



Press Release

Svaryu Energy Limited (SEL)

December 20, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Fund Based Bank Facilities – Cash Credit	5.00	IVR D (IVR Single D)	Rating revised from IVR BBB/Stable	Simple
Long Term Fund Based Bank Facilities – Proposed Cash Credit	35.00	IVR D (IVR Single D)	Rating revised from IVR BBB/Stable	Simple
Short Term Non-Fund Based Bank Facilities – LC/BG	29.20	IVR D (IVR Single D)	Rating revised from IVR A3+	Simple
Short Term Non-Fund Based Bank Facilities – Proposed LC/BG	50.80	IVR D (IVR Single D)	Rating revised from IVR A3+	Simple
Total	120.00 (Rupee One hundred and twenty crore only)			

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of Svaryu Energy Limited (SEL) is on account of the default in payment of Rs.0.74 crore due to Parrami Finance Private Limited and Rs.1.50 crore due to the Emkay Financial Service. The cheques of SEL drawn on Union Bank of India were dishonoured due to insufficient funds between October 2023 - November 2023. SEL had in August 2023 -September 2023 discounted bills of exchange for their ongoing projects against invoices raised by various vendors and had accepted liability to make payment on due date for the said amounts. Infomerics has also contacted the lender, Union Bank of India and given to understand that there have been frequent instances of cheque bounces in the account as well as Cash Credit account has been overdrawn in some months.

Analytical Approach: Standalone



Press Release

Applicable Criteria:

[Criteria on Default Recognition](#)

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

About the company

Svaryu Energy Limited (SEL) [erstwhile Refex Energy Limited] was incorporated in 2008 and provides turnkey solutions from concept to commissioning for Solar Photo Voltaic power plants and also provides operation and maintenance services for these solar power plants throughout the lifetime of the project for clients seeking to build grid connected utility and rooftop plants and off grid solar PV plants and systems.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on	31-03-2023	31-03-2022
	Provisional	Audited
Total Operating Income	322.12	308.94
EBITDA	21.56	16.55
PAT	8.55	7.18
Total Debt	55.32	21.26
Tangible Net Worth	135.32	100.95
Ratios		
EBITDA Margin (%)	6.69	5.36
PAT Margin (%)	2.64	2.31
Overall Gearing Ratio (x)	0.22	0.21

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: The rating was migrated to ISSUER NOT COOPERATING category by Brickwork Rating ratings as per press release dated March 30,2023, due to unavailability of information for monitoring of rating.

Any other information: Nil



Press Release

Rating History for last three years:

Sr. No.	Name of Facilities	Current Ratings (Year 2023-24)			Date(s) & Rating(s) assigned in 2023-24 (August 08, 2023)	Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating		Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Fund Based Bank Facilities – Cash Credit	Long Term	5.00	IVR D	IVR BBB/ Stable	-	-	-
2.	Fund Based Bank Facilities – Proposed Cash Credit	Long Term	35.00	IVR D	IVR BBB/ Stable	-	-	-
3.	Non-Fund Based Bank Facilities – LC/BG	Short Term	29.20	IVR D	IVR A3+	-	-	-
4.	Non-Fund Based Bank Facilities - LC/BG	Short Term	50.80	IVR D	IVR A3+	-	-	-

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.



Press Release

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned / Outlook
Long Term Facility –Fund Based – Cash Credit	-	-	-	50.00	IVR D
Long Term Facility – Fund Based – Proposed Cash Credit	-	-	-	35.00	IVR D
Short Term Non-Fund Based Bank Facilities –LC/BG	-	-	-	29.20	IVR D
Short Term Non-Fund Based Bank Facilities - Proposed LC/BG	-	--	-	3.00	IVR D

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-Svaryu-dec23.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not applicable.



Press Release

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.