

Power Engineering Corporation

August 21, 2024

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|------------------|--|--|
| Long Term Bank Facilities | 2.00 | CARE B-; Stable; ISSUER NOT COOPERATING* | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 4.00 | 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 August 03, 2023, placed the rating(s) of Power Engineering Corporation (PEC) under the 'issuer non-cooperating' category as PEC had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement. PEC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 18, 2024, June 28, 2024 and July 08, 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 [August 03, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

About the firm

Nagpur Based PEC is a proprietorship firm established is 1992 and is promoted by Mr. Prabhakar Pannase. The firm is a Registered as a Class -A Electrical Contractor in the State of Maharashtra. PEC is engaged in electric works that include installing sub-stations, fabrication and installation of pump connections to draw water as well as laying line.

| Brief Financials (Rs. crore) | March 31, 2017 (A) | March 31, 2018 (A) |
|------------------------------|--------------------|--------------------|
| Total operating income | 17.94 | 7.02 |
| PBILDT | 1.19 | 0.94 |
| PAT | 0.75 | 0.53 |
| Overall gearing (times) | 1.12 | 0.95 |
| Interest coverage (times) | 2.84 | 2.34 |

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

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

Status of non-cooperation with previous CRA: Acuite has continued the rating assigned to the bank facilities of PEC under Issuer Not Cooperating category vide press release dated June 04, 2024 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Any other information: Not Applicable

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

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

Complexity level of various instruments rated: Please refer 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 B-; Stable; ISSUER NOT COOPERATING* |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 4.00 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of 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 B-; Stable; ISSUER NOT COOPERATING* | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (03-Aug-23) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (21-Jul-22) | 1)CARE B-; Stable; ISSUER NOT COOPERATING* (10-Jun-21) |
| 2 | Non-fund-based - ST-Bank Guarantee | ST | 4.00 | CARE A4; ISSUER NOT COOPERATING* | - | 1)CARE A4; ISSUER NOT COOPERATING* (03-Aug-23) | 1)CARE A4; ISSUER NOT COOPERATING* (21-Jul-22) | 1)CARE A4; ISSUER NOT COOPERATING* (10-Jun-21) |

*Issuer did not cooperate; Based on best available information

LT: Long term; ST: Short Term

Annexure-3: Detailed explanation of the 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 |

Annexure-5: Lender details

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

Note on complexity levels of the rated instrument: 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:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages our domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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