

May 20, 2025

Solar Energy Corporation of India Ltd: Update on material event

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term / Short-term - Cash credit	380.01	380.01	[ICRA]AAA (Stable)/[ICRA]A1+; outstanding
Long-term / Short-term - Non-fund based limits	2,019.99	2,019.99	[ICRA]AAA (Stable)/[ICRA]A1+; outstanding
Long Term -Fund based -Term Loan	1,225.00	1,225.00	[ICRA]AAA (Stable); outstanding
Long-term / Short-term unallocated	675.00	675.00	[ICRA]AAA (Stable)/[ICRA]A1+; outstanding
Total	4,300.00	4,300.00	

*Instrument details are provided in Annexure-I

Rationale

Material event

The Appointments Committee of the Cabinet, Government of India vide its order dated 10 May 2025 terminated the services of Mr. Rameshwar Prasad Gupta as the Chairman and Managing Director (CMD) of Solar Energy Corporation of India Limited (SECI). The order does not mention any reason for his termination. Further, the Appointments Committee of the Cabinet vide its order dated 12 May 2025, has given additional charge of CMD of SECI to Mr. Santosh Kumar Sarangi. Mr. Sarangi is a senior IAS officer and currently the Secretary of the Ministry of New and Renewable Energy (MNRE), Government of India.

Impact of the material event

ICRA understands from SECI's management that there is no impact of this change on the operations and bidding activities of the company. Further, the company reiterated the presence of robust standard operating procedures and audit controls within the company. ICRA will continue to monitor the developments in this regard and evaluate its impact on the credit risk profile of the company.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, the liquidity position and rating sensitivities: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Parent/Group Company: Government of India SECI is strategically important to the GoI, given the latter's strong policy focus on augmenting renewable energy capacity in the country. SECI has received support from the GoI in the form of periodic equity infusion, payment security fund and SECI's inclusion in the tripartite agreement for the recovery of payments from state discoms
Consolidation/Standalone	Standalone

About the company

Solar Energy Corporation of India Ltd (SECI) is under the administrative control of the MNRE, GoI, and was set up in 2011 as an implementation and facilitation institution dedicated to the renewable energy sector.

- SECI is the implementing agency for many GoI schemes, such as the commissioned 680-MW grid-connected solar PV project under Phase II Batch I of JNNISM, 2,155-MW Phase II Batch III and 2,670-MW Phase II Batch IV, wind and solar power projects connected to ISTS, wind solar hybrid projects, manufacturing-linked solar programme, storage schemes, rooftop solar PV programme, solar parks, CPSU scheme, canal top/bank scheme, solarisation of the India-Pakistan border, etc.
- SECI acts as an offtaker of power under Phase II Batch I/III/IV and wind/solar ISTS/hybrid tenders (except the first wind ISTS tender where PTC India Ltd is the offtaker) and subsequently sells it to the state discoms under long-term PSAs.
- SECI also operates its own projects and sells power to various offtakers by entering into long term power purchase agreements.
- SECI undertakes project management and consultancy-based projects for CPSUs/Government entities looking to set up solar power projects.
- SECI has entered into many 50:50 JVs with various state agencies to develop solar power parks.

Key financial indicators

Audited (Standalone)	FY2023	FY2024	9M FY2025
Operating income	10,795	13,035	10,958
PAT	316	436	348
OPBDIT/OI	3.5%	4.0%	4.3%
PAT/OI	2.9%	3.4%	3.2%
Total outside liabilities/Tangible net worth (times)	2.2	2.2	2.1
Total debt/OPBDIT (times)	0.0	0.6	1.0
Interest coverage (times)	46.6	47.5	11.2

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current ratings (FY2026)				Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	May 20, 2025	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
Unallocated	Long term/short term	675.00	[ICRA]AAA (Stable)/[ICRA]A1+	-	-	May 08, 2024	[ICRA]AAA (Stable)/[ICRA]A1+	-	-	-	-
Non-fund based limits	Long term/short term	2019.99	[ICRA]AAA (Stable)/[ICRA]A1+	-	-	May 08, 2024	[ICRA]AAA (Stable)/[ICRA]A1+	Dec 27, 2023	[ICRA]AAA (Stable)/[ICRA]A1+	Jul 19, 2022	[ICRA]AAA (Stable)/[ICRA]A1+
						-	-	Sep 28, 2023	[ICRA]AAA (Stable)/[ICRA]A1+	-	-
Cash credit	Long term/short term	380.01	[ICRA]AAA (Stable)/[ICRA]A1+	-	-	May 08, 2024	[ICRA]AAA (Stable)/[ICRA]A1+	-	-	-	-
Cash credit	Long-term	-	-	-	-	-	-	Dec 27, 2023	[ICRA]AAA (Stable)	Jul 19, 2022	[ICRA]AAA (Stable)
		-	-	-	-	-	-	Sep 28, 2023	[ICRA]AAA (Stable)	-	-
Unallocated	Long-term	-	-	-	-	-	-	Dec 27, 2023	[ICRA]AAA (Stable)	-	-
		-	-	-	-	-	-	Sep 28, 2023	[ICRA]AAA (Stable)	-	-
Term loan	Long-term	1225.00	[ICRA]AAA (Stable)	-	-	May 08, 2024	[ICRA]AAA (Stable)	Dec 27, 2023	[ICRA]AAA (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term/Short term -Fund-based - Cash credit	Simple
Long term/Short term - Non-fund based limits	Very Simple
Long term -Fund-based - Term loan	Simple
Long term/Short term –Unallocated	NA

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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash credit	NA	NA	NA	380.01	[ICRA]AAA (Stable)/[ICRA]A1+
NA	Non-fund based facilities	NA	NA	NA	2019.99	[ICRA]AAA (Stable)/[ICRA]A1+
NA	Fund based - Term loan	NA	NA	NA	1225.00	[ICRA]AAA (Stable)
NA	Unallocated limits	NA	NA	NA	675.00	[ICRA]AAA (Stable)/[ICRA]A1+

Source: Company

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

Annexure II: List of entities considered for consolidated analysis – Not applicable

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