

Upendra Singh Multi Transmission Private Limited

August 05, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	39.18 (Reduced from 44.00)	CARE BBB+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The rating reaffirmation on bank facilities of Upendra Singh Multi Transmission Private Limited (USMT) which is operating a 10.00 MW AC (15.00 MW DC) solar plant in Uttar Pradesh, factors in satisfactory track record of over two years with improved generation performance and timely collections. The company reported plant load factor (PLF) of 16.2% (DC) in FY25 against 14.8% in FY24, which remained better than P90 estimates. Going forward, CARE Ratings Limited (CareEdge Ratings) expects the generation performance to remain aligned with P90 estimates. The collection performance remains satisfactory with the counterparties clearing invoices within 30 days of invoice generation.

The rating continues to factor in the strong parentage of USMT being a subsidiary of Fourth Partner Energy Private Limited (FPEPL), which is among the leading renewable energy developers in the commercial and industrial (C&I) segment. FPEPL's stated posture towards USMT is strong, as exhibited by presence of limited period corporate guarantee (CG) which shall remain till the project stabilises and project security is perfected. FPEPL has extended a promoter support undertaking (PSU) to fund shortfall in debt servicing throughout the tenor of the loan. USMT's credit profile also derives strength from the presence of a long term 25-year power purchase agreement (PPA) for the full capacity at a weighted average tariff of ~₹3.7/unit with multiple strong counterparties under the group captive mechanism. Presence of enabling clauses such as lock-in period and compensation to the developer in case of an early exit by the customer act as necessary safeguards. Debt protection metrics are expected to be moderate as reflected by cumulative debt service coverage ratio (DSCR) of ~1.2x over the debt tenor, per CareEdge Ratings' base case.

CareEdge Ratings notes the termination of one PPA with Shri Rathi Steel Limited due to no requirement by the off-taker and termination penalties have been received, and that the excess power has been consumed by the other existing off-taker resulting in no loss of revenue. The company is in the process of replacement of this PPA with another off-taker and is awaiting approval for long-term open access (LTOA) replacements. CareEdge Ratings expects the new PPA should be entered in due course and till the time the company will supply the entire generated power to existing off-takers.

However, the rating is constrained considering leverage capital structure considering large debt funded capex incurred for setting up the project and reflected by total debt to earnings before interest, taxation, depreciation, and amortisation (TD/EBITDA) of 6.28x as at FY25 end. Going forward, TD/EBITDA is expected to be above 6.0x over the next few years, per CareEdge Ratings base case. Considering the leveraged capital structure, and floating interest rates, the company's profitability remains exposed to adverse movements in interest rates. CareEdge Ratings also factors in exposure of project cash flows to adverse variations in weather conditions given the single part tariff for the project.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustenance of actual generation levels with the P90 estimates resulting in improvement in debt coverage metrics and liquidity profile.
- Faster than expected deleveraging of the project.

Negative factors

- Significant underperformance in generation and/or increase in debt levels and/or elongation of receivables of the entity weakening the cumulative DSCR on project debt to less than 1.15x.
- Weakening of the credit profile of the parent, FPEPL, or change in linkages/support philosophy between the parent towards LPPL would be a negative factor.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Analytical approach: Standalone plus factoring in parent support

CareEdge Ratings expects FPEPL to extend financial support to USMT, should there be a need.

Outlook: Stable

Detailed description of key rating drivers:**Key strengths****Experienced and resourceful promoter group with proven track record in renewable energy business**

USMT is a wholly owned subsidiary of FPEPL, a leading renewable energy solutions provider across South and Southeast Asia. In FY25, a consortium of investors, including Germany's Impact Fund DEG, the International Finance Corporation (IFC), and the Asian Development Bank (ADB), finalised agreements to invest in FPEPL with proposed US\$ 275 million fund raising, of which US\$ 200 million as primary equity and \$75 million as secondary sale. The first tranche of US\$ 100 million was received in FY25, and remaining US\$ 100 million is expected to be drawn over next 12-15 months. FPEPL is one of the leading renewable energy developers in the commercial and industrial (C&I) segment with total capacity of ~1.8 GW, of which ~1.1 GW is operational and rest is in different stages of development.

FPEPL's stated posture towards USMT is strong, as exhibited by presence of limited period corporate guarantee (CG) which shall remain till the project stabilises and project security is perfected. FPEPL has extended a promoter support undertaking (PSU) to fund shortfall in debt servicing throughout the tenor of the loan.

Long-term PPA with multiple C&I counterparties provides long term revenue visibility

The company has low off-take risks owing to the presence of long-term (25 years) PPA with multiple C&I customers at a weighted average tariff of ~₹3.7 per unit, under the group captive mechanism where open access charges such as cross subsidy surcharge (CSS) and additional surcharge (AS) are not applicable making the power sales more competitive. CareEdge Ratings favourably factors the strong credit profile and receivable cycle of the off-takers with the company realising payments within 30 days of invoicing on a consistent basis. Presence of enabling clauses such as lock-in period, adequate compensation to the developer in case of an early exit by the customer act as necessary safeguards.

Satisfactory operational performance and receipts of invoices in a timely manner

The company has an operational track record of ~2 years where the generation performance of the asset improved in FY25 against FY24. The project reported robust performance broadly aligned with the P-90 estimates. This is evident from the FY25 PLF of 16.2%, exceeding with the P-90 estimate of 15.3%. Going forward, CareEdge Ratings expects the generation performance to remain aligned with P90 estimates.

Moderate debt coverage indicators; stipulation of two quarter DSRA

The entity has moderate debt-coverage metrics as reflected by cumulative DSCR being ~ 1.18x over the debt tenure. The project has a tail life of ~5 years providing financial flexibility. The company is maintaining two quarter DSRA which provides comfort from the credit perspective.

Key weaknesses**Leveraged capital structure given the debt funded capex for setting up the project and exposure to interest rate fluctuation risk**

The capital structure of the company is leveraged considering debt funded capex incurred for setting up the project, reflected by TD/EBITDA of 6.3x as at FY25 end. Going forward, TD/ EBITDA is expected to be above 6x over the next few years, per CareEdge Ratings' base case. Given the leveraged capital structure, single part fixed tariff in the PPA and floating interest rates, its profitability remain exposed to increase in interest rates.

Vulnerability of cash flows to variation in weather conditions

As tariffs are one part in nature, the company may book lesser revenues in case of non-generation of power due to variation in weather conditions and/or equipment quality. This would affect its cash flows and debt servicing ability. The geographical concentration of asset amplifies the generation risk.

Liquidity: Adequate

As of June 2025, end the company had free cash and bank balance of ₹1.54 crore. The company is maintaining a DSRA balance of ~₹2.95 crore equivalent to two-quarters of debt obligations.

per CareEdge Ratings' base case, adjusted gross cash accrual (GCA) for FY26 and FY27 is expected to be ₹1.9 crore and 2.0 crore, respectively, against annual repayment of ₹1.60 crore and 1.65 crore, respectively.

Applicable criteria

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Infrastructure Sector Ratings](#)

[Solar Power Projects](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power generation

USMT was incorporated on June 23, 2020 and is a SPV promoted by Fourth Partner Energy Private Limited (FPEPL) and is operating a solar capacity of **10 MWAC (15 MWDC)** in Bhusouri, Shahjahanapur, Uttar Pradesh. FPEPL holds 64.17% stake in USMT and remaining 35.83% is held by multiple C&I customers. The project was commissioned in March 2023.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	7.2	8.3
PBILDT	6.4	6.2
PAT	-3.5	-3.3
Overall gearing (times)	1.48	1.55
Interest coverage (times)	0.83	0.92

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2043	39.18	CARE BBB+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	39.18	CARE BBB+; Stable	-	1)CARE BBB+; Stable (06-Aug-24)	-	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CareEdge Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Saikat Roy Senior Director CareEdge Ratings Limited Phone: 912267543404 E-mail: saikat.roy@careedge.in</p>	<p>Analytical Contacts</p> <p>Jatin Arya Director CareEdge Ratings Limited Phone: 91-120-4452021 E-mail: Jatin.Arya@careedge.in</p> <p>Saurabh Singhal Assistant Director CareEdge Ratings Limited Phone: 91-9790971616 E-mail: saurabh.singhal@careedge.in</p> <p>Sanjog Pahwa Rating Analyst CareEdge Ratings Limited E-mail: Sanjog.pahwa@careedge.in</p>
--	---

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CareEdge Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2025, CareEdge Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents herein on an "as-is" basis is permitted with due acknowledgement to CareEdge Ratings. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CareEdge Ratings.

For detailed Rating Report and subscription information, please visit www.careratings.com