

April 09, 2026

KABINI RENEWABLES PRIVATE LIMITED: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term - Fund based - Term loans	2,133.00	2,063.00	[ICRA]A+ (Stable); reaffirmed
Total	2,133.00	2,063.00	

*Instrument details are provided in Annexure I

Rationale

The rating reaffirmation for Kabini Renewables Private Limited (KRPL) continues to factor in the benefits of a strong parent group in Electricite de France {EDF, rated by Moody's Baa1 (Stable)}, which has a large scale of operations as a leading power utility in France. EDF is 100% owned by the Government of France. ICRA notes that KRPL remains important to its parent, considering the parent group's plans to expand its renewable power portfolio, and ICRA expects need-based financial support to flow into KRPL from the ultimate parent, EDF.

Further, the rating considers the healthy generation performance of the 302.4-MW wind power project developed by KRPL in the last 32 months ended January 2026, post full commissioning of the plant in May 2023. ICRA notes that the generation declined to 28.46% (~63 crore units) in 10MFY2026 over the previous two years (FY2024-37.08% and FY2025-33.63%), primarily due to transformer failure in June and July 2025 as well as lower wind speeds. The transformer failures were one-off events and have since been addressed through their replacement, leading to healthy plant availability from August 2025. Nevertheless, the company's ability to sustain the improved machine availability and translate the same into a sustained improvement in generation and debt service coverage ratio (DSCR) remains a key rating monitorable.

The rating factors in the long-term power purchase agreement (PPA) with a strong counterparty, Solar Energy Corporation of India Limited {SECI, rated [ICRA] AAA (Stable)/ [ICRA]A1+} for its 302.4-MW wind power project at a fixed tariff of Rs. 2.77 per unit, thereby limiting the demand risks and providing visibility on revenues. SECI is an intermediary counterparty and has signed power supply agreements (PSA) with the distribution utilities of Delhi and Puducherry. The rating positively considers the high competitiveness of the project tariff for the ultimate offtakers. The presence of a strong counterparty in the form of SECI is expected to result in timely realisation of payments for the company.

The payment security mechanism in the PPA/PSA arrangement is relatively superior to the state policy PPAs because of the letter of credit mechanism and the benefits available to the SECI under the tripartite agreement (TPA) with the Government of India (GoI), the Reserve Bank of India (RBI) and the state government. Further, the additional provisions in the PPA/PSAs related to compensation in case of grid curtailment and termination payments offer comfort.

However, the rating is constrained by the moderate track record of operations, post full commissioning in May 2023, and the vulnerability of the revenues and cash flows to seasonality and variation in wind power density across the years owing to the single-part nature of the tariff under the PPA with SECI. The rating is further tempered by the geographic concentration of the project at a single location.

The rating is also constrained by the exposure of the project's debt coverage metrics to the movement in interest rates, given the leveraged capital structure and fixed tariff of the project. Any increase in interest rates in the future can adversely impact the debt coverage metrics. The project is currently entirely funded through medium-term loans, which are expected to be refinanced through a mix of long-term project debt and promoter contribution in the ratio of 67:33 in FY2027. While this exposes the company to refinancing risk, clarity on the quantum and terms of refinanced debt remains a key monitorable. Nevertheless, comfort is derived from the company's strong parentage, long-term revenue visibility of the project and the

primary term sheet issued by lenders, which together mitigate the refinancing risks to an extent. Further, the company's operations remain exposed to regulatory risks pertaining to scheduling and forecasting requirements applicable for renewable energy projects. Any significant variation in the scheduled and actual generation would attract penalties over and above the permissible limit and may adversely impact the profitability and debt coverage metrics of the company.

The Stable outlook on KRPL's rating factors in the steady cash flow visibility, aided by the long-term PPA, timely collections from the offtakers and the benefit of being a part of the EDF Group, which is expected to support a comfortable liquidity and DSCR, going forward.

Key rating drivers and their description

Credit strengths

Presence of a strong sponsor, with KRPL being part of EDF Group - KRPL is a part of the EDF Group, which holds a 90% stake in the entity with the balance 10% being held by the Sitac Group. EDF {rated by Moody's Baa1 (Stable)} is a leading electric utility in France with the French Government having 100% ownership. EDF operates ~126-GW capacity (as of December 2025) globally, comprising nuclear, gas/fossil based, hydro and other renewable capacities. The Sitac Group is promoted by Mr. Malvinder Singh and is involved in the construction business in India and abroad (West Asia), apart from being present in the renewable energy business. EDF and Sitac have an operational renewable energy portfolio of ~600 MW in India. ICRA notes that KRPL remains important to its parent, considering the parent group's plans to expand its renewable power portfolio, and ICRA expects need-based financial support to flow into KRPL from the ultimate parent, EDF.

Revenue visibility from long-term PPA; superior tariff competitiveness for ultimate offtakers - KRPL has signed a PPA for 25 years at a tariff of Rs. 2.77 per unit with the SECI for its full 302.4-MW capacity, providing revenue visibility. Moreover, the provisions in the PPA to compensate developers in case of constraints in grid availability and transmission infrastructure and backdowns provide comfort. The offtake risk is also mitigated by the competitiveness of the PPA tariff for the ultimate offtakers, which are state-owned distribution utilities. The project tariff of Rs. 2.77 per unit remains lower than the average power purchase cost of the discoms and is competitive compared to the tariff for other wind power projects.

Presence of strong counterparty with a track record of timely payments - The PPA is signed with a strong counterparty -SECI – which has a strong credit profile (rated [ICRA]AAA (Stable)/[ICRA]A1+) and the payments against the bills have been received within an average 10 days as seen after the partial commissioning from August 2022 till January 2026. The SECI acts as an intermediary nodal agency and has in turn entered into power sale agreements (PSA) with the distribution utilities of Delhi and Puducherry for the sale of power from this project.

Credit challenges

Vulnerability of debt metrics to generation performance - The debt metrics of the wind power project remain sensitive to the generation level, given the single-part tariff structure under the PPA. Hence, any adverse variation in wind speed and weather conditions may impact the PLF and consequently the cash flows. The geographical concentration of the asset amplifies the generation risk. The project was fully commissioned in May 2023 with a moderate track record of operations. Hence, the project's healthy generation performance remains important from a credit perspective.

ICRA notes that the generation declined to 28.46% (~63 crore units) in 10M FY2026, primarily due to transformer failure as well as lower wind speeds. The transformer failures were one-off events and have since been addressed through their replacement. Going forward, the generation is expected to improve, supported by normalisation of plant availability, although it will remain dependent on wind conditions.

Debt metrics exposed to interest rate movement, given the high leverage; refinancing requirement in FY2027 - The debt coverage metrics remain exposed to the movement in interest rates, given the leveraged capital structure and fixed tariff of the project. The project is currently entirely funded through medium-term loans that are expected to be refinanced through a mix of long-term project debt and promoter contribution in the ratio of 67:33 in FY2027. The existing debt availed by the

company is to be repaid in bullet repayments in June 2026 and December 2026. While this exposes the company to refinancing risks, clarity on the quantum and terms of refinanced debt remain a key monitorable. Nevertheless, comfort is derived from the company's strong parentage, long-term revenue visibility of the project and the primary term sheet issued by lenders, which together mitigate the refinancing risks to an extent.

Regulatory risks from scheduling and forecasting framework for renewable sector - The company's operations remain exposed to regulatory risks pertaining to the scheduling and forecasting requirements applicable for renewable energy projects. Any significant variation in the scheduled and actual generation would attract penalties over and above the permissible limit and may adversely impact the profitability and debt coverage metrics of the company.

Liquidity position: Adequate

KRPL's liquidity profile is Adequate, supported by positive cash flow from operations expected on the back of healthy generation and timely collections. While the current debt has bullet repayments falling due in FY2027, the company intends to refinance the same through a mix of debt and equity, for which it is in advanced stage of obtaining sanctions from lenders. A timely closure of the refinancing, along with the proposed equity infusion, ahead of the bullet repayment date remains a key monitorable from a liquidity perspective. KRPL's cash and bank balance is at Rs. 67.8 crore as on February 18, 2026, providing a comfortable cushion to address any temporary cash flow timing mismatches in the intervening period.

Rating sensitivities

Positive factors – The rating may be upgraded if the company is able to demonstrate healthy generation on a sustained basis, thereby strengthening the credit metrics and liquidity. Further, completion of the loan refinancing on favourable terms would be a positive from a credit perspective. A specific credit metric for upgrade would be the cumulative DSCR increasing above 1.35x. Also, the rating would remain sensitive to an improvement in the credit profile of the EDF Group.

Negative factors – The rating could be downgraded in case of a significant under-performance in generation against the P-90 estimate, adversely impacting the company's debt coverage metrics and liquidity. A specific credit metric for downgrade is the cumulative DSCR falling below 1.25x. Also, any significant delays in payments from the customer adversely impacting the company's liquidity would be a negative factor. Further, the rating would remain sensitive to a weakening of the credit profile of the EDF Group.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power – Solar and Wind
Parent/Group support	Parent/Group Company: EDF Power Solutions S.A. (previously EDF Renouvelables)/EDF. ICRA expects KRPL's ultimate parent, EDF, to be willing to extend financial support to KRPL, should there be a need, given the strategic importance that KRPL has for the Group amid its objective to grow its renewable portfolio.
Consolidation/Standalone	The rating is based on the standalone financial profile of the rated entity.

About the company

Kabini Renewables Private Limited (KRPL) is a project SPV of the EDF Group and the Sitac Group, engaged in the development of a 302.4-MW wind power plant in Gujarat, India. The project comprises 112 wind turbine generator (WTG) machines of 2.7 MW each supplied by General Electric (GE) having a rotor diameter of 132 metres and a hub height of 130 metres. The project has a 25-year power purchase agreement (PPA) with SECI for the entire capacity. The project was awarded under an auction conducted by the SECI (ISTS Tranche 5) and the applicable tariff for this capacity of 302.4 MW is Rs. 2.77 per unit. The project was partially commissioned in August 2022 and got fully commissioned in May 2023.

Key financial indicators (audited)

KRPL	FY2024	FY2025	H1FY2026*
Operating income	256.0	236.5	131.7
PAT	- 33.7	-31.7	-7.4
OPBDIT/OI	87.1%	89.3%	86.4%
PAT/OI	-13.2%	-13.4%	-5.6%
Total outside liabilities/Tangible net worth (times)	NM	NM	NM
Total debt/OPBDIT (times)	9.3	9.9	9.2
Interest coverage (times)	1.26	1.33	1.44

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; NM - Not meaningful; *Provisional

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
FY2027				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Apr 09, 2026	Date	Rating	Date	Rating	Date	Rating
Term loans	Long-term	2,063.00	[ICRA]A+ (Stable)	Apr 01, 2025	[ICRA]A+ (Stable)	Apr 04, 2024	[ICRA]A+ (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based – Term loan	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-I	FY2024	-	FY2027	813.00	[ICRA]A+ (Stable)
NA	Term loan-II	FY2024	-	FY2027	1250.00	[ICRA]A+ (Stable)

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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