

Platinum Solar Private Limited: Assigned

Facility	Amount (Rs. Crore)	Rating/Outlook
Term Loan	11.00	SMERA B/Stable (Assigned)

SMERA has assigned long term rating of '**SMERA B**' (read as **SMERA B**) on the Rs.11.00 crore long term bank facility of Platinum Solar Private Limited (PSPL). The outlook is '**Stable**'.

The rating is constrained by the lack of operational track record and dependence on favourable climatic conditions for power generation. However, the rating draws comfort from the stable revenue visibility owing to the Power Purchasing Agreement (PPA) for 20 years with Telangana State Southern Power Distribution Company Limited (TSSPDCL) and the promoters' extensive experience.

PSPL is a subsidiary of M/s Jaagruthi Power & Infra Pvt. Ltd, Hyderabad formed as an SPV (Special Purpose Vehicle) for constructing a 2 mw capacity solar project in the Nalgonda district of Telangana. The total project cost of Rs.14.94 crore is to be funded by a term loan of Rs.11 crore and balance through equity infusion by promoters. The commercial operations commenced in April 2016.

The company has a PPA for 20 years with Telangana State Southern Power Distribution Company Limited (TSSPDCL) to receive Rs.6.45 per unit for the next 20 years.

The promoters possess extensive experience across several industries including housing, power, logistics to name a few.

Rating Sensitivity Factors

- Scaling up of operations and profitability

Outlook-Stable

SMERA believes that PSPL will maintain a stable outlook and benefit from the extensive experience of the promoters and agreement with TSSPDCL. The outlook may be revised to 'Positive' if PSPL achieves more than envisaged sales and profitability. Conversely, the outlook may be revised to 'Negative' in case it fails to register expected revenues or profitability.

About the Company

PSPL is a subsidiary of M/s Jaagruthi Power & Infra Pvt. Ltd, Hyderabad formed as an SPV (Special Purpose Vehicle) for developing a 2 mw capacity solar project in the Nalgonda district of Telangana. The company has entered into a Power Purchasing Agreement (PPA) for 20 years with TSSPDCL. The commercial operations commenced in April 2016. The day-to-day operations are managed by Mr. K. Prasad Reddy and Mrs. Rajeshwari.

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ABOUT SMERA

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