July 21, 2026

Solarcraft Power India 31 Private Limited: [ICRA]A (Stable); assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long term fund based – Term loan	103.21	[ICRA]A (Stable); assigned	RBI
Total	**103.21**		

**Instrument details are provided in Annexure I*

#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 financial sector regulators other than SEBI.

Rationale

In line with ICRA's methodology on rating co-obligor structures having a defined mechanism for sharing of surplus cash flows prior to the due date of debt servicing among the cash pooling special purpose vehicles (SPVs), a consolidated rating view for the two SPVs, namely Solarcraft Power India 26 Private Limited (SC-26) and Solarcraft Power India 31 Private Limited (SC-31; rated [ICRA]A (Stable)), collectively referred to as the pool/restricted group (RG), has been considered by ICRA.

The rating derives comfort from the experience of the sponsor, 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 investments in India, China, Africa and Southeast Asia. In India, it has efficiently managed renewable investment platforms like Ostro Energy and Sprng Energy in the past. As on March 31, 2026, BEPL had an operational capacity of around ~1.7 GWac and under-development capacity of ~1 GWac, which is expected to be commissioned between FY2026 and FY2028. The platform has an equity commitment of $800 million from Actis, of which $525 million has been drawn so far.

The credit profile of the RG is expected to benefit from the financial, operational and managerial support from BEPL. The rating also factors in the demonstrated need-based support from the parent in addressing cash flow mismatches, evident from the financial support extended to the group SPVs in the past. The parent's high propensity to support is underpinned by the Group's strategic focus on renewable energy, its planned capital expenditure for expansion, and the economic incentive reflected in the RG's comfortable cumulative DSCR over the loan tenure.

The rating action on the debt facilities of the RG factors in the healthy revenue visibility and low offtake risk, given the presence of firm long-term power purchase agreements (PPAs) at competitive tariffs for the entire 50-MW solar power capacity with multiple creditworthy commercial and industrial (C&I) offtakers. The project under the RG structure was commissioned in March 2026 and has demonstrated a satisfactory, although limited, generation performance which was in line with the P-90 estimates over the last 3 months since commissioning. As the project is still in the initial phases of stabilisation and has a limited operating track record, a sustained generation performance in line or above the P-90 estimates remains a key credit consideration.

The rating considers the strong financial risk profile of the offtakers which is expected to lead to a timely payments of the bills. However, the payment track record is yet to be established as collection from the offtakers is yet to begin. Herein, it is to be noted that the tariffs offered by the project under the PPAs remains attractive for the customers compared to the state grid tariff rates. A timely collection remains a key credit monitorable.

The rating also draws comfort from expectations of comfortable debt protection metrics with the cumulative debt service coverage ratio (DSCR) estimated to remain around ~1.24x over the debt tenure for the RG. Also, the provision for a debt service reserve account (DSRA) of one quarter (principal and interest) provides additional comfort.

However, it is to be noted that the lock-in period under the PPAs is lower than the debt repayment tenure of ~20 years, which leads to a risk of cash flow mismatch post the expiry of the lock-in period, if the PPAs are renewed at a rate lower than the existing tariff.

Any adverse variation in weather conditions and module performance may impact the PLF levels and consequently the cash flows. This is amplified by the geographic concentration of the asset as the entire capacity is in Karnataka. Further, the project's credit metrics would remain exposed to the movement in interest rates, given the fixed tariff under the PPAs, floating interest rates and a leveraged capital structure with the project cost being funded through a debt-to-equity ratio of 80:20 for the RG.

The company remains exposed to regulatory risk pertaining to changes in open access charges for captive/onsite solar assets by the state electricity regulatory commission (SERC). The levy of these charges in future, while payable by the customer, will bring down the tariff competitiveness of the project and will be a key rating sensitivity. Further, some of the PPAs also stipulate minimum guaranteed savings to be always maintained during the PPA tenure. However, this risk is mitigated by adequate buffers between the landed cost of tariff compared to the state grid tariff rates at present.

ICRA also notes that all the PPAs have been amended to include the provision of installing battery energy storage systems (BESS) post expiry of the monthly banking after a period of five years. These changes, if applicable, would trigger capex requirements and a revised tariff would have to be agreed upon by the developer and the offtakers at a later date. ICRA also notes that the lenders have the right to exercise put option in case the PPAs are terminated or if they expire and are not renewed in line with the PPA tie-up conditions stipulated in the respective agreements. The company is also exposed to the put option that allows the lender to create prepayment obligations. The attractive PPA tariffs and the economics of such tariff vis-à-vis the grid tariff, the sponsor support in case of tariff revision and the presence of termination/buyout clause in the PPA act as the risk mitigants. Further, imposition of deviation penalties due to tightening of scheduling and forecasting norms by the regulators could also impact the project cash flows and returns.

The Stable outlook on the long-term rating reflects the revenue visibility provided by the long-term PPAs in place, the expected satisfactory generation performance of the operational asset as well as the timely cash collections anticipated from the offtakers.

Key rating drivers and their description

Credit strengths

Strong parentage of BEPL; benefits of pooling of cash flows - The SPVs under the pool are ultimately held by Actis PE (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. As on March 31, 2026, BEPL had an operational capacity of ~1.7 GW and an under-development capacity of ~1 GW, which is expected to be commissioned over the next two years.

The companies benefit from being part of a cash pooling mechanism, wherein surplus cash from the two SPVs in the pool can be used to meet the shortfall in debt servicing of any other SPV prior to the due date of debt servicing. This provides cushion to the SPVs if there is a shortfall in fulfilling their debt obligation due to any event risk or any force majeure event, impacting the power generation and, thus, the cash flows.

Healthy revenue visibility from firm PPAs at competitive tariffs - The SPVs under the RG have signed long-term PPAs with strong commercial and industrial (C&I) consumers for the entire capacity at competitive fixed tariffs, providing high revenue visibility and ensuring low offtake risks.

Comfortable coverage and adequate liquidity - The long-term PPAs with creditworthy C&I customers at a remunerative tariff should result in comfortable cash flows, making the expected DSCR over the debt tenure around 1.24x. Further, the project continues to maintain a sufficient liquidity buffer to tide over any temporary cash flow mismatches. A DSRA for one quarter of debt servicing of the pool has already been created. The liquidity is further supported by the presence of BEPL, which will continue to be willing to extend financial support to the company, if required.

Credit challenges

Limited track record of operations - The project under the RG was commissioned in March 2026 and has demonstrated a satisfactory, although limited, generation performance which is in line with the P-90 estimates. As the project is still in the initial stages of operations, a sustained generation performance track record in line or above the P-90 estimates and timely collection remain the key credit considerations.

Cash flow vulnerable to variability in solar irradiance - Variability in solar irradiation may affect the generation, which may impact the project's revenue and cash flows as the revenue is directly linked to the actual generation given the single part nature of the tariff under the PPAs. Hence, any adverse variation in weather conditions and/or module performance may impact the PLF and consequently, the cash flows. The geographic concentration of the asset under the RG amplifies the generation risk.

Risk of cash flow mismatch owing to lower lock-in period under PPAs in relation to debt tenure - The PPAs under the pool have an average lock-in period of ~15 years, lower than the debt repayment tenure of 20 years, which could lead to a risk of cash flow mismatch at the end of the lock-in period. Also, the termination payment under the PPAs does not cover the entire debt outstanding. Nonetheless, comfort can be drawn from the significant discount offered by the company to its customers against the grid tariff, the track record of the sponsor in securing PPAs with large industrial and commercial customers and the notice period available at the time of PPA termination to enable the companies in the pool to replace the customer.

Exposure to interest rate and regulatory risk - 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 PPAs and a leveraged capital structure expose the RG's debt coverage metrics to the movement in interest rates. The pool's operations are exposed to regulatory risks pertaining to the scheduling and forecasting requirements of solar power projects. Additionally, regulatory risk pertains to changes in open access charges/group captive norms for group captive solar assets determined by the SERC. Any change or breach in meeting the prescribed regulations could increase the levy of open access charges in the future and will bring down the tariff competitiveness. ICRA also notes that all the offtaker PPAs have been amended to include the provision of installing BESS structures upon expiry of the monthly banking facility after a period of five years. These, if applicable, would trigger capex requirements and a revised tariff under the PPAs. These changes remain a key credit consideration for the rating.

Liquidity position: Adequate

The RG's liquidity is strong, aided by the presence of a one-quarter DSRA (Rs. 8.11 crore) and expectations of timely payment from the counterparties. The cash flow from operations is expected to adequately meet the company's debt servicing requirement in FY2027 for the pool. The pool also has unencumbered cash of Rs. 35.07 crore (as on March 31, 2026). The liquidity is further supported by the presence of BEPL, which is expected to provide financial support to the company, if required, in case of any cash flow mismatch.

Rating sensitivities

Positive factors – ICRA could upgrade the company's rating if the generation of the SPVs in the RG is in line or above the P-90 PLF estimates on a sustained basis, or if there is a material reduction in the debt levels and improvement in the debt coverage metrics of the company. Further, ICRA could upgrade the company's rating if the credit profile of the parent improves.

Negative factors - Pressure on the company's rating could arise if there are adverse regulatory developments that affect the tariff competitiveness of the projects in the pool, or if there is a deterioration in their operational performance, pulling down the pool's cumulative DSCR (for external debt) below 1.20 times on a sustained basis. The rating can also be downgraded if there are delays in payments from the offtakers, impacting its liquidity profile. A weakening in the credit profile of BEPL and/or any weakening in the linkages with the parent will also create pressure on the rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power - Solar and Wind
Parent/Group support	Parent Company: Blupine Energy Private Limited ICRA expects RG's parent, BEPL, to extend financial support to the pool, should there be a need
Consolidation/Standalone	The rating is based on the consolidated financial analysis of both SPVs (list of entities given below in Annexure II)

About the company

Solarcraft Power India 31 Private Limited (SC 31), incorporated in 2023, is a special purpose vehicle (SPV) promoted by Blupine Energy Private Limited (BEPL) for setting up a total of 25-MWac solar power project in Karnataka. The company has signed multiple PPAs with commercial and industrial (C&I) offtakers for 25 years at a blended tariff of Rs. 3.07/unit. The project was commissioned on March 22, 2026. SC31 along Solarcraft Power India 26 Private Limited (SC26) is part of cash pooling RG structure. SC26 is also an SPV promoted by BPEL for setting up a total of 25 MWac solar power project in state of Karnataka. The company has signed multiple PPAs with commercial and industrial (C&I) offtakers for 25 years at a blended tariff of Rs. 3.17/unit. The project was commissioned on March 22, 2026.

BEPL is the renewable energy platform promoted and wholly owned by Actis Energy Fund-5, which is a part of Actis Private Equity Fund based out of United Kingdom.

Key financial indicators (audited) – Not meaningful as the operations commenced in March 2026.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instruments	Current (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Jul 21, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund based – Term loan	Long term	103.21	[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	Financial sector regulator#
NA	**Long term Fund based – Term loan**	NA	NA	NA	103.21	[ICRA]A (Stable)	RBI

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Solarcraft Power India 26 Pvt. Ltd.	100.00%	Full consolidation
Solarcraft Power India 31 Pvt. Ltd.	100.00%	Full consolidation

ANALYST CONTACTS

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Ankit Jain
+91 124 4545 865
ankit.jain@icraindia.com

Asmita Pant
+91 124 4545 856
asmita.pant@icraindia.com

Falak Gupta
+91 124 4545 392
falak.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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ICRA Limited

Registered Office

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

Branches