Suzlon Energy Limited

January 12, 2018

Ratings

Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Long term / Short Term Bank Facilities*	-	-	**Withdrawn**

Details of instruments/facilities in Annexure-1

**Backed by credit enhancement in the form of unconditional and irrevocable corporate guarantee by Lakshdeep Investments & Finance Pvt. Ltd. (LIFPL, guarantor).*

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding rating of 'CARE A+(SO); Stable [A Plus (Structured Obligation)] / CARE A1+(SO)' [A One Plus (Structured Obligation)] assigned to the Bank facilities of Suzlon Energy Ltd. with immediate effect as there is no outstanding against the said facilities. The above action has been taken at the request of Suzlon Energy Ltd.

Analytical approach: Not Applicable

Applicable Criteria

Policy on Withdrawal of ratings

Background – SEL

SEL, promoted by Mr Tulsi Tanti, is fully-integrated wind power solution (Wind Turbine Generator) 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.

Background of the guarantor – LIFPL

Lakshdeep Investments & Finance Pvt. Ltd. (LIFPL), an investment company, is promoted by Mr. Sudhir Valia & family alongwith various promoter held companies owned by them. Mr. Sudhir Valia is the whole time director of Sun Pharmaceutical Industries Ltd. (Sun Pharma) and also the brother in law of Mr. Dilip Shanghvi, promoter and Managing Director of Sun Pharma.

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	29.7	21.7
PBILDT	26.8	16.5
PAT	13.2	12.4
Overall gearing (times)	-	-
Interest coverage (times)	NM	-

Status of non-cooperation with previous CRA: ICRA suspended the ratings of Suzlon Energy Ltd vide its Press Release in Sept-2016 on account of inability to carry out a rating surveillance in the absence of the requisite information from the company.

Any other information: NA

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

[1] *Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

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
Fund-based - LT/ ST-Working Capital Limits	-	-	-	-	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 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Fund-based - LT/ ST-Working Capital Limits	LT/ST	-	-	1)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)	-	1)CARE A+ (SO) (In Principle) / CARE A1+ (SO) (In Principle) (26-Mar-15)
2.	Fund-based-Working capital facilities	LT	3300.00	CARE BBB; Stable	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	6406.00	CARE BBB; Stable / CARE A3+	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	2631.01	CARE BBB; Stable	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	4139.00	CARE BBB; Stable	1)CARE BBB; Stable (17-Oct-17)	1)CARE BBB (28-Oct-16)	1)CARE BBB- (08-Oct-15)	-
6.	Commercial Paper	ST	1000.00	CARE A3+	1)CARE A3+ (17-Oct-17)	1)CARE A3+ (28-Oct-16)	1)CARE A3 (08-Oct-15)	-

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