

Rating Rationale

Brickwork Ratings on a review Reaffirms 'BWR D' for Long Term Bank Loan Facilities amounting ₹6 Cr of M/S Apeiron Renewable Energy Private Limited

Brickwork Ratings on a review *reaffirms* the **Rating¹** for long term bank loan facilities of Apeiron Renewable Energy Private Limited (**AREPL**) as follows:

Bank	Kind of Facility	Tenure	Sanction Amount Rs in Crs (as on 31 st October 2015)	Recommended Rating
State Bank of Bikaner and Jaipur	Term Loan	Long Term	6.00	BWR D
	Total Fund Based		6.00	

Instruments with this rating are in default or are expected to be in default soon. The rating has been revised based on feedback from banker regarding the delays in servicing of interest and debt obligation.

BWR has essentially relied upon audited financial results up to FY14, projected financial results up to FY17, feedback from banker, publicly available information and information provided by management.

The rating has primarily factor in Apeiron Renewable Energy Private Limited's irregularities in servicing term loan obligations,

Background

M/S Apeiron Renewable Energy Private Limited was incorporated in 2013 as a private limited company in Mumbai by Mr. Pankaj Khanna and Mrs. Ruchi Khanna. Mr. Pankaj is a Mechanical Engineer by qualification and has extensive International and Indian professional experience of over 25 years in various field of Electronic component , Telecommunication , Base metals and power across different levels.

Financial-Performance:

As per audited financial statements of FY15, Company has started commercial operation this year and has reported total revenue of ₹ 1.13 Cr and book loss of ₹ 1.44 Cr mainly due to depreciation and interest expenses. Being first year of operation the company is eligible for additional depreciation @80% being solar generating unit.

¹ Please refer to www.brickworkratings.com for definition of the Ratings

Rating Outlook:

Going Forward, the ability of the company to sell its outstanding renewable energy certificate, infuse equity capital and service the debt in timely manner will be the key rating sensitivities.

Analyst Contact	Relationship Contact
analyst@brickworkratings.com	bd@brickworkratings.com
Phone	Media Contact
1-860-425-2742	media@brickworkratings.com

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