

Suzlon Energy Limited

February 19, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating	Remark
Commercial Paper	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of key rating drivers

CARE has withdrawn the rating(s) assigned to the proposed Commercial Paper issue of Suzlon Energy Ltd. with immediate effect. The above action has been taken on the request of the Company as the proposed issue has not been placed.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

SEL, promoted by Mr Tulsi Tanti, is fully-integrated wind power solution provider and its activities include wind resource mapping, land & infrastructure development, creation of power evacuation facilities, component manufacturing, wind turbine installation, commissioning and Operation & Maintenance Services (OMS) both in domestic and international markets. SEL, through its wholly owned subsidiary namely SE Forge Limited undertakes the manufacturing and machining of large forging and casting products. SEL has formed a number of subsidiaries in India & overseas for component manufacturing, Wind Turbine Generator (WTG) marketing and for providing Engineering Procurement & Construction (EPC) and OMS.

SEL along with its three subsidiaries (catering to captive usage as well) and one joint venture has collectively been referred to as Suzlon the Group (STG) and the asset and liabilities of the entities are collectively considered under CDR Scheme. In FY13, STG was referred to the CDR Cell for restructuring of its debt considering positive long-term outlook of the wind energy sector and the package was approved by CDR Empowered Group in December 2012. The approved CDR package was implemented by execution of Master Restructuring Agreement (MRA) by all CDR lenders on March 28, 2013.

Combined Financials of Suzlon The Group

Brief Financials (Rs. crore)	FY17 (A)	FY18 (UA)
Total operating income	11938	8170
PBILDT	2295	1085
PAT	555	(990)
Overall gearing (times)	NM	NM
Interest coverage (times)	2.37	0.86

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

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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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
Commercial Paper	-	-	-	-	Withdrawn

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 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT/ ST-Working Capital Limits	LT/ST	-	-	-	1)Withdrawn (12-Jan-18) 2)CARE A+ (SO); Stable / CARE A1+ (SO) (29-Dec-17)	1)Provisional CARE A+ (SO); Stable / CARE A1+ (SO) (22-Dec-16) 2)Provisional CARE A+ (SO) / CARE A1+ (SO) (01-Apr-16)	-
2.	Fund-based-Working capital facilities	LT	3345.27	CARE BB; Negative	1)CARE BB; Negative (14-Feb-19) 2)CARE BBB-; Negative (23-Nov-18) 3)CARE BBB; Negative (14-Aug-18)	1)CARE BBB; Stable (17-Oct-17)	1)CARE BBB (28-Oct-16)	1)CARE BBB- (08-Oct-15)

3.	Non-fund-based - LT/ ST-BG/LC	LT/ST	4442.21	CARE BB; Negative / CARE A4	1)CARE BB; Negative / CARE A4 (14-Feb-19) 2)CARE BBB-; Negative / CARE A3 (23-Nov- 18) 3)CARE BBB; Negative / CARE A3+ (14-Aug-18)	1)CARE BBB; Stable / CARE A3+ (17-Oct-17)	1)CARE BBB / CARE A3+ (28-Oct-16)	1)CARE BBB- / CARE A3 (08-Oct-15)
4.	Term Loan-Long Term	LT	2454.26	CARE BB; Negative	1)CARE BB; Negative (14-Feb-19) 2)CARE BBB-; Negative (23-Nov- 18) 3)CARE BBB; Negative (14-Aug-18)	1)CARE BBB; Stable (17-Oct-17)	1)CARE BBB (28-Oct-16)	1)CARE BBB- (08-Oct-15)
5.	Non-fund-based - LT- Letter of credit	LT	4024.18	CARE BB; Negative	1)CARE BB; Negative (14-Feb-19) 2)CARE BBB-; Negative (23-Nov- 18) 3)CARE BBB; Negative (14-Aug-18)	1)CARE BBB; Stable (17-Oct-17)	1)CARE BBB (28-Oct-16)	1)CARE BBB- (08-Oct-15)
6.	Commercial Paper	ST	-	-	1)CARE A4 (14-Feb-19) 2)CARE A3 (23-Nov- 18) 3)CARE A3+ (14-Aug-18)	1)CARE A3+ (17-Oct-17)	1)CARE A3+ (28-Oct-16)	1)CARE A3 (08-Oct-15)

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