

Shilpa Electrification

August 13, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2.00	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.50	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated July 27, 2023, placed the rating(s) of Shilpa Electrification (SE) under the 'issuer non-cooperating' category as SE had failed to provide information for monitoring of the rating. SE continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 11, 2024, June 21, 2024, July 01, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [July 27, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Firm

Shilpa Electrification (SE) was established as a partnership firm in 2010 and promoted by Mr. K. Nageswara Rao and his family members. The firm is engaged in electrical works such as erection, installation, commissioning, and construction of 132 KV and 220 KV sub stations and transmission lines. The firm receives 80 per cent of the revenue from construction of transmission lines, sub stations, services and the rest of 20 per cent receives from the supply of material like insulators, bolts, nuts etc. The firm renders services only to government bodies in the state of Telangana and Andhra Pradesh and the firm's major customers are TS Transco and AP Transco

Brief Financials (Rs. crore)	March 31, 2016 (A)	March 31, 2017 (A)
Total operating income	25.35	15.95
PBILDT	2.12	1.44
PAT	0.98	0.64
Overall gearing (times)	0.55	0.42
Interest coverage (times)	3.63	3.02

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Brickworks has continued the ratings assigned to the bank facilities of SE to the 'issuer not-cooperating' category vide press release dated May 16, 2024 on account of its inability to carryout review in the absence of requisite information from the firm.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	2.00	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	4.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	1.50	CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	2.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (27-Jul-23)	1)CARE C; Stable; ISSUER NOT COOPERATING* (15-Jul-22)	1)CARE C; Stable; ISSUER NOT COOPERATING* (23-Apr-21)
2	Non-fund-based - ST-Bank Guarantee	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (27-Jul-23)	1)CARE A4; ISSUER NOT COOPERATING* (15-Jul-22)	1)CARE A4; ISSUER NOT COOPERATING* (23-Apr-21)
3	Non-fund-based - ST-Letter of credit	ST	1.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (27-Jul-23)	1)CARE A4; ISSUER NOT COOPERATING* (15-Jul-22)	1)CARE A4; ISSUER NOT COOPERATING* (23-Apr-21)

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple
3	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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