

November 22, 2023

Royal Power Turnkey Implements Private Limited: Continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	6.25	6.25	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B-(Stable) and continues to remain under 'Issuer Not Cooperating' category.
Short Term-Non Fund Based-Others	8.75	8.75	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A4 and continues to remain under 'Issuer Not Cooperating' category.
Total	15.00	15.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

Material event

The rating of Royal Power Turnkey Implements Private Limited is downgraded as the accounts of the entity have been declared as NPA (Non-Performing Asset) mentioned by the Auditor in the Annual Report of FY 2023.

Impact of material event

The rating is based on limited information on the entity's performance since the time it was last rated August ,2022. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Royal Power Turnkey Implements Private Limited, ICRA has been trying to seek information from the entity to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite repeated requests by ICRA, the entity's management has remained noncooperative. In the absence of the requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on default Recognition Rating Methodology – Construction
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 2011, Royal Power Turnkey Implements Private Limited (or the company) is engaged in executing turnkey power projects for various Government departments in Maharashtra, Goa and Chhattisgarh. The company is a registered class 'A' contractor with different states and local governing bodies. Prior to 2011, the promoter, Mr. K.K Koshy, was engaged in a similar business segment of designing and constructing electricity infrastructure as well as commissioning lighting infrastructure and sub-stations through a proprietorship concern, Royal Electricals.

Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	13.07	31.55
PAT (Rs. crore)	-17.02	2.99
OPBDITA/OI (%)	-129.83 %	9.61 %
PAT/OI (%)	-130.23 %	9.49 %
Total Outside Liabilities/Tangible Net Worth (times)	-4.09	-5.72
Total Debt/OPBDITA (times)	-0.14	0.80
Interest Coverage (times)	-992.44	947.50

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortisation.

Source: MCA

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)			Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021
					November 22, 2023	August 29, 2022	July 22, 2021	May 26, 2020
1	Fund Based - Cash Credit	Long Term	6.25	-	[ICRA]D;ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B-(Stable); ISSUER NOT COOPERATING
3	Non Fund Based - Others	Short Term	8.75	-	[ICRA]D;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING	[ICRA]A4;ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term- Fund Based- Cash Credit	Simple
Short Term – Non Fund Based - Others	Very 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 analysing 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: [Click Here](#)

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	Long Term- Fund Based- Cash Credit	-	-	-	6.25	[ICRA]D; ISSUER NOT COOPERATING
NA	Short Term-Non Fund Based - Others	-	-	-	8.75	[ICRA]D; ISSUER NOT COOPERATING

Source: Royal Power Turnkey Implements Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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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

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Branches



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