

May 28, 2025

SOLARCRAFT POWER INDIA 15 PRIVATE LIMITED: [ICRA]BBB+ (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term fund-based – Term loan	640.00	[ICRA]BBB+ (Stable); assigned
Long-term non-fund based – Letter of credit	480.00	[ICRA]BBB+ (Stable); assigned
Total	1,120.00	

*Instrument details are provided in Annexure I

Rationale

The assigned rating factors in the high revenue visibility and low offtake risk for the 150-MWac (202 MWdc) solar power capacity of Solarcraft Power India 15 Pvt. Ltd. (SC15) in Bhopalgarh, Rajasthan, because of the long-term (25 years) power purchase agreements (PPAs) with Rajasthan Urja Vikas and IT Services Limited (RUVITL) for the entire capacity at a fixed tariff of Rs. 2.61 per unit. RUVITL has been formed by the Government of Rajasthan to purchase power on behalf of the Rajasthan discoms (Jodhpur Vidyut Vitran Nigam Limited, Ajmer Vidyut Vitran Nigam Limited and Jaipur Vidyut Vitran Nigam Limited). Further, the tariff offered by the company is highly competitive compared to the average power procurement cost (APPC) of the offtaking discoms.

The rating further derives comfort from an experienced sponsor in the form of the Blupine Energy Private Limited (BEPL), which is held by Actis PE (Actis) through its Actis Energy-5 fund. Actis is a UK-based private equity firm with a total investment fund of \$25 billion raised since its incorporation. It specialises in longer tenure investments in developing/emerging economies, including India, China, Africa and Southeast Asia. In India, it has efficiently managed RE investment platforms like Ostro and Sprng in the past. BEPL has an operating renewable power capacity of 1.1 GW and an under-development capacity of 1.9 GW. The platform has an equity commitment of \$800 million from Actis, of which \$450 million has been drawn so far.

After its commissioning, SC15's debt coverage metrics are expected to be adequate with the cumulative debt service coverage ratio (DSCR) at ~1.2x over the debt tenure, supported by long-term PPA, the long tenure of the debt and competitive interest rate. Also, the liquidity profile of the company is likely to be supported by a two-quarter debt service reserve, with one quarter being funded upfront and the expectation of timely payments from the customer.

The rating is, however, constrained by the execution risks given the under-construction status of the solar power project. Although the entire land for the project has been acquired, the module installation is yet to commence. With respect to the transmission line, 90% of the foundation work is complete and 84% of the required towers have been erected. The project will be connected to the Bhopalgarh, Rajasthan Grid Substation (GSS). The GSS bay extension is to be developed by RUVITL and reasonable progress has been made on the same. The scheduled commercial operational date (SCOD) for the project is September 2025. Timely commissioning and stabilisation of the project without delays and cost overrun would remain a key monitorable. The rating also factors in the exposure to the Rajasthan discoms, which have modest credit profiles, thereby exposing SC15 to counterparty credit risk. However, comfort can be drawn from satisfactory collections since the implementation of the late payment surcharges (LPS) rules in 2022.

After its commissioning, the company's revenues and cash flows would remain sensitive to the variation in weather conditions, seasonality and equipment performance, because of the single-part fixed tariff under the PPA. Additionally, the company remains exposed to asset concentration risk, as the entire capacity is in Rajasthan. Hence, the ability of the project to achieve the design P-90 PLF, after commissioning, on a sustained basis, remains crucial from a credit perspective.

Further, the project credit metrics would remain exposed to the movement in interest rates, given the fixed tariff under the PPA, floating interest rate and a leveraged capital structure with the project cost being funded through a debt-to-equity ratio of 75:25. Further, SC15's operations remain exposed to the risk associated with forecasting and scheduling regulations.

The Stable outlook assigned to the long-term rating of the company is supported by the long-term PPA in place of the entire capacity, providing revenue visibility, along with the track record of the group in developing renewable power projects.

Key rating drivers and their description

Credit strengths

Experienced sponsor with a demonstrated track record in developing and operating renewable assets – SC15 is ultimately held by Actis through BEPL, which has committed an investment of \$800 million in India for the development of around 4 GW of renewable power projects through its energy fund (Actis Energy-5). Actis is a UK-based private equity firm with investments in India, China, Africa and Southeast Asia. The investments by Actis are spread across diverse sectors, such as real estate, long life infrastructure, energy infrastructure, digital infrastructure, etc. In India, it has efficiently managed renewable energy platforms like Ostro Energy (1.1 GW) and Sprng Energy (2.4 GW) in the past. At present, BEPL has an operational capacity of ~1.1GW and an under-development capacity of ~1.9GW, which is expected to be commissioned over the next two years.

Revenue visibility with long term PPAs with RUVITL at competitive tariff rate for entire capacity – SC15 has signed long-term (25 years) PPAs with RUVITL for the entire capacity at a fixed tariff of Rs. 2.61 per unit for the 150 MWac asset, providing high revenue visibility and low offtake risks for the solar power project. The tariff offered by the project remains highly competitive in relation to the average power purchase cost of Rajasthan discoms.

Adequate debt coverage metrics and liquidity profile after commissioning – SC15's debt coverage metrics are expected to be adequate with the cumulative DSCR estimated at ~1.2x over the debt tenure, supported by the long-term PPAs, the long tenure of the debt and competitive interest rates. The liquidity profile of the company is expected to be supported by a two-quarter debt service reserve over the tenure of the term loan. Additionally, BEPL is expected to extend funding support in case of any cash flow mismatch.

Credit challenges

Counterparty credit risk – The company remains exposed to counterparty credit risk due to its exposure to Rajasthan discoms, which have modest credit profiles. However, comfort can be drawn from satisfactory collections since the implementation of the LPS rules in 2022.

Project execution risk – The company remains exposed to execution risks, given the under-construction status of the project. The entire land for the project has been acquired, but the module installation is yet to commence. Further, reasonable progress has been made in the construction of the transmission line and GSS bay extension. The scheduled SCOD for the project is September 2025. The timely completion of the project remains a key monitorable for the company.

Debt metrics sensitive to PLF levels – The company's revenues and cash flows would remain sensitive to the variation in weather conditions and seasonality because of the single-part fixed tariff under the PPA. Any adverse variation in weather conditions and/or solar module performance may impact the power generation and consequently the cash flows. Additionally, SC15 remains exposed to asset concentration risk as its entire capacity is located in Rajasthan. Hence, the ability of the project to achieve the design P-90 PLF, after commissioning, on a sustained basis, remains crucial from a credit perspective.

Exposed to interest rate risks – The interest rate on the term loan availed by the company for its project is floating and subject to regular resets. The fixed tariff under the PPA and a leveraged capital structure expose SC15's debt coverage metrics to the movement in interest rates.

Regulatory risks – The company's operations remain exposed to regulatory risks pertaining to the scheduling and forecasting requirements applicable for renewable power projects, given the variable nature of power generation.

Liquidity position: Adequate

The liquidity position of the company is supported by the debt tie-up and part infusion of promoter contribution for the project. ICRA expects BEPL to bring in the pending promoter contribution depending on the construction progress. Further, BEPL is expected to support the project in case of any cost overrun. Following its commissioning, the liquidity of the company is expected to be supported by a two-quarter DSRA. Moreover, the company is expected to generate adequate cash flow from operations against a debt repayment obligation, backed by the long-term PPA.

Rating sensitivities

Positive factors – ICRA could upgrade SC15's rating if the project achieves timely commissioning without any major cost overruns, along with the demonstration of generation performance in line or above the 90 estimates, after the commissioning, resulting in comfortable debt coverage metrics. Further, ICRA could upgrade SC15's rating if the credit profile of the parent improves.

Negative factors – The rating could be downgraded if there are significant delays in commissioning the project, resulting in major cost overruns, or if the generation performance remains below the P-90 level, after commissioning, adversely impacting the debt coverage metrics. Further, any significant delays in receiving payments from the offtaker adversely impacting its liquidity profile, after the commissioning, would be a negative rating trigger. A specific credit metric for a rating downgrade will be the cumulative DSCR falling below 1.15 times on a sustained basis. The rating could also be revised downwards if the credit profile of the parent weakens.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power - Solar
Parent/Group support	Parent Company: Blupine Energy Private Limited ICRA expects SC15's parent, BEPL, to extend financial support to SC15, should there be a need.
Consolidation/Standalone	The rating is based on the standalone financials of the company.

About the company

SC15, incorporated in 2022, is a special purpose vehicle (SPV) promoted by BEPL for setting up a 150-MWac solar power project in Bhopalgarh, Rajasthan. The SPV has signed a 25-year PPA with RUVITL and the project SCOD is September 2025.

Key financial indicators (audited) – Not meaningful, since the project is currently under construction.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instruments	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	May 28, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Term loan	Long term	640.00	[ICRA]BBB+ (Stable)	-	-	-	-	-	-
Letter of credit	Long term	480.00	[ICRA]BBB+ (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund based – Term loan	Simple
Long-term non fund based – Letter of credit	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 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	Term loan	July 31, 2024	NA	FY2046	640.00	[ICRA]BBB+ (Stable)
NA	Letter of credit	NA	NA	NA	480.00	[ICRA]BBB+ (Stable)

Source: Company; Total Debt drawn down capped at Rs. 640 crore

[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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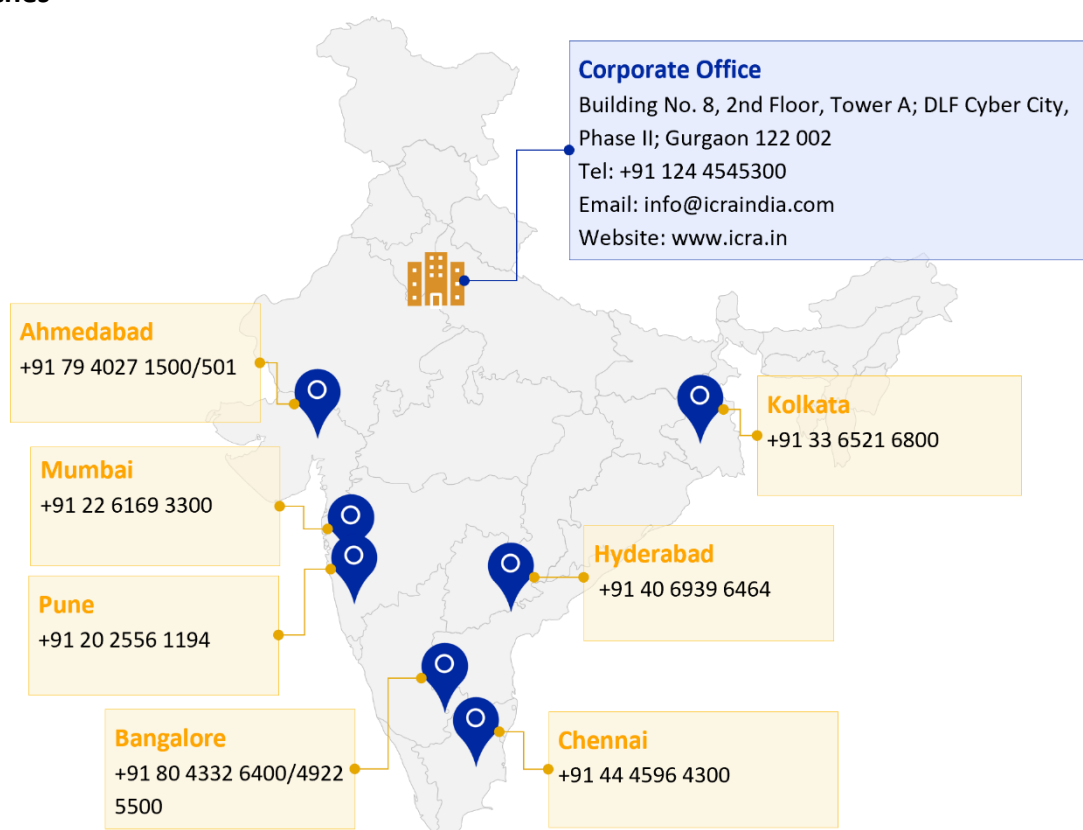
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