

## Rating Rationale

Arising Solar Energies LLP

30 Sep 2019

**Brickwork Ratings assigns “Solar Power (SP) Rating# for Decentralised Solar PV Applications” - System Integrator - of “SP 4E” to Arising Solar Energies LLP. The Rating indicates ‘Weak Technical Capability’ and ‘Poor Financial Strength’.**

**System Integrator - Startup**

**SP 4E**

BWR has principally relied upon the information/clarifications provided by the management.

The rating has positively factored the professionally qualified partners, their business experience, and favourable demand outlook for solar energy. The rating is, however, constrained by the firm being the new entrant in solar energy field as FY20 is the first year of its commercial operations and intense competition from organized and unorganized players in a highly fragmented nature of the industry.

## Background

Arising Solar Energies LLP was established in May, 2019 with its office located at Bhopal, Madhya Pradesh. Mr. K Raj Kishan and Mr. K Sunil Rao are the partners of the firm. The firm has ventured into solar off-grid and on-grid segment as system integrator. It proposes to provide solutions and services in the field of renewable energy for installation of rooftop solar power projects with capacity upto 25-30 KW. The firm is targeting residential and commercial customers for rooftop systems. Currently, the firm has few on grid projects based on Photovoltaic technology.

## Technical Capability

### **Promoters Track Record:**

Mr. Raj Kishan is an electrical engineer with an overall experience of 2 years in solar energy field. He is also a NISE (National Institute of Solar Energy) certified solar roof-top grid-engineer. Mr. K Sunil Rao has an experience of 25 years in the field of construction (Real - Estate). He has been in the field of solar energy for the last six months.

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

Mr. Raj Kishan is an electrical engineer, who is professionally qualified with NISE certification and involves in technical designing of solar project. The firm recruits additional technical staff on a need basis.

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

The concern deals with various suppliers located in Rajasthan, Gujarat and Madhya Pradesh and procures solar related materials like Inverter, PV Modules, ACDB, DCDB, AC & DC Wires, MC4, Connectors, Lighting Arrestors, Earthing Electrodes, GI Wire.

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

The target clientele are residential and commercial customers located in Madhya Pradesh. Currently, the firm is handling an ongoing on-grid solar project having capacity 2Kw. However, the

firm is in discussion for new projects.

The overall Technical Capability of the firm is considered **Weak**

### **Financial Strength**

- The firm has not submitted any document to verify & confirm the contribution made as capital and hence unable to comment on the financial strength of the firm.
- As informed by the management, the firm is expecting revenue amounting to Rs. 0.10 Crs for FY20.
- The firm does not have any external borrowings as on date.

BWR hence, considers the Financial Strength of the concern to be **Poor**.

Analytical Contacts	Investor Contacts
<b>K S Nagaraj</b> Associate Director - Ratings B : +91 80 4040 9940 <a href="mailto:nagaraj.ks@brickworkratings.com">nagaraj.ks@brickworkratings.com</a>  <b>Rajaram Gouda</b> Ratings Analyst B : +91 80 4040 9940 Ext :344 <a href="mailto:rajaram.g@brickworkratings.com">rajaram.g@brickworkratings.com</a>	<b>Satish Nair</b> Director - Global Market Development & Investor Relations M : +91 7738875550 B : +91 22 6745 6666 <a href="mailto:satish.n@brickworkratings.com">satish.n@brickworkratings.com</a>
1-860-425-2742	

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

Brickwork Ratings (BWR) has assigned the Rating based on the information obtained from the entity 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 on the rated company. A BWR SI/RESCO rating is not a recommendation to use the services of the SI/RESCO, or to invest in any project undertaken by the SI/RESCO, or to lend to the SI/RESCO or invest in any financial instrument issued by the SI/RESCO. BWR shall not be liable for any losses incurred by users from any use of this Rating. BWR has the right to change, suspend or withdraw the Rating at any time, for any reason and as and when circumstances so warrant. This rating does not constitute an audit by BWR of the SI/RESCO. Further, no aspect or conclusion of this report is meant to be construed as legal advice. The assessment exercise of the entity concerned has been done for the limited purpose for which it has been intended and not for any other purpose