

RATING RATIONALE

11 Nov 2020

Solex Energy Ltd

Brickwork Ratings Revises the ratings for the Bank Loan Facilities of ₹ 20.41 Crores of Solex Energy Ltd. based on best available information, as the issuer did not cooperate.

Particulars

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (June, 2019)^	Present
Fund based	6.41	6.41	Long Term	BWR BBB-Stable	BWR BB-Stable Issuer Not Cooperating* Downgraded
Non Fund Based	14.00	14.00	Short Term	BWR A3	BWR A4 Issuer Not Cooperating* Downgraded
Total	20.41	20.41	INR Twenty Crores and Forty One Lakhs Only.		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

* Issuer did not cooperate, based on best available information.

^Rating not reviewed advisory issued on 29 June, 2020.

Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The ratings of the Bank Loan Facilities of the company has been downgraded and shifted to BWR BB- (Stable)/A4, Issuer not cooperating on account of non-receipt of any papers/information for ascertaining the financial risk profile/performance of the Company. BWR has therefore moved the rating under the “Issuer Not Cooperating” category.

The rating was due for review in June 2020. BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the Company, BWR is unable to assess the Company’s financial performance and its ability to service its debt and maintain a valid rating.

Hence on account of inadequate information and lack of management cooperation, Brickworks Ratings has downgraded the rating of bank loan facilities to BWR BB- (Stable)/A4, Issuer Not Cooperating.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non- transparency and withholding of the information required for a review of the rating.

COMPANY PROFILE

Incorporated in 2014, SEL manufactures solar products and undertakes engineering, procurement and construction contracts for setting up solar power plants, solar water pumps, solar water heating systems and others. It offers a wide range of solar products such as mono/multi-crystalline solar photovoltaic modules, solar lanterns, solar street lights, solar water pumps and solar invertors. Its facility is located in Anand, Gujarat. The company is listed on NSE Emerge.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY

CRA Name	Amt (Rs. in Crs.)	Date	Rating
India Ratings	13.08	17 Aug, 2020	IND BB+/A4+ Issuer not cooperating
Acuite	13.69	03 Nov, 2020	ACUITE BB-/A4+ Issuer not cooperating

RATING HISTORY (INCLUDING WITHDRAWAL AND SUSPENSION)

Instrument / Facilities	Current Rating			Rating History [^]		
	Tenure	Amount (₹ Cr)	Rating	27 June, 2019	2018	2017
Fund Based	Long Term	6.41	BWR BB- Stable Issuer not cooperating* Downgraded	BWR BBB- Stable	-	-
Non Fund Based	Short Term	14.00	BWR A4 Issuer not cooperating* Downgraded	BWR A3	-	-
Total		20.41	INR Twenty Crores and Forty One Lakhs Only			

* Issuer did not cooperate, based on best available information.

^Rating not reviewed advisory issued on 29 June, 2020.

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)

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ANNEXURE I

Solex Energy Ltd

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [₹ Cr]	Short Term [₹ Cr]	Total [₹ Cr]
1	State Bank of India	Fund Based:			
		Term Loan	0.31	-	0.31
		CC	6.10	-	6.10
		Sub Limit: LC	(1.00)	-	(1.00)
		Non Fund Based:			
		BG	-	14.00	14.00
TOTAL					20.41

Total Rupees Twenty Crores and Forty One Lakhs only.



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About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.