

Oct 08, 2026

YN Power Dharashiv (MH) Private Limited: Ratings upgraded to [ICRA]A (Stable)/ [ICRA]A1

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator [#]
Long term - Fund based - Term loan	589.63	589.63	[ICRA]A (Stable); upgraded from [ICRA]A- (Stable)	RBI
Long term - Non-fund based- Bank guarantee	25.00	25.00	[ICRA]A (Stable); upgraded from [ICRA]A- (Stable)	RBI
Short term - Non-fund based- Credit exposure limit	15.00	15.00	[ICRA]A1; upgraded from [ICRA]A2+	RBI
Total	629.63	629.63		

*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 that fall under the regulatory purview of financial sector regulators other than SEBI

Rationale

The rating upgrade of YN Power Dharashiv (MH) Private Limited (YNPDPL) factors in the material reduction in the project execution risks following commissioning of its entire hybrid capacity of 114.4 MW (85 MWac/123.25 MWp solar and 29.4 MW wind) in July 2026, ahead of the scheduled commissioning date of October 24, 2026 as per PPA and within the budgeted cost. Following the full commissioning, the company has started billing the Maharashtra State Electricity Distribution Company Limited (MSEDCL) for the full contracted capacity of 89 MW at the PPA tariff of Rs. 3.617/unit. The generation from the partially commissioned capacity was below the P-90 level before full the commissioning, owing to initial stabilisation issues, which are being addressed. As the project has a limited operating track record, the generation remains exposed to stabilisation-related risks in the near term. The project's ability to achieve and sustain the generation levels in line with the P-90 estimates will be a key monitorable.

The ratings continue to factor in the limited demand and tariff risks for its 89-MW hybrid power capacity, given the 25-year long term power purchase agreement (PPA) with MSEDCL at a weighted average fixed tariff of Rs. 3.617 per unit, providing long-term visibility to the revenues. The tariff rate offered by YNPDPL is competitive compared to the average power procurement cost of the offtaker.

The company has secured project debt at a competitive cost with a total door-to-door tenure of 21 years, which along with the availability of a long-term PPA at a competitive tariff and a competitive interest rate, is expected to lead to comfortable debt coverage metrics over the debt tenure.

YNPDPL is a part of the Indian renewable energy platform, Yanara India BV (Netherlands based), which is jointly promoted by Yanara APAC BV of the Netherlands and ACEN Corporation of the Philippines. ACEN Corporation is the primary financial investor in the platform, which has committed investments of USD 250 million along with related performance guarantees to support Yanara India platform, of which approximately USD 157 million has been infused till date. ACEN Corporation is the renewable energy arm of the Ayala Group and is present across multiple geographies, including the Philippines, Vietnam, Indonesia, India, Australia, and the US, with a total attributable renewable capacity of around 7.5-GW – comprising 4.4-GW operational capacity and 3.1-GW under-construction capacity. Yanara is an Asia-Pacific-focused renewable energy platform

with operations across India, Australia & the Philippines. It has a hybrid renewable power portfolio pipeline of more than 5.1 GW across these geographies.

However, the ratings remain constrained by the counterparty credit risk arising from the exposure to a single buyer, MSEDCL, which has a modest financial profile. Nonetheless, ICRA takes note of the track record of timely payments by MSEDCL within 30 days on an average for the power procured from the partially commissioned capacity of YNPDP. Moreover, the ratings derive comfort from the improved payment discipline demonstrated by the state utilities, post the implementation of the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022.

The ratings are also constrained by stabilisation risk for the recently commissioned asset under the SPV. Solar and wind power projects typically take 6-12 months, post commissioning, to stabilise. Post commissioning, the company's cash flows and debt protection metrics would remain sensitive to its generation performance, given the single-part tariff under the PPA. This constraint would be amplified by the geographic concentration of the asset. Any adverse variation in weather conditions and equipment performance can impact the generation levels and consequently the cash flow. The demonstration of generation performance in line or above the appraised P-90 PLF levels remains a key credit monitorable.

The company is also exposed to interest rate risks, given the leveraged capital structure and floating interest rate, subject to regular resets. Further, the company's operations remain exposed to regulatory risks associated with forecasting and scheduling regulations for wind and solar projects.

The Stable outlook reflects ICRA's expectation that YNPDP will benefit from the long-term PPA with MSEDCL for its contracted capacity. The outlook also factors in the expectation that the generation will stabilise in line with the appraised P-90 levels after commissioning, while the timely receipt of payments from the offtaker will support the company's cash flow profile and debt servicing ability.

Key rating drivers and their description

Credit strengths

Revenue visibility from long-term PPA at a competitive tariff rate - The company has entered into a long-term PPA with MSEDCL for a tenure of 25 years at a weighted average fixed tariff of Rs. 3.617/ kWh for its hybrid power project. The long tenure of the PPA provides revenue visibility and limits the demand and tariff-related risks. The tariff remains competitive for the offtaker in comparison to its average power procurement cost. Additionally, the door-to-door tenor of 21 years is well aligned with the expected cash flows from the project, providing financial stability.

Project expected to achieve comfortable debt coverage metrics - The project's financial risk profile is supported by the comfortable debt coverage metrics expected, post commissioning, with a cumulative DSCR of 1.3x over the debt tenure, aided by the reasonable PPA tariff, long debt repayment period and competitive interest rates. The liquidity position is also expected to remain adequate, backed by a one-year moratorium with principal repayments starting from June 2027, and the creation of a one-quarter debt service reserve (DSR).

Credit challenges

Limited operating track record; exposed to stabilisation related risks - While the project achieved full commissioning in July 2026, certain post-commissioning stabilisation activities on the solar side, including inverter optimisation, completion of ICR-related works, and installation of robotic cleaning systems, are in progress. Further, as full commissioning was achieved after the peak solar generation season, the project has a limited operating track record, and its performance is yet to be demonstrated across varying seasonal conditions. Accordingly, the project remains exposed to stabilisation and operational performance risks in the near term, although the execution risk has subsided following its successful commissioning.

Single-asset operations; sensitivity of debt metrics to energy generation - The hybrid asset is concentrated in the Dharashiv district of Maharashtra, which exposes the project to site-specific risks, including variability in solar irradiance and wind density. Given the single part tariff in the PPA, any adverse variation in generation would impact the company's cash flows and debt servicing metrics.

Counterparty credit risk due to exposure to MSEDCL - The company remains exposed to counterparty credit risk due to its dependence on a single offtaker, MSEDCL, whose financial profile remains modest. This is partly mitigated by the track record of timely payments by MSEDCL for the power procured from the partially commissioned capacity of YNPDPL.

Exposure to interest rate and regulatory risks - The project remains exposed to interest rate risk, given the variable interest rates under the financing arrangement. Any increase in interest rates would adversely impact the debt servicing metrics. Additionally, under the regulatory framework prescribed by the state electricity regulatory commission for solar and wind power projects, penalties may be levied for deviations between forecasted and actual generation beyond a certain threshold. As solar and wind generation is exposed to weather conditions, any significant deviation from the generation forecasts would expose the company to the risk of penalties, impacting the project's cash flows and debt metrics.

Liquidity position: Adequate

The company's liquidity is expected to remain adequate, supported by healthy cash flow from operations against the principal repayments, which starts from June 2027. The liquidity is further supported by a one-quarter DSRA of ~Rs. 18 crore and free cash balances of ~Rs. 14 crore as on August 31, 2026.

Rating sensitivities

Positive factors – ICRA could upgrade the company's rating if the generation performance remains healthy on a sustained basis, thereby strengthening its debt coverage metrics, along with receiving timely payments from the offtaker.

Negative factors – The company's rating may be downgraded if the actual generation performance is lower than the appraised level on a sustained basis, pulling down the cumulative DSCR below 1.2x, or if there are delays in payments from the offtaker for an extended period, impacting its liquidity profile.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power - Solar and Wind
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

YN Power Dharashiv (MH) Private Limited (previously BN Peak Power-1 Private Limited), incorporated on December 12, 2022, is a special purpose vehicle registered in Gurgaon. It is a wholly-owned subsidiary of Yanara India B.V., a Netherlands-based entity. The company has developed a hybrid power project in the Dharashiv district of Maharashtra, with a total installed capacity of 114.4 MWac — comprising 85 MWac of solar and 29.4 MW of wind energy (contracted capacity of 89 MW). The project was commissioned on July 31, 2026. The company has signed a PPA for 25 years with MSEDCL for the full capacity at Rs. 3.617 per unit.

Key financial indicators (audited)

Standalone	FY2025	FY2026
Operating income	NM	21.7
PAT	NM	-23.2
OPBDIT/OI	NM	71.4%
PAT/OI	NM	-107.2%
Total outside liabilities/Tangible net worth (times)	NM	49.0
Total debt/OPBDIT (times)	NM	36.2
Interest coverage (times)	NM	0.5

Source: Company, ICRA Research; 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 material as the project was under construction

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

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)	Oct 08, 2026	Date	Rating	Date	Rating	Date	Rating
Non-fund based - Bank guarantee	Long term	25.00	[ICRA]A (Stable)	Sep 11, 2025	[ICRA]A- (Stable)	-	-	-	-
Fund based - Term loan	Long term	589.63	[ICRA]A (Stable)	Sep 11, 2025	[ICRA]A- (Stable)	-	-	-	-
Non-fund based- Credit exposure limit	Short term	15.00	[ICRA]A1	Sep 11, 2025	[ICRA]A2+	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Non-fund based - Bank guarantee	Simple
Fund based - Term loan	Simple
Non-fund based- Credit exposure limit	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/sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator [#]
NA	Long term – Non-fund based - Bank guarantee	NA	NA	NA	25.00	[ICRA]A (Stable)	RBI
NA	Long term - Fund based- Term loan	FY2025	-	FY2046	589.63	[ICRA]A (Stable)	RBI
NA	Short term – Non-fund based- Credit exposure limit	NA	NA	NA	15.00	[ICRA]A1	RBI

Source: Company

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[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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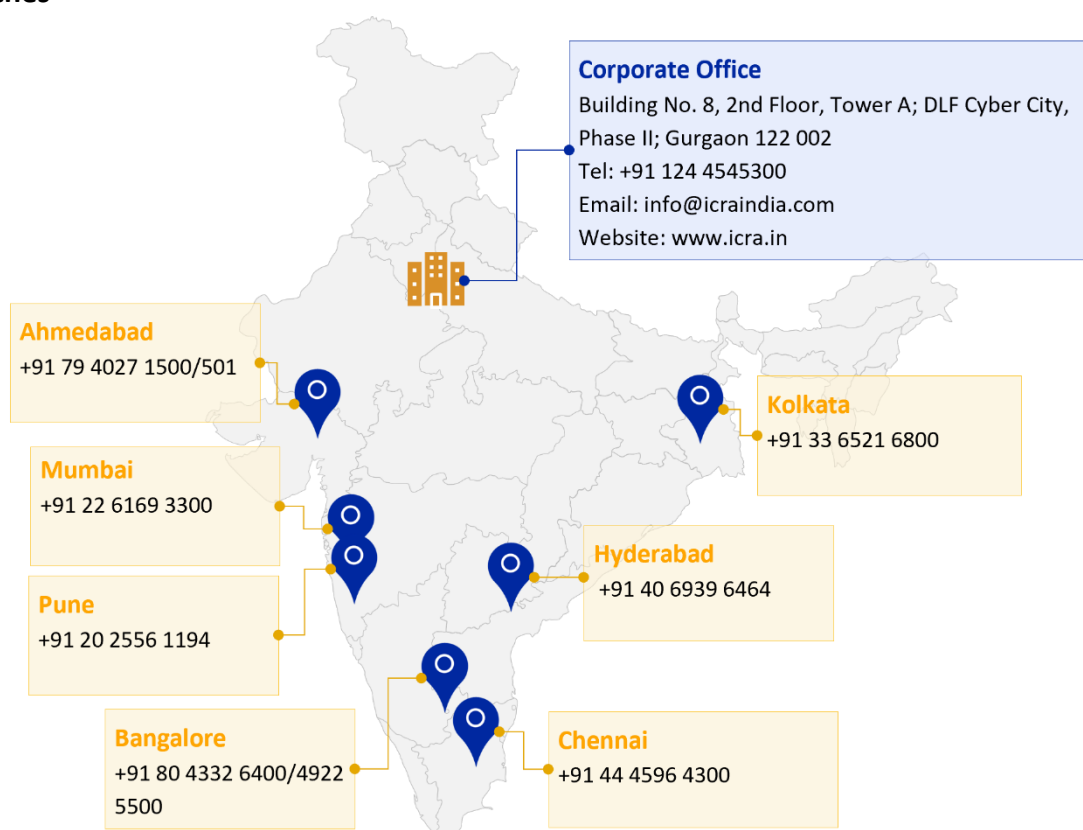
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