

## Sunil Hitech Engineers Limited

March 28, 2020

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities (Term Loan)	20.00	CARE D; ISSUER NOT COOPERATING* [Single D; ISSUER NOT COOPERATING*]	Issuer not cooperating, Rating reaffirmed; Based on best available information
Long Term Bank Facilities (Fund Based)	392.00	CARE D; ISSUER NOT COOPERATING* [Single D; ISSUER NOT COOPERATING*]	Issuer not cooperating, Rating reaffirmed; Based on best available information
Short Term Bank Facilities (Fund Based)	411.00	CARE D; ISSUER NOT COOPERATING* [Single D; ISSUER NOT COOPERATING*]	Issuer not cooperating, Rating reaffirmed; Based on best available information
Short Term Bank Facilities (BG)	10.00	CARE D; ISSUER NOT COOPERATING* [Single D; ISSUER NOT COOPERATING*]	Issuer not cooperating, Rating reaffirmed; Based on best available information
Long/ Short Term Bank Facilities (BG)	1,138.00	CARE D/ CARE D; ISSUER NOT COOPERATING* [Single D/ Single D; ISSUER NOT COOPERATING*]	Issuer not cooperating, Rating reaffirmed; Based on best available information
<b>Total</b>	<b>1971.00</b> <b>(Rs. One thousand nine hundred and seventy one crore only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

Sunil Hitech Engineers Limited(SHEL) has not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. In line with the extant SEBI guidelines, CARE's rating on SHEL's bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING\***.

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

### Detailed description of the key rating drivers

Based on the due diligence carried out, *the company is under liquidation.*

*At the time of last rating on March 18, 2019, the following were the rating weaknesses:*

### Key Rating Weaknesses

***Ongoing delays in debt servicing (including LC devolvments and overdrawals in cash credit account):*** Based on the due diligence carried out, there have been continuous LC devolvments as well as overdrawals in the cash credit account. This is mainly on account of the continued stress in the liquidity position.

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)  
[CARE's Policy on Default Recognition](#)

<sup>2</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

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

### About the Company

SHEL was incorporated as a proprietorship concern under the name of Sunil Engineering Works in 1984 and was reconstituted as a private limited company in 1998. The company changed its name to the current one in August 2005. SHEL commenced operations in 1984 as a contractor securing and executing small works of fabrication, erection and other commissioning related works of thermal power plants. Over a period of time, the company has grown as a medium sized player in the infrastructure space and undertakes works related to civil and structural work, transmission and distribution, balance of power plants and operations and maintenance, installation of boilers and auxiliaries, civil and institutional buildings and roads. Since FY15, company selected to focus on road building and civil construction projects while moderating exposure to Balance of Plant power projects.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	2101.93	2507.69
PBILDT	189.08	156.00
PAT	40.07	3.41
Overall gearing (times)	2.15	1.91
Interest coverage (times)	1.96	1.33

A: Audited

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

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

### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	392.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Letter of credit	-	-	-	411.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - LT/ST-Bank Guarantees	-	-	-	1138.00	CARE D / CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Bank Guarantees	-	-	-	10.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Term Loan	-	-	-	20.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; 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 (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	392.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (11-May-18) 3)CARE BB; Negative (20-Apr-18)	1)CARE A-; Stable (27-Feb-18) 2)CARE A-; Stable (09-Oct-17)	1)CARE A- (03-Nov-16)
2.	Non-fund-based - ST-Letter of credit	ST	411.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (11-May-18) 3)CARE A4 (20-Apr-18)	1)CARE A2+ (27-Feb-18) 2)CARE A2+ (09-Oct-17)	1)CARE A2+ (03-Nov-16)
3.	Non-fund-based - LT/ST-Bank Guarantees	LT/ST	1138.00	CARE D / CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D / CARE D (11-May-18) 3)CARE BB; Negative / CARE A4 (20-Apr-18)	1)CARE A-; Stable / CARE A2+ (27-Feb-18) 2)CARE A-; Stable / CARE A2+ (09-Oct-17)	1)CARE A- / CARE A2+ (03-Nov-16)
4.	Non-fund-based - ST-Bank Guarantees	ST	10.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (11-May-18) 3)CARE A4 (20-Apr-18)	1)CARE A2+ (27-Feb-18) 2)CARE A2+ (09-Oct-17)	1)CARE A2+ (03-Nov-16)
5.	Fund-based - LT-Term Loan	LT	20.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-19) 2)CARE D (11-May-18) 3)CARE BB; Negative (20-Apr-18)	1)CARE A-; Stable (27-Feb-18)	-
6.	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (20-Apr-18)	-	-
7.	Fund-based - LT-Cash Credit	LT	-	-	-	1)Withdrawn (20-Apr-18)	-	-
8.	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)Withdrawn (20-Apr-18)	-	-
9.	Non-fund-based - LT/ST-Bank Guarantees	LT/ST	-	-	-	1)Withdrawn (20-Apr-18)	-	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

### Contact us

#### Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)

#### Analyst Contact

Vikash Agarwal

Contact no. – +91-22-6837 4427

Email ID – [Vikash.agarwal@careratings.com](mailto:Vikash.agarwal@careratings.com)

#### Relationship Contact

Saikat Roy

Contact no. : +91-22-61549404

Email ID : [saikat.roy@careratings.com](mailto:saikat.roy@careratings.com)

#### About CARE Ratings:

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