

May 10, 2022

## Kaze Energy Limited: Rating Withdrawn

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loan	275.03	0.00	[ICRA]A- (Stable); Withdrawn
<b>Total</b>	<b>275.03</b>	<b>0.00</b>	

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The long-term rating assigned to Kaze Energy Limited (KEL) has been withdrawn at the request of the company and based on the no dues certificate received from the banker, and in accordance with ICRA's policy on withdrawal and suspension. ICRA is withdrawing the rating and it does not have information to suggest that the credit risk of the company has changed since the time the rating was last reviewed. The Key rating drivers, Liquidity position and Rating sensitivities have not been captured as the rated instruments are being withdrawn.

The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
<b>Applicable Rating Methodologies</b>	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology for Wind Power Producers</a> <a href="#">Rating Approach - Implicit Parent or Group Support</a> <a href="#">ICRA Policy on Withdrawal of Credit Rating</a>
<b>Parent/Group Support</b>	Parent: Greenko Energy Holdings (GEH) The assigned ratings factor in the high likelihood of the ultimate parent, Greenko Energy Holdings, extending financial support to KEL, should there be a need, as evidenced by the presence of corporate guarantee for the working capital borrowings availed by the company.
<b>Consolidation/Standalone</b>	Standalone

### About the company

Incorporated in March 2013, KEL is an SPV formed for the development and operation of wind farms. The company has developed wind farms with an aggregate capacity of 48.3-MW in Gujarat. The project was commissioned in August 2017. The entire capacity of the company is tied up with a long-term PPA with GUVNL for 25 years. While earlier, it was entirely held by the IL&FS Group, there was a change in the ownership pattern of the company in March 2016, by virtue of sale of equity shares to ORIX Corporation, Japan, resulting in its effective ownership of a 49% stake. On October 15, 2019, ORIX Corporation, pursuant to the NCLT order, acquired the remaining 51% stake of the IL&FS Group, giving it 100% ownership of the company. On March 05, 2021, KEL and other six SPVs of ORIX Corporation were transferred to the Greenko Group, as a part of USD 961 million transaction, in exchange of a 21.8% stake for ORIX Corporation in GEH.

## Key financial indicators (Standalone) – KEL

Particulars	FY2020 (Audited)	FY2021 (Audited)
Operating Income (Rs. crore)	57.72	45.28
PAT (Rs. crore)	-1.28	-8.64
OPBDIT/OI (%)	84.11%	77.28%
PAT/OI (%)	-2.22%	-19.07%
Total Outside Liabilities/Tangible Net Worth (times)	4.98	5.79
Total Debt/OPBDIT (times)	6.58	9.29
Interest Coverage (times)	1.34	1.10

Source: Company, ICRA Research; All ratios as per ICRA calculations; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

SN	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding *(Rs. crore)	Date & Rating	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					May 10,2022	May 12,2021	Sep 24,2020	-
1	Term Loans	Long-term	275.03	0	[ICRA]A- (Stable) withdrawn	[ICRA]A- (Stable)	[ICRA]A-@	-
2	WCDL	Short-term	-			[ICRA]A2+ withdrawn	[ICRA]A2+@	-

\* as on March 31,2022; @ on watch with negative implications; & on watch with developing implications

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	FY2018	-	FY2036*	275.03	[ICRA]A- (Stable) withdrawn

Source: Company; \* prepaid before the maturity date

### Annexure-2: List of entities considered for consolidated analysis

Company Name	KEL's stake	Consolidation Approach
Not applicable	Not Applicable	Not Applicable

## ANALYST CONTACTS

**Sabyasachi Majumdar**

+91 124 4545 304

[sabyasachi@icraindia.com](mailto:sabyasachi@icraindia.com)

**Girishkumar Kadam**

+91 22 6114 3441

[girishkumar@icraindia.com](mailto:girishkumar@icraindia.com)

**Vikram V**

+91 40 40676518

[vikram.v@icraindia.com](mailto:vikram.v@icraindia.com)

**Tushar Bharambe**

+91 22 6169 3347

[tushar.bharambe@icraindia.com](mailto:tushar.bharambe@icraindia.com)

## RELATIONSHIP CONTACT

**L Shivakumar**

+91 22 6614 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



© Copyright, 2022 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.