

May 25, 2026

Maheswari Mining and Energy Pvt. Ltd.: Rating reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based – Term loan	146.10	106.43	[ICRA]BB+ (Stable); reaffirmed
Total	146.10	106.43	

*Instrument details are provided in Annexure-II

Rationale

The rating reaffirmation on the bank lines of Maheswari Mining and Energy Private Limited (MMEPL) considers the long-term power purchase agreements (PPAs) for the entire renewable power generation capacity of 63.21 megawatt (MW), including the generation assets under its wholly owned subsidiaries, which are entirely operational. The rating also considers the demonstrated operating track record of the 25-MW operational solar plants in Telangana with a generation performance close to the P-90 plant load factor (PLF) estimate. Further, the rating draws comfort from the improved track record of payments from Telangana State Southern Power Distribution Company Limited (TGSPDCL) with the payment cycle improving to around two months in FY2026 over the 16 months witnessed in FY2022 and earlier years, resulting in the long outstanding dues being recovered under the late payment surcharge (LPS) scheme. While the receivable position has significantly improved with the implementation of the LPS scheme, a timely receipt of the ongoing bills from TGSPDCL on a sustained basis remains a key monitorable.

The rating is, however, constrained by the subdued generation performance of the solar assets in Assam (10 MW) and Uttar Pradesh (20 MW), and the distributed solar rooftop projects (8.21 MW) with the average PLFs remaining well below the P-90 PLF estimates, while there has been some improvement in FY2025 and FY2026. The installation of the pending 2 MW DC capacity in Assam and an improvement in the generation performance of the plants would remain a key monitorable from the credit perspective. The liquidity position remains stretched due to the lumpy repayment terms, a lower generation performance than the P-90 estimates, and the utilisation of TGSPDCL recoveries for loan prepayment without a commensurate reduction in future scheduled debt repayments, increasing the risk of cash flow mismatches. Nonetheless, ICRA expect need-based support from the promoters in the form of unsecured loans.

The rating is further constrained by the possible risk of grid curtailment for the Telangana projects, given the relatively high tariff of Rs. 6.45 per unit, which is higher than the average power purchase cost of the state power distribution utility. However, comfort can be drawn from the competitive tariff rates of Rs. 3.44–5.87 per unit offered by the projects in Assam and Uttar Pradesh. The rating also factors in the risks of variability in solar generation, adverse interest rate movement and exposure to the regulatory challenges of implementing the scheduling and forecasting requirements.

The Stable outlook on the rating reflects ICRA's opinion that the company would benefit from the long-term PPAs, the healthy generation performance of Telangana solar assets, and the improved payment discipline of the state discom, which is expected to keep its credit metrics at a satisfactory level, commensurate with the current rating category.

Key rating drivers and their description as per last PR

Credit strengths

Long-term PPA mitigates demand and pricing risks – The company has signed a PPA with TGSPDCL at a tariff of Rs. 6.45 per unit for the 20-MW capacity operational in Telangana and valid for 20 years till FY2036. Further, MMEPL has signed a PPA with Uttar Pradesh Power Corporation Limited (UPPCL) for 20-MW capacity at a tariff of Rs. 3.02–3.04 per unit and with Assam Power Distribution Company Limited (APDCL) for 10-MW capacity at Rs. 3.19 per unit, which limits the demand and pricing risks. The assets under the two subsidiaries—5 MW in Telangana and 8.21-MW rooftop projects across multiple states—have also tied up long-term PPAs for the entire capacity at fixed rates of Rs. 6.45 per unit and Rs. 1.89–3.33 per unit, respectively.

Satisfactory operating track record of Telangana projects since commissioning – MMEPL reported a PLF of 18.52% since the 20-MW Telangana asset was commissioned in March 2016, which is slightly lower than the P-90 PLF estimate of around 20% (after adjusting for module degradation). The performance of the 5-MW asset under its subsidiary, Abijit Solar Energy Private Limited (ASEPL), also remains satisfactory at more than the P-90 estimate.

Timely infusion of funds by promoter group – Over the years, the promoter group has consistently infused funds to support the liquidity gaps and fund MMEPL's capex. The total promoter funding in the form of unsecured loans (including loans from related parties) stood at Rs. 116.30 crore as on March 31, 2026. ICRA expects the promoter to infuse funds in future as well, as and when needed.

Credit challenges

Subdued generation performance of recently commissioned plants in Assam, Uttar Pradesh and rooftop solar assets – The generation performance of Assam (10MW), Uttar Pradesh (20MW) and the distributed roof-top projects under MB Green Energy Private Limited (MBGEPL) has been subdued with the average PLFs remaining below the P-90 PLF estimates. This can be attributed to the pending installation of the full DC capacity and the stabilisation period during the initial months. Given the single-part tariff under the PPAs, the revenues and cash flows of the company remain exposed to the generation performance of the solar power assets.

High counterparty credit risk – The company's operations are exposed to high counterparty credit risk as TGSPDCL is the single off taker for the 25-MW solar capacity in Telangana, exposing the company to payment delays from time to time. Nonetheless, the payments have improved after the implementation of the LPS scheme, and TGSPDCL has been making timely payments, typically within two months. Further, the company is exposed to the counterparty credit risk of APDCL and UPPCL for the 10-MW and 20-MW plants, respectively, because of their subpar financial profiles. Nonetheless, the payments have been regular in these projects since their commissioning. However, the sustainability of the improved collection trend remains to be seen.

Weak cost competitiveness of PPA tariff of operational Telangana projects – MMEPL remains exposed to the risk of grid curtailments by TGSPDCL, given the relatively high PPA tariff against the average power purchase cost (APPC) of the utility and a declining trend in the competitively bid tariff rates for sourcing solar energy. However, this risk is lower for the recently commissioned projects in Assam and Uttar Pradesh, where the tariffs are competitive in comparison to the APPC of the respective states.

Exposed to interest rate and regulatory risks – The debt coverage metrics remain exposed to the interest rate movement, given the leveraged capital structure and single-part, fixed nature of the tariff under the PPAs. Further, the company's operations remain exposed to the regulatory risk pertaining to scheduling and forecasting requirements.

Stretched liquidity position raises possibility of cash flow mismatches – The liquidity position remains stretched due to the non-revision of repayment terms despite the reduction in outstanding debt following the receipt of subsidy for the distributed rooftop projects. The subdued generation performance of the recently commissioned projects has further impacted the cash flows, adding to the pressure on liquidity. Additionally, the dues realised from TGSPDCL were utilised to prepay an unsecured loan, limiting the availability of funds for operational expenses and debt servicing. These factors have collectively increased the risk of cash flow timing mismatches, increasing the dependence on external funding support to manage the liquidity gaps.

Liquidity position: Stretched

The liquidity position is likely to remain stretched given the lump scheduled debt repayments, and the subdued generation performance of the solar projects at Assam. At a consolidated level, the low unencumbered cash balances in the company's books stood at Rs. 0.58 crore, in the absence of any fund-based working capital facilities. Further, the company has debt service reserve account (DSRA) of Rs. 14.99 crore, as on March 31, 2026. Against these, it has repayment obligations of Rs. 18.4 crore in FY2027, at a consolidated level.

Rating sensitivities

Positive factors – The rating could be upgraded if there is a significant improvement in the generation performance of the operational plants, leading to an improvement in the company's credit metrics and liquidity profile.

Negative factors – The rating can be downgraded in case of an underperformance in generation by the solar power assets, which will adversely impact the company's liquidity position. Any large debt-funded capex by the company could be another trigger for a rating downgrade.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power - Solar and Wind
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of the company. The list of subsidiaries considered for consolidation is provided in Annexure II.

About the company

MMEPL, incorporated in 2009, had set up two renewable solar power plants of 10-MW AC each at Peerampally village and Kothagadi village in the Vikarabad district of Telangana. MMEPL has signed a PPA with TSSPDCL for 20-MW AC at a tariff of Rs. 6.45 per unit for 20 years. The commercial operations at both the solar power plants commenced from March 31, 2016. Further, in FY2022, the company commissioned a 10-MW solar power plant at Khonajan Grant village, in the Nagaon district of Assam, and a 20-MW solar power plant at Manikpura village, in the Jhansi district of Uttar Pradesh. The company has signed long-term PPAs of 25 years with the respective state discoms at a tariff of Rs. 3.02-3.04 per unit for 20 MW at Uttar Pradesh and Rs. 3.19 per unit for the 10-MW Assam project. The company had also planned to set up another 20-MW solar power plant in Uttar Pradesh, which was later cancelled as the commissioning timelines could not be extended. In this context, a penalty had been levied by the customer. In addition, MMEPL operates a 5-MW solar power plant under ASEPL and has also set up 8.21-MW rooftop solar plants under MBGEPL.

MMEPL is promoted by MBG Commodities Private Limited (MBGEPL), which has been providing coal imports and coal handling services for the past four decades. MBGEPL has an 11.31% shareholding in MMEPL, with the remaining shares being held by individual shareholders of the promoter group.

Key financial indicators (audited)

MMEPL (Consolidated)	FY2025	FY2026*
Operating income (Rs. crore)	51.4	41.8
PAT (Rs. crore)	(4.5)	(0.7)
OPBDIT/OI (%)	59.2%	76.7%
PAT/OI (%)	-8.8%	-1.7%
Total outside liabilities/Tangible net worth (times)	2.3	2.0
Total debt/OPBDIT (times)	8.6	7.3
Interest coverage (times)	1.7	1.7

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

NOTE: Debt includes promoter contribution in the form of subordinated debt

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	May 25, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
1 Long term – Fund based – Term loan	Long-Term	106.43	[ICRA]BB+ (Stable)	-	-	Feb 28, 2025	[ICRA]BB+ (Stable)	Nov 21, 2023	[ICRA]BB+ (Stable)
2 Unallocated	Long-Term / Short-Term	-	-	-	-	-	-	Nov 21, 2023	[ICRA]BB+(Stable) / [ICRA]A4+; reaffirmed and withdrawn

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA-rated instruments fall under the regulatory purview of various Financial Sector Regulators (FSRs), as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under the regulatory purview of various FSRs, as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)

Sr. No.	Activity Name	FSR
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based – Term loans	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 II: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan – I	Nov 2015	-	Mar 2028	12.77	[ICRA]BB+ (Stable)
NA	Term Loan – II	Jun 2017	-	Jun 2029	10.05	[ICRA]BB+ (Stable)
NA	Term Loan – III	Dec 2021	-	Sep 2036	22.60	[ICRA]BB+ (Stable)
NA	Term Loan – IV	Dec 2021	-	Sep 2036	61.01	[ICRA]BB+ (Stable)

Source: Company

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

Annexure III: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Abijit Solar Energy Private Limited	100%	Full Consolidation
MB Green Energy Private Limited	100%	Full Consolidation

Source: Company

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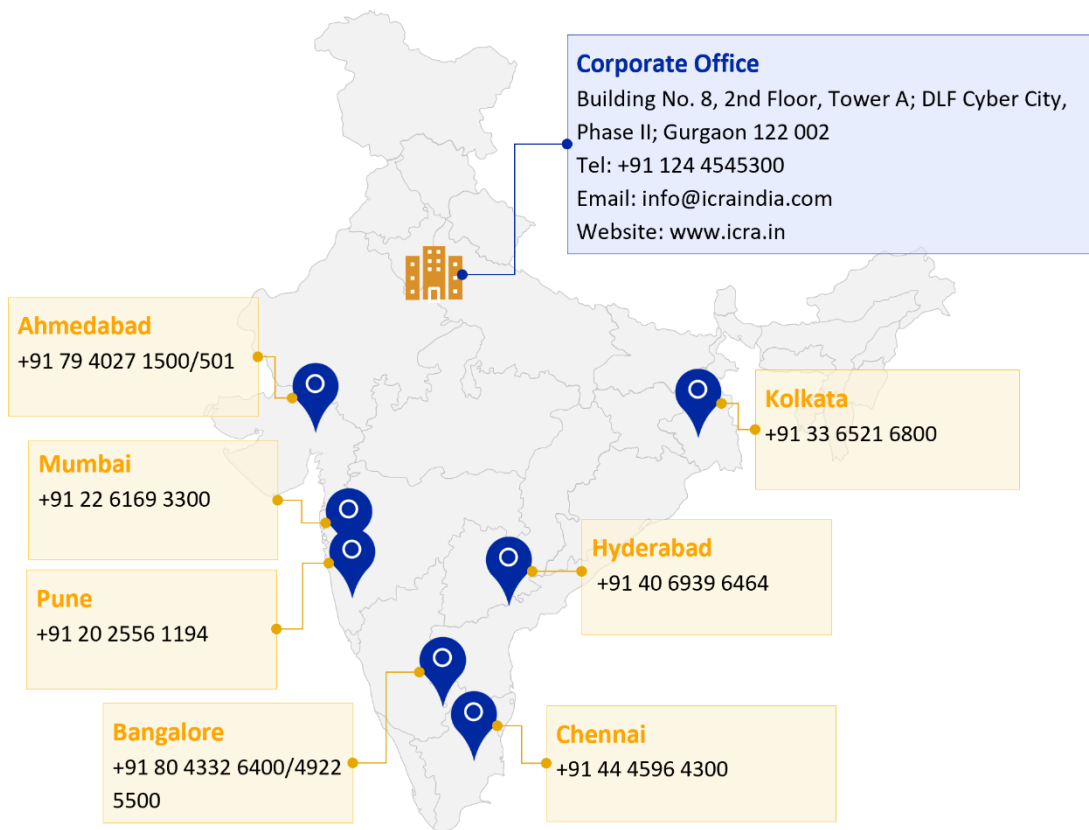
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