on 31st March 2024. The capital structure of the company is marked by gearing ratio which stood at 1.52 times as on 31st March 2025 (Prov.) as against 2.31 times as on 31st March 2024. Furthermore, the company has debt-funded capex plans to setup a fuel gas desulphurisation (FGD) plant with estimated cost of the project being Rs.1540 crore which is expected to be funded in debt-equity ratio of 75:25. The interest coverage ratio stood at 2.62 times as on 31st March 2025 (Prov.). The TOL/TNW ratio of the company stood at 1.89 times as on 31st March 2025 (Prov.) as against 2.62 times as on 31st March 2024 and DEBT-EBITDA of the company stood at 2.78 times as on 31st March 2025 (Prov.).

Weaknesses

Moderation in Business Risk Profile

The company have achieved a turnover of Rs.2635.14 Crore in FY2025 (Prov.) against Rs.2889.45 Crore in FY2024. The EBITDA margin of the company stood at 21.23% in FY2025 (Prov.) against 24.58% in FY2024. The decrease in revenue and operating margin is on account of increase in consumables expenses (RM) for power generation along with incremental operating expenses. However, the PAT margins of the company increased to 6.69% in FY2025 (Prov.) against 5.52% in FY2024 owing to decreased depreciation and finance costs. The operating performance of the company is however healthy albeit moderated revenue as reflected by the Plant Availability Factor (PAF) in the range of 85-90 percent and Plant Load Factor (PLF) of more than 75 percent in the last three years driven by healthy offtake by counterparties as well as sales in the open market thereby mitigating demand risk. The company is also one of the low-cost power suppliers in the region, so is the preferred supplier and stands high in the merit order.

Moderate Working capital operations

The working capital operations of the company are moderate marked by GCA days of 134 days as on 31st March 2025 (Prov.) as compared to 102 days as on 31st March 2024. Further, the debtor days stood at 19 days as on 31st March 2025 (Prov.) as compared to 14 days as 31st March 2024. On the other hand, the creditor days stood at 23 days as on 31st March 2025 (Prov.) as compared to 10 days in the previous year. The inventory days of the company stood at 31 days as on 31st March 2025 (Prov.) as compared to 15 days as on 31st March 2024. The working capital limits stood at an average of 74.49% for fund- based limits and 0.29% for non-fund based limits for the last six months ended April, 2025.

ESG Factors Relevant for Rating

MEIL Anpara Energy Limited is a power producer based on thermal electricity. The advancing environmental risk emanating from new regulations may adversely impact the cost of generation. Environmental risk is a major issue for thermal power generators as coal based power generation causes significant environmental damage. While there have been some measures adopted to reduce the carbon emission, the reduction however is not uniform. The risks of regulatory constraints therefore continues to remain high for this industry and additional measures could lead to cost escalation. On the social front, occupational and workforce health & safety management are of primary importance to this industry given the nature of operations. The policies on responsible procurement and handling of waste is important. Any increase in pollution levels is likely to create social unrest and political pressures. As thermal power plants also generate large amount of employment in local communities and are susceptible to unionization of labor force, managing social welfare of the local community is critical. Lastly, on the Governance front, the board of directors of the company comprises of professionals having expertise and experience in the field. Company also has audit committee, Nomination and Remuneration, CSR committees in compliance with the Companies Act 2013.

Rating Sensitivities

Not Applicable

Liquidity Position

Adequate

The liquidity profile of the company is marked by net cash accruals of Rs.302.05 Cr. as on 31st March 2025 (Prov.) against the debt repayment obligation of Rs.345.00 Crore over the same period. Despite same, the company is able to pay-off its debt obligations and the shortfall is met by working capital management and unencumbered cash and bank balance available with the company which stood at Rs.334.54 Crore as on 31st March 2025 (Prov.). Further, the company maintains DSRA which stood at Rs.92.73 Cr. as on 31st March, 2025 (Prov.). The working capital limits stood at an average of 74.49% for fund- based limits and 0.29% for non-fund based limits for the last six months ended April, 2025. The current ratio of the company stood at 1.10 times as on 31st March 2025 (Prov.) as against 0.96 times as on 31st March, FY2024.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	2635.14	2889.45
PAT	Rs. Cr.	176.32	159.54
PAT Margin	(%)	6.69	5.52
Total Debt/Tangible Net Worth	Times	1.52	2.31
PBDIT/Interest	Times	2.62	2.96

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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. Acuité'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
10 Apr 2024	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	50.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	20.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	100.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	60.00	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	120.00	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	97.43	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	100.00	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	104.37	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	70.08	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	68.66	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	50.00	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	101.99	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	127.42	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	75.00	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	102.14	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	19.62	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	35.95	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	375.57	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	808.86	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	290.25	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	37.66	ACUITE C (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	100.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Letter of Credit	Short Term	20.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Letter of Credit	Short Term	50.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Term Loan	Long Term	37.66	ACUITE C (Downgraded from ACUITE BB+ Stable)

11 Jan 2023	Proposed Long Term Bank Facility	Long Term	290.25	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	808.86	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	375.57	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	35.95	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	19.62	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	102.14	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	75.00	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	127.42	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	101.99	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	50.00	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	68.66	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	70.08	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	104.37	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	100.00	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	97.43	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	120.00	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	60.00	ACUITE C (Downgraded from ACUITE BB+ Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE A4+ Upgraded & Withdrawn (from ACUITE A4)
Central Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A4+ Upgraded & Withdrawn (from ACUITE A4)
Central Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	120.00	Simple	Not Applicable Withdrawn
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	60.00	Simple	Not Applicable Withdrawn
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE A4+ Upgraded & Withdrawn (from ACUITE A4)
Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A4+ Upgraded & Withdrawn (from ACUITE A4)
Central Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A4+ Upgraded & Withdrawn (from ACUITE A4)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	290.25	Simple	Not Applicable Withdrawn
Rural Electrification Corporation Ltd.	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	808.86	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Indian Infrastructure Finance Company Limited	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	375.57	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Bank of Baroda	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	35.95	Simple	Not Applicable Withdrawn

Union Bank of India	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	19.62	Simple	Not Applicable Withdrawn
Bank of India	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	102.14	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Indian Bank	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	68.66	Simple	Not Applicable Withdrawn
Punjab National Bank	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	70.08	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Punjab National Bank	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	104.37	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
UCO Bank	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	97.43	Simple	Not Applicable Withdrawn
Canara Bank	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	127.42	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Central Bank of India	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	101.99	Simple	ACUITE BB+ Upgraded & Withdrawn (from ACUITE C)
Indian Bank	Not avl. / Not appl.	Term Loan	30 Jun 2012	Not avl. / Not appl.	31 Mar 2027	37.66	Simple	Not Applicable Withdrawn

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About Acuité Ratings & Research

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