

## RATING RATIONALE

30 June 2025

### AJMER VIDYUT VITRAN NIGAM LTD.

**Brickwork Ratings downgrades the long term ratings & reaffirms the short term ratings for the Bank Loan Facilities of Rs. 2337.48 Crs. of Ajmer Vidyut Vitran Nigam Ltd. based on the best available information, as the issuer did not cooperate.**

#### Particulars

Facilities**	Amount (Rs. Crs.)		Tenure	Rating <sup>^</sup>	
	Previous	Present		Previous (28 June 2024)	Present
<b>Fund Based</b> TL/CC (with GoR Guarantee)	573.00	<b>573.00</b>	Long Term	BWR BB/Negative Continues to be in ISSUER NOT COOPERATING* category/Downgrade	<b>BWR BB-/Negative</b> <b>Continues to be in</b> <b>ISSUER NOT</b> <b>COOPERATING*</b> <b>category/Downgrade</b>
<b>Fund Based</b> TL/WCTL (with GoR Guarantee)	1100.00	<b>1100.00</b>	Long Term	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Downgrade	<b>BWR A4</b> <b>Continues to be in</b> <b>ISSUER NOT</b> <b>COOPERATING*</b> <b>category/Reaffirmation</b>
<b>Non Fund Based</b> LC / BG (with GoR Guarantee)	551.98	<b>551.98</b>	Short Term	BWR B+/Stable Continues to be in ISSUER NOT COOPERATING* category/Downgrade	<b>BWR B/Stable</b> <b>Continues to be in</b> <b>ISSUER NOT</b> <b>COOPERATING*</b> <b>category/Downgrade</b>
<b>Fund Based (TL)</b> (without GoR Guarantee)	112.50	<b>112.50</b>	Long Term	<b>Rupees Two Thousand Three Hundred Thirty Seven Crores and Forty Eight Lakhs Only</b>	
<b>Total</b>	2337.48	<b>2337.48</b>			

<sup>^</sup>Please refer to Brickwork Ratings (BWR) website [www.brickworkratings.com](http://www.brickworkratings.com) for the definition of the ratings

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

\*\* Details of bank loan facilities are provided in Annexures-I

#### RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Brickwork Ratings (BWR) downgraded the long term rating to BWR BB-/Negative & reaffirmed the short term rating to BWR A4 for the bank facilities with Government of Rajasthan guarantee, and downgraded long term rating to BWR B/Stable for the bank facilities without Government of Rajasthan guarantee and continue the same to be in Issuer not cooperating category; based on the best available information.

The annual review was due in June-2025. BWR has consistently taken up with Jodhpur Vidyut Vitran Nigam Ltd. (JdVVNL or the company) through emails and telephone calls to provide the requisite information for the periodic rating surveillance. Despite the best efforts of BWR to get at least the minimum required information for a review, the company continues

to remain non-cooperative. Further, the company is not submitting the monthly No Default Statement (NDS) in deviation from the extant guidelines. Due to the continued lack of management cooperation and the absence of adequate information from the company, BWR is unable to assess the company's financial performance, its ability to service its debt, and maintain a valid rating.

Hence, based on the best available information, continued lack of management cooperation, non-submission of monthly NDS and in terms of extant regulatory requirements, downgraded the long term rating to BWR BB-/Negative & reaffirmed the short term rating to BWR A4 for the bank facilities with Government of Rajasthan guarantee, and downgraded long term rating to BWR B/Stable for the bank facilities without Government of Rajasthan guarantee and continue the same to be in Issuer not cooperating category; based on the best available information.

The lenders/investors may note to exercise due caution while using the above rating which mentions "ISSUER NOT COOPERATING" since the rating lacks any projections or forward-looking component as it is arrived at based on the best available information without any management/lenders' interaction.

#### **LIMITATIONS OF THE RATING**

Information availability risk is a key factor in the assessment of credit risk as generally non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

#### **ANALYTICAL APPROACH - Standalone**

BWR has considered the financial and operational risk profile of Ajmer Vidyut Vitran Nigam Ltd on a standalone basis for its bank loan rating purpose. However, the continued Government of Rajasthan (GoR) guarantee for the supported bank loan facilities has also been duly factored.

#### **ABOUT THE ENTITY**

<b>Macro Economic Indicator</b>	<b>Sector</b>	<b>Industry</b>	<b>Basic Industry</b>
Utilities	Power	Power	Power Distribution

Ajmer Vidyut Vitran Nigam Ltd. (AVVNL) is an unbundled state power distribution company of Rajasthan State Electricity Board (RSEB). As per the Rajasthan Power Sector Reforms Act, 1999, of the GoR, the erstwhile RSEB was unbundled into a generation company, transmission company and three distribution companies (DISCOMs) w.e.f. 19 July 2000. Rajasthan Rajya Vidyut Utpadan Nigam Ltd (RVUNL) was incorporated as the sole generation company, Rajasthan Rajya Vidyut Prasaran Nigam Ltd (RRVPNL) was incorporated as the sole transmission company and three DISCOMs were incorporated, viz., Jodhpur Vidyut Vitran Nigam Ltd. (JdVVNL), Jaipur Vidyut Vitran Nigam Ltd. (JVVNL) and AVVNL.

AVVNL's area of operation covers 11 districts of Rajasthan, namely Ajmer, Bhilwara, Nagaur, Sikar, Jhunjhunu, Udaipur, Banswara, Chittorgarh, Rajsamand, Dungarpur and Pratapgarh. (as per the information shared during Oct'21 rating review)

On a provisional basis as on 31st March 2025, the company achieved a total operating income of Rs. 21122.56 Cr (FY24: Rs. 20204.76 Cr), an operating profit of Rs. 3278.54 Cr (FY24: Rs. 1004.52 Cr) and a net loss of Rs. 67.56 Cr (FY24: Rs. 1974.63 Cr).

**KEY FINANCIAL INDICATORS (Standalone) – Ajmer Vidyut Vitran Nigam Ltd.**

Please refer to the following link for the previous detailed rationale that captures the Key Financials Drivers and their Description, Liquidity Position. Rating Sensitivities, Key Financial Indicators. [View Previous Document](#)

**NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY:** No non-cooperation with any other credit rating agency.

**RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]:**

Sl. No.	Facility	Current Rating (June 2025)			Rating History					
		Type	Amount O/S (Rs. Cr)	Rating	2024		2023		2022^^	
					Date	Rating	Date	Rating	Date	Rating
1	FB - TL/CC	Long Term	573.00	BWR BB-/Negative Continues to be in ISSUER NOT COOPERATING* category /Downgrade	28 June 2024	BWR BB-/Negative Continues to be in ISSUER NOT COOPERATING* category /Downgrade	18 Jan 2023	BWR BBB/ Negative ISSUER NOT COOPERATING*/ Downgrade@	NA	NA
							30 Jun 2023	BWR BB+/Negative ISSUER NOT COOPERATING*/ Downgrade		
2	FB - TL/WC TL	Long Term	1100.00	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmed	28 June 2024	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Down grade	18 Jan 2023	BWR BBB/ Negative ISSUER NOT COOPERATING*/ Downgrade@	NA	NA
							30 Jun 2023	BWR BB+/Negative ISSUER NOT COOPERATING*/ Downgrade		
3	NFB-LC/BG	Short Term	551.98	BWR B/Stable Continues to be in ISSUER NOT COOPERATING* category /Downgrade	28 June 2024	BWR B+/Stable Continues to be in ISSUER NOT COOPERATING* category /Downgrade	18 Jan 2023	BWR A3+ ISSUER NOT COOPERATING*/ Downgrade@	NA	NA
							30 Jun 2023	BWR A4+ ISSUER NOT COOPERATING*/ Downgrade		
4	FB - TL	Long Term	112.50	BWR B+/Stable Continues to be in ISSUER NOT COOPERATING* category /Downgrade	28 June 2024	BWR B+/Stable Continues to be in ISSUER NOT COOPERATING* category /Downgrade	18 Jan 2023	BWR BB-/Stable ISSUER NOT COOPERATING*/ Downgrade	NA	NA
							30 Jun 2023	BWR BB-/Stable ISSUER NOT COOPERATING*/ Reaffirmation		
<b>Total</b>			<b>2337.48</b>	<b>Rupees Two Thousand Three Hundred Thirty Seven Crores and Forty Eight Lakhs Only</b>						

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

^Supported by the irrevocable and unconditional guarantee of Government of Rajasthan; @Revision in analytical approach from CE to standalone; withdrawal of earlier unsupported rating of BWR BB/Stable/A4

^^Rating Advisory for delay in rating review issued on 27Oct2022.

**Initial Rating:** BWR A-(CE)/Stable/A2+(CE) for supported bank loan facilities of Rs. 1027.34 Crs.; BWR BB/Stable for unsupported bank loan facilities of Rs. 300 Crs. on 23 Mar 2020

#### HYPERLINK/REFERENCE TO APPLICABLE CRITERIA

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Short Term Rating](#)
- [Infrastructure Sector](#)
- [Power Distribution Utilities](#)
- [Public Finance – State Governments](#)
- [Ratings of Entities Based on Government Support](#)
- [Policy on Issuer Non-Cooperation](#)

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**AJMER VIDYUT VITRAN NIGAM LTD. (AVVNL)**

**ANNEXURE I**

**Details of Bank Facilities rated by BWR**

Sl. No.	Name of the Bank/Lender	Type of Facilities	Long Term (Rs. Crs.)	Short Term (Rs. Crs.)	Total (Rs. Crs.)	Complexity of the Instrument*
1	State Bank of India	TL	733.00	-	733.00	Simple
2		CC	140.00	-	140.00	Simple
3		LC/BG	-	551.98	551.98	Simple
4	Punjab and Sind Bank	WCTL	500.00	-	500.00	Simple
5	Indian Overseas Bank	TL	300.00	-	300.00	Simple
6	IREDA	TL	112.50	-	112.50	Simple
		<b>Total</b>	<b>1785.50</b>	<b>551.98</b>	<b>2337.48</b>	
<b>TOTAL Rupees Two Thousand Three Hundred Thirty Seven Crores and Forty Eight Lakhs Only</b>						

**Note:** As per the information available in October 2021.

For more information, visit

<https://www.brickworkratings.com/download/ComplexityLevels.pdf>

**ANNEXURE II**

**INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS**

Instrument	Issue Date	Amount Rs. Crs.	Coupon Rate	Maturity Date	ISIN Particulars	Complexity of the instrument
Nil	Nil	Nil	Nil	Nil	Nil	Nil

**ANNEXURE III**

**List of entities consolidated**

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Nil



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