

## Rating Rationale

**Brickwork Ratings assigns “Solar Power (SP) Rating# for Decentralised Solar PV Applications” – System Integrator of “SP 4D” to B S Solar and Renewable Energy (BSSRE or ‘the Concern’). The Rating indicates ‘Weak’ Technical Capability’ and ‘Moderate’ Financial Strength’.**

**System Integrator**

**SP 4D**

BWR has principally relied upon the provisional financial results of 5MFY17, projected financial results upto FY 19, publicly available information and clarifications provided by the Company’s management.

The rating has positively factored the experience of the management in solar related activities, and qualified technical team to source and handle the solar projects. The rating is, however, constrained by the initial stage of operations, small scale of operations, and intense competition from organised and unorganised players in a highly fragmented industry.

### **Background**

**B S Solar and Renewable Energy (BSSRE)** was established on 19<sup>th</sup> October 2016 as a proprietorship concern at Bhiwani, Haryana by Mr. Mandeep Singh. The proprietorship concern is engaged in design, procurement, engineering and monitoring of Solar Photovoltaic and thermal Systems.

### **Technical Capability**

#### ***Promoters Track Record***

Mr. Mandeep Singh is an electrical engineer with over 7 years of Experience in Solar Industry.

#### ***Technical Expertise and Adequacy of Manpower***

BSSRE has completed on grid and off grid solar projects with a total capacity of 26kW and has on going on grid and off grid projects of ~20kW, which are expected to be completed during FY18. The proprietorship concern has employed 4 technical personnel to support its solar business. Mr Amit Sindhu is an Electrical Engineer with more than 5 years of experience in Solar Industry and heads the technical team with 3 other people who are engineers and ITI certified personnel, with around 3 years of experience in Solar Industry.

#### ***Quality of Suppliers and Tie-ups***

BSSRE has the distributorship of Solar panels and inverters from leading companies like Adani, UTL, Supreme Solar and Luminous. The proprietorship concern procures raw materials from suppliers in Delhi and Uttar Pradesh.

#### ***Customers and O&M Network***

The proprietorship concern is currently focusing on small commercial and retail clientele and has commissioned around 26 kW of Solar projects in this sector.

*# SP Rating is not a Credit Rating of the entity.*

Brickwork Ratings, assesses the Technical Capability of the Concern to be **Weak**.

**Financial Strength**

The concern commenced commercial operations in October 2016 and FY17 is the first year of operations. The assessment of the financial strength has been made on the provisional financials and projections submitted by the company.

As on 31.03.2017, the concern reported a turnover of Rs.0.22 Cr with PAT Rs.0.01 Cr. The revenue is mainly from installation of solar panels. As per CA Certified Provisional financials of FY17, Proprietor’s Capital stood at Rs. 0.07 Cr. The concern does not have any bank borrowings. However, the concern maintains a current account with Indian Bank, Chakri Dadri Branch, Haryana. The banker has informed that the conduct of the Account is Satisfactory.

Brickwork Ratings, assesses the Financial Strength of the Company to be **Moderate**.

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**Disclaimer:** A BWR SI/RESCO rating reflects BWR’s opinion on the ability of the rated system integration entity to undertake solar power projects.

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