

May 16, 2024^(Revised)

Photon Energy Systems Limited: Rating Moved to Issuer Non-Cooperating Category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based/Cash credit	6.00	6.00	[ICRA]B-(Stable); ISSUER NOT COOPERATING*; Rating moved to Issuer Not Cooperating category
Short Term – Non-Fund Based – (LC/BG)	19.00	19.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating moved to Issuer Not Cooperating category
Total	25.00	25.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the ratings for the bank facilities of **Photon Energy Systems Limited** to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B-(Stable)/[ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with **Photon Energy Systems Limited**, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position and Rating sensitivities : [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Policy in respect of Non-cooperation by a rated entity Corporate Credit Rating Methodology Power – Solar ICRA approach on consolidation
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on the consolidated financial statements of the company with its subsidiaries- Photon Rooftops Private Limited and Photon Solar Power Private Limited.

About the company

Photon Energy Systems Limited (PESL) was established in 1995. PESL is the parent company of the Photon Group which is involved in the installation and supply of solar modules and the subsequent O&M of the solar power plants. The company also has an operational 1-MW solar power plant in Telangana. Photon Rooftops Private Limited (PRPL) is a subsidiary where PESL holds a 99% shareholding. PRPL has two operational solar roof-top projects and an under-construction solar power plant of 2.2 MW. Photon Solar Power Private Limited (PSPL) has two solar power projects of 5 MW each in the Medak district, Telangana.

Key financial indicators

PESL	Standalone		Consolidated	
	FY2022 (Audited)	FY2023 (Audited)	FY2022 (Audited)	FY2023 (Audited)
Operating income (Rs. crore)	16.6	19.2	24.8	29.0
PAT (Rs. crore)	0.4	0.9	1.8	4.7
OPBDITA/OI (%)	12.72%	18.6%	33.3%	39.1%
PAT/OI (%)	2.17%	4.5%	7.4%	16.0%
Total outside liabilities/Tangible net worth (times)	0.66	0.7	1.37	1.2
Total debt/OPBDIT (times)	5.66	2.5	4.00	2.3
Interest coverage (times)	1.96	1.8	2.28	2.8

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA:

CRA	Date of PR	Rating Action
CRISIL	May 26, 2023	CRISIL D/CIRISL D; ISSUER NOT COOPERATING; Rating Migrated

Source: CRISIL

Any other information: None

Rating history for past three years

Instrument	Type	Amount Rated (Rs. crore)	Current Rating (FY2025)		Chronology of Rating History for the past 3 years			
			Amount Outstanding as of March 31, 2024 (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	
				May 16, 2024	-	Feb 24, 2023	-	
1 Fund-based Cash credit	- Long Term	6.00	-	[ICRA]B-(Stable); ISSUER NOT COOPERATING	-	[ICRA]B-(Stable)	-	
2 Non-fund based Others	- Short Term	19.00	-	[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]A4	-	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash credit	Simple
Non-fund based - Others	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund-based – Cash credit	NA	NA	NA	6.00	[ICRA]B-(Stable) ; ISSUER NOT COOPERATING
NA	Non-fund based – Others	NA	NA	NA	19.00	[ICRA]A4 ; ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-II: List of entities considered for consolidated analysis:

Company Name	PESL Ownership	Consolidation Approach
Photon Rooftops Private Limited	99% (rated entity)	Full Consolidation
Photon Solar Power Private Limited	51%	Full Consolidation

Corrigendum

Rationale dated May 16, 2024 has been with revision as detailed below:

- Status of non-cooperation with previous CRA section has been updated.

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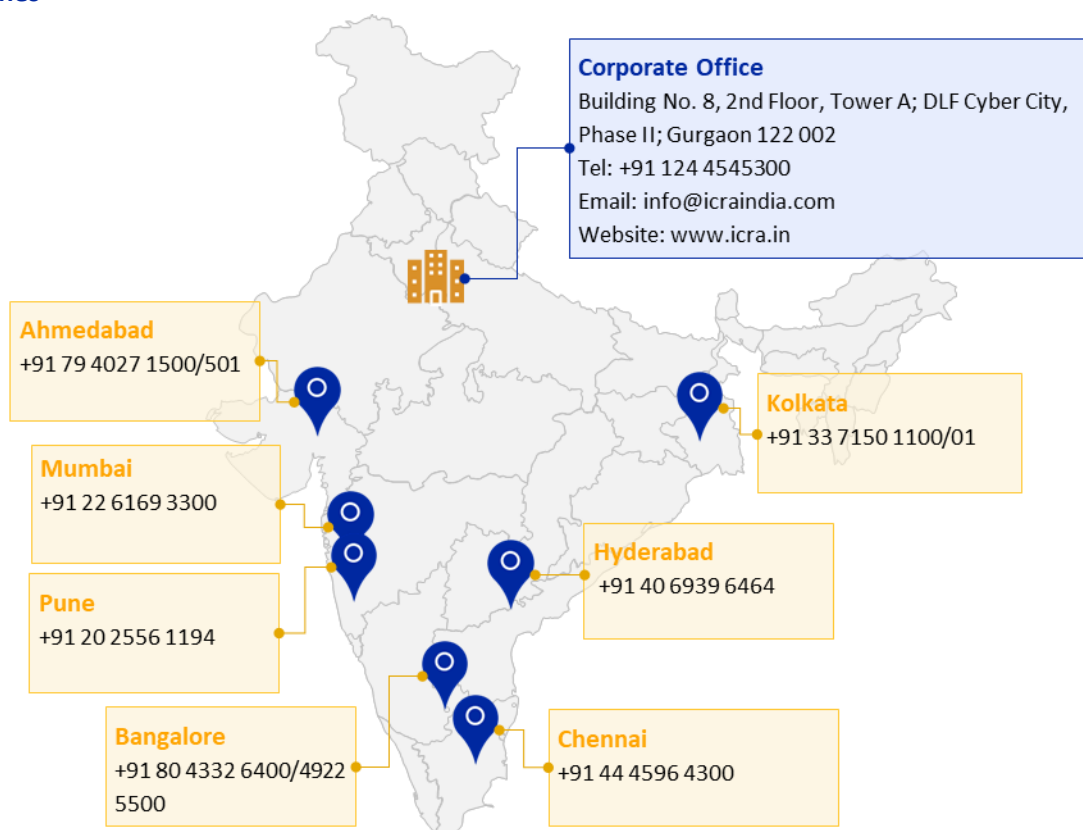
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