

Grading Rationale

23 August 2023

B2K Analytics assigns “Solar Power (SP) Grading# for Decentralised Solar PV Applications” - System Integrator of “SP2C” To Solizer Energytech Private Limited (the company). The Grading indicates ‘High Technical Capability’ and ‘Moderate Financial Strength’.

System Integrator

SP2C

B2K Analytics (B2K) has principally relied upon the audited financials of FY21, FY22 & FY23 of the company, publicly available information and information/ clarifications provided by the company.

The grading reflects the business experience of the directors in the solar energy industry, experience of key managerial personnel in the renewable energy sector, their ability to manage solar projects, experienced technical team, favourable demand outlook for solar energy, increase in revenue, a good return on capital employed with year-on-year increased net worth of the company. The grading is, however, constrained by the inherent execution risks associated with solar projects, high debt-equity ratio and intense competition from other players with higher capabilities & with established name in the vicinity.

Background

Solizer Energytech Private Limited (SEPL) was incorporated on 21st November 2017. The company has started commercial operations from 2020. It is located in Trikuta Nagar, Jammu. The directors of the company are Mr. Gaurav Malhotra, Ms. Rashmee Malhotra and Mr. Virinder Kumar Malhotra.

The company undertakes on-grid and off-grid EPC (Engineering, Procurement and Construction) services and undertakes contracts for providing installation and commissioning service, in solar energy intergraded projects such as assembling of solar power generation system.

The company is holding certificate of Recognition as startup by the Department for Promotion of Industry and Internal Trade. The certificate is valid upto 20/11/2027.

Technical Capability

Promoter's Track Record

Directors of the company have more than 15 years of business experience in solar energy industry.

Technical Expertise and Adequacy of Manpower

The Company has completed Grid/Non-Grid solar projects with an aggregate capacity of 3 Kw to 1 MW and the company has ongoing project of 6MW. The company has an in-house experienced technical team of ~ 11 members to carry out the project specific requirements. The team is professionally qualified and has more than 5 years of work experience in solar related activities.

Quality of Suppliers and Tie-ups

The Company procures materials such as Solar Modules, Cables, SPV Panels & Devices, Switchgears, transformers, Electrical appliances, Solar Modules and Solar Inverters from reputed vendors like Saatvik Green Energy Pvt Ltd, Gautam Solar Pvt Ltd, J.S. Solartech India Pvt. Ltd, Enertech UPS Pvt Ltd, Redington, Contemplay Energy, Giga Solar Pvt Ltd and Goldi Solar Private Limited, etc

Customers and O&M Network

Clientele of the Company includes Army Public School, Border Roads Organisation, Solar energy corporation limited, Punjab State Power Corporation Limited, Jammu & Kashmir Energy Development Agency. There are 11 permanent persons for O&M to provide service to existing installations.

The **Technical Capability** of the company is considered to be **High**.

Financial Strength

Sales: The total revenue of the Company has increased from INR 0.69 Crs in FY22 to INR 2.64 Crs in FY23 due to increased volume of contracts.

Return on Capital Employed: The company has ROCE of 22.55% in FY23, indicating efficient use of available resources.

Net Worth: Tangible Net-worth of the Company is increasing Y-o-Y, it has increased INR 0.06 Crs in FY22 to INR 0.17 Crs in FY23, due to retention of profits.

Conduct of Bank Account: As per the Chef Manager of The Jammu and Kashmir Bank Limited, Canal Road, Jammu the company is holding Cash Credit facility & Bank Guarantee since 2020 and the conduct of account with bank is Satisfactory.

The overall **Financial Strength** of the company is assessed to be **Moderate**.

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