



RATING RATIONALE

28 Oct 2020

Surana Solar Ltd

Brickwork Ratings downgrades the ratings for the Bank Loan facilities of ₹ 26.50 Crores of Surana Solar Ltd ('SSL' or 'The Company') and migrates the rating to the 'Issuer not cooperating category' based on best available information, as the issuer did not cooperate.

Particulars

Facility	Previous Limits ₹ Crores	Present Limits ₹ Crores	Tenure	Rating History (Oct 2019)	Review Ratings*
Fund Based	4.00	4.00	Long Term	BWR BBB- (Outlook: Negative)	Issuer Not Cooperating BWR BB+ (Outlook: Stable) Downgraded
Non-Fund Based	22.50	22.50	Short Term	BWR A3	Issuer Not Cooperating BWR A4+ Downgraded
Total	26.50	26.50	₹ Twenty Six Crores and Fifty Lakhs Only		

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

*Issuer did not cooperate; based on best available information

Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Long term and short term rating downgraded to BWR BB+ (Stable)/A4+ (Issuer not Cooperating) on best available information as the issuer did not cooperate.

The rating was due for a review in Oct 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 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.

LIMITATIONS OF THE RATING: Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation 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 ratings should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.



COMPANY PROFILE

Established in 2006 at Hyderabad, **Surana Solar Ltd (SSL)** is engaged in manufacturing of Solar Energy Systems with focus on Solar Photovoltaic (PV) Modules, solar cells and EPC of Solar Power Projects. Surana Solar Limited is part of the Hyderabad based Surana Group. It is listed on BSE and NSE. The Company manufactures Solar Products with a range of 3 Wp to 300 Wp SPV Modules. It has two manufacturing plants- one located in Cherlapally and the other at Fab-city SEZ (both located in Hyderabad). Currently total Modules Manufacturing Capacity at both the units is 80 MW. SSL has established itself as one of the lowest cost manufacturers of Solar Modules in the country. For wind division, the Company currently has an overall installed capacity of 1.65 MW at Khatav Taluka, Satara District, Maharashtra.

Surana Group is a Hyderabad based business conglomerate having business activities in Renewable Energy, Aluminum & Copper Products, Telecom Cables & Realty. The Group has an experience of over four decades. The Group has three main operating and listed Companies- Bhagyanagar India Ltd engaged in the business of manufacturing of a wide range of copper products, Non-conventional energy, real estate and infrastructure, Surana Solar Ltd and Surana Telecom & Power Ltd (operate Solar and wind power plants).

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: None

Rating History for the last three years (including withdrawn/suspended ratings)

S.No	Facility	Current Rating			Rating History		
		Type	Amount (₹ Crs)	Rating	2019	2018	2017
1.	Fund Based	Long Term	4.00	Issuer Not Cooperating BWR BB+ (Stable) Downgraded	BWR BBB- (Negative) Reaffirmed	BWR BBB- (Negative) Rating reaffirmed & revision of outlook to Negative	BWR BBB- (Stable) Reaffirmed
2.	Non Fund Based	Short Term	22.5	Issuer Not Cooperating BWR A4+ Downgraded	BWR A3 Reaffirmed	BWR A3 Reaffirmed	BWR A3 Reaffirmed
	Total		26.50	Rupees Twenty Six Crores and Fifty Lakhs Only			

*Issuer did not cooperate; based on best available information

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](#)
- [What Constitutes Non-Cooperation](#)

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ANNEXURE I

Surana Solar Ltd

Details of Bank Facilities rated by BWR

Bank	Facility	Tenure	Limit (₹ Crs)
Indian Overseas Bank	Cash Credit	Long Term	(11.00)*
	LC / Buyer's Credit	Short Term	11.00
	Bank Guarantee		0.50
	Total- A		
HDFC Bank	Cash Credit	Long Term	4.00
	LC / Buyer's Credit	Short Term	11.00
	Total - B		
Grand Total			26.50

*Sublimit of LC/Buyer's Credit



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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.