

7th June, 2019

<p>To, General Manager Listing Compliance National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400051, Symbol: UJAAS</p>	<p>To, General Manager Listing Compliance The Bombay Stock Exchange (BSE Limited) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400001 Script Code: 533644</p>
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Sub: Revision in Credit Rating

Ref: Regulation 30 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015

Dear Sir/Ma'am,

In reference to the above cited subject, Please be informed that the Crisil has revised its rating as under:

Long Term Rating	CRISIL - BB+/Stable (Downgraded from 'CRISIL BBB-/Negative')
Short Term Rating	CRISIL A4+ (Downgraded from 'CRISIL A3')

Detailed Rationale


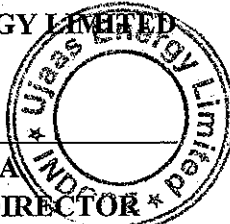
The downgrade reflects deterioration in the UEL's business risk profile. Offtake has reduced on account of ambiguity regarding tax rates applicable to engineering procurement and construction (EPC) contracts for solar power plants under the Goods and Service Tax (GST) Act. Further, increased competition in the industry has reduced the flow of new orders for the UEL. Consequently, revenue was at Rs. 159 crore in fiscal 2019, a decline of over 50% compared with the previous fiscal. Accordingly, cash accruals also have declined in fiscal 2019 with accruals of Rs.10.5 crore (not considering deferred tax) against which it had repayment obligation of Rs.10.37 crore.

Delay in realisation of receivables has led to a stretched working capital cycle, with reduced levels of liquid funds and higher reliance on short-term fund based bank lines. Increase in UEL's order book now post the GST clarifications, performance in the e-vehicle segment along with improvement in working capital management will remain key rating sensitivity.

The rating also factors in the extensive experience of the promoters and the company's comfortable capital structure. CRISIL believes that, these strengths are partially offset by working capital-intensive operations, susceptibility of business to regulatory changes, and average debt protection metrics with just about adequate liquidity.

This is for your information & record.

for UJAAS ENERGY LIMITED

VIKALP MUNDRA
Jt. MANAGING DIRECTOR
DIN: 00113145

UJAAS ENERGY LIMITED (Formerly known as M AND B Switchgears Ltd.)

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