

July 25, 2025

Serentica Renewables India Private Limited: Update on Material event

Summary of rating(s) outstanding

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long Term/ Short Term - Fund Based/ Non-fund-based Limits	535.00	535.00	[ICRA]AA- (Stable)/ [ICRA]A1+; Outstanding
Long Term/ Short Term - Non-fund-based Limits	650.00	650.00	[ICRA]AA- (Stable)/ [ICRA]A1+; Outstanding
Long Term/ Short Term – Unallocated limits	15.00	15.00	[ICRA]AA- (Stable)/ [ICRA]A1+; Outstanding
Total	1,200.00	1,200.00	

*Instrument details are provided in Annexure I

Rationale

On July 16, 2025, a USA-based short seller and research firm published a report highlighting multiple adverse observations pertaining to the Serentica Renewables India Private Limited (SRIPL). SRIPL is 100% held by Serentica Renewables (Singapore) Private Limited (SRSPL), which is a joint venture (JV) between KKR Group entity and Serentica Renewables Private Limited (SRPL; incorporated in Mauritius), with majority shareholding by KKR. SRPL is the investment company of the Vedanta Group. The report expressed concern over issues such as governance practices, related party transactions and non-arms-length financing from Vedanta Limited (VEL), Hindustan Zinc Limited (HZL) and Bharat Aluminium Company Limited (BACL) to SRIPL. In response, the company has refuted the allegations in its discussions with ICRA.

ICRA notes that the investments in the form of optionally convertible redeemable preference shares (OCRPS) by VEL, HZL and BACL into SRIPL will be converted to equity upon the commissioning of the respective under-construction projects or at the request of the lenders. These investments are required to comply with the group captive regulations for supply of power from SPVs of SRIPL to VEL, HZL and BACL. Also, SRSPL has infused funds in SRIPL and its special purpose vehicles (SPVs) in the form of non-convertible debentures (NCDs) and compulsorily convertible debentures (CCDs). These NCDs/CCDs remained subordinated to the external debt raised by SRIPL and its SPVs.

ICRA is closely monitoring the impact of the recent developments on SRIPL, especially its financial flexibility. A key monitorable would be the company's access to the banking channels, debt pricing, and any risk of tightening of debt covenants. Further, ICRA would continue to monitor and review the ratings of SRIPL based on the progress in development of its under-construction renewable energy portfolio and the impact of the latest development on its financial flexibility.

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 Power - Solar Power - Wind
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial statements of SRIPL and its subsidiaries [Details in Annexure II]

About the company

SRIPL is 100% held by SRSPL which in turn is a JV between KKR Group entity and Serentica Renewables Private Limited (SRPL; incorporated in Mauritius). SRPL is the investment company of the Vedanta Group. SRIPL has an operational RE power capacity of 0.73 GW and assets under construction of ~3.13 GW as on March 31, 2025, which will take the overall group portfolio to 3.86 GW by March 2026. The RE portfolio includes solar capacity of 2.52 GWdc and wind capacity of 1.33 GW which is spread across three states - Karnataka, Rajasthan and Maharashtra -in India.

Key financial indicators (audited)

SRIPL (consolidated)	FY2023	FY2024	9MFY2025*
Operating income	-	-	163.9
PAT	-8.3	-24.2	-134.0
OPBDIT/OI	-	-	11.6%
PAT/OI	-	-	-81.8%
Total outside liabilities/Tangible net worth (times)	1.1	5.1	6.4
Total debt/OPBDIT (times)	NM	NM	480.5
Interest coverage (times)	NM	NM	0.1

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NM: Not meaningful

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2026)					Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024		FY2023	
	Type	Amount rated (Rs. crore)	July 25, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based/ Non-fund based - Others	Long term/ Short term	535.00	[ICRA]AA-(Stable)/ [ICRA]A1+	May 26, 2025	[ICRA]AA-(Stable)/ [ICRA]A1+	Nov 28, 2024	[ICRA]AA-(Stable)/ [ICRA]A1+	-	-	-	-
						16-OCT-2024	[ICRA]AA-(Stable)/ [ICRA]A1+				
Non-fund based - Others	Long term/ Short term	650.00	[ICRA]AA-(Stable)/ [ICRA]A1+	May 26, 2025	[ICRA]AA-(Stable)/ [ICRA]A1+	Nov 28, 2024	[ICRA]AA-(Stable)/ [ICRA]A1+	-	-	-	-
Unallocated Limits	Long term/ Short term	15.00	[ICRA]AA-(Stable)/ [ICRA]A1+	May 26, 2025	[ICRA]AA-(Stable)/ [ICRA]A1+	Nov 28, 2024	[ICRA]AA-(Stable)/ [ICRA]A1+	-	-	-	-
						16-OCT-2024	[ICRA]AA-(Stable)/ [ICRA]A1+				

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long term/Short term – Fund-based/Non-fund based limits – Others	Simple
Long term/Short term – Unallocated limits	NA
Long term/Short term – 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 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	Long term/Short term - Fund based/Non-fund based limits – Others	Apr 2015	NA	FY2021	535.00	[ICRA]AA- (Stable)/[ICRA]A1+
NA	Long term/Short term – Unallocated limits	Oct 2019	NA	FY2031	15.00	[ICRA]AA- (Stable)/[ICRA]A1+
NA	Long term/Short term – Non-fund based - Others	NA	NA	NA	650.00	[ICRA]AA- (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

Company Name	Ownership	Consolidation Approach
Serentica Renewables India Private Limited	100.00% (Holding Company)	Full Consolidation
Serentica Renewables India 1 Private Limited	100%	Full Consolidation
Serentica Renewables India 2 Private Limited	100%	Full Consolidation
Serentica Renewables India 3 Private Limited	80%	Full Consolidation
Serentica Renewables India 4 Private Limited	51%	Full Consolidation
Serentica Renewables India 5 Private Limited	51%	Full Consolidation
Serentica Renewables India 6 Private Limited	100%	Full Consolidation
Serentica Renewables India 7 Private Limited	100%	Full Consolidation
Serentica Renewables India 8 Private Limited	100%	Full Consolidation
Serentica Renewables India 9 Private Limited	100%	Full Consolidation
Serentica Renewables India 10 Private Limited*	-	-
Serentica Renewables India 11 Private Limited*	-	-
Serentica Renewables India 12 Private Limited	100%	Full Consolidation
Serentica Renewables India 13 Private Limited	100%	Full Consolidation
Serentica Renewables India 14 Private Limited	100%	Full Consolidation
Serentica Renewables India 15 Private Limited	100%	Full Consolidation
Serentica Renewables India 16 Private Limited	100%	Full Consolidation
Serentica Renewables India 17 Private Limited	100%	Full Consolidation
Serentica Renewables India 18 Private Limited	100%	Full Consolidation

Source: Company; *Subsidiary till January 08, 2024

ANALYST CONTACTS

Girishkumar Kadam

+91 22 6114 3441

girishkumar@icraindia.com

Vikram V

+91 40 6939 6410

vikram.v@icraindia.com

Rachit Mehta

+91 22 6169 3328

rachit.mehta2@icraindia.com

Saurabh Gupta

+91 22 6169 3359

saurabh.gupta@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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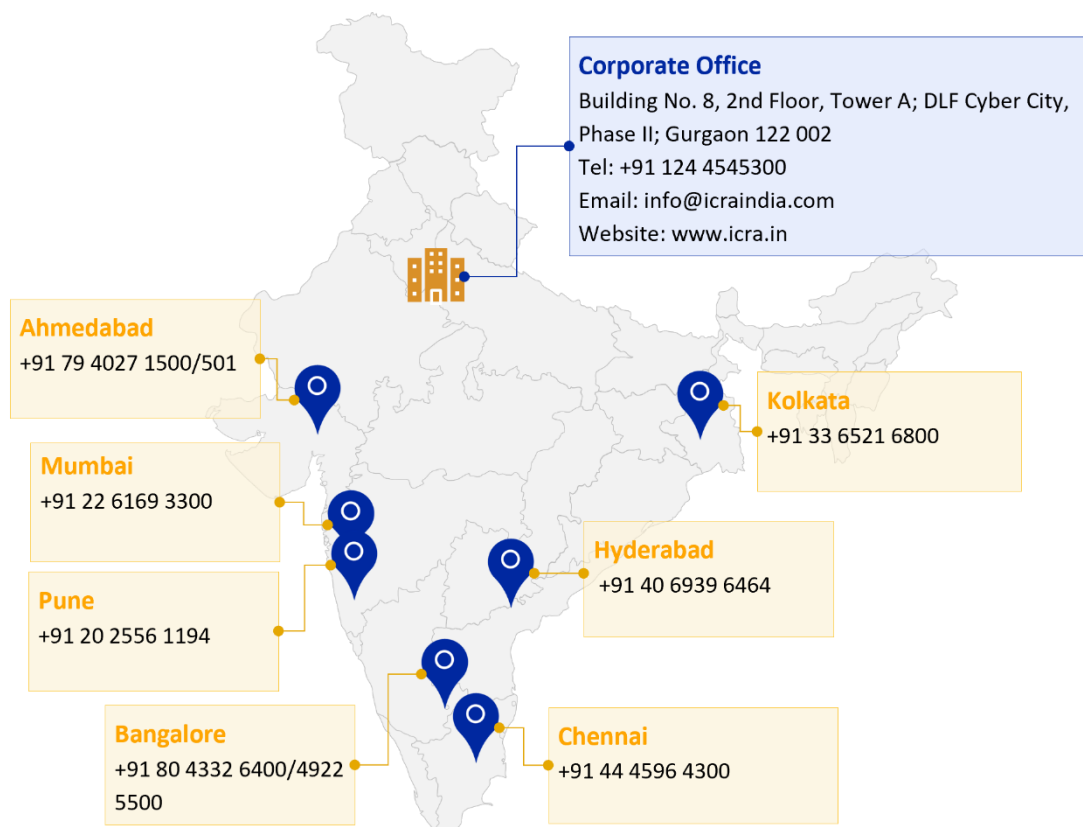


Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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