

Cosmic PV Power Private Limited

September 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	55.00	CARE BBB; Stable	Assigned
Long Term / Short Term Bank Facilities	35.00	CARE BBB; Stable / CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to bank facilities of Cosmic PV Power Private Limited (CPPPL) derive strength from its experience promoters, satisfactory orderbook from reputed clientele and comfortable financial risk profile. The ratings also factor growing scale of operations and healthy profitability margins.

The above rating strengths, are however, partially offset by implementation and stabilisation risk pertaining to nascent stage of ongoing capital expenditure (capex) and presence of CPPPL in intensely competitive industry. The ratings also factor exposure of CPPPL's profit margins to raw material price fluctuations and risk related to evolution in technology.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely commissioning of project without time and cost overrun and satisfactory utilisation of enhanced capacity leading to significant improvement in total operating income (TOI) while maintaining its profit before interest, lease rentals, depreciation and taxes (PBILDT) margin.

Negative factors

- Any debt funded capex or increase in working capital intensity resulting in moderation of financial risk profile marked by overall gearing above 1.25x on sustained basis.
- Moderation in TOI below ₹ 200 crore along with PBILDT margins below 10% on sustained basis.

Analytical approach: Standalone

Outlook: Stable

The Stable outlook reflects the ability of the company to continue to maintain a satisfactory financial profile on back of orderbook from reputed clientele and experience of the promoters.

Detailed description of key rating drivers:

Key strengths

Experienced promoters

Incorporated in 2020, CPPL is engaged in manufacturing of Solar PV modules in its plant based at Surat with an installed capacity of 1.4GW. The company's operations are managed by Mr. Jenish Ghael and Mr. Shravan Gupta who have an experience of around a decade in Renewable energy segment in Solar PV (Photovoltaic) module distribution and as well as solar engineering procurement and construction (EPC) operations (majorly under Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan [PM KUSUM] scheme). Promoters are ably supported by professionals, who look after the company's day-to-day operations.

Comfortable financial risk profile

CPPPL's financial risk profile is comfortable marked by overall gearing of 0.75x (PY: 2.87x) and total outside liabilities to total net worth (TOL/TNW) of 1.80x (PY: 4.70x) as on FY25-end (FY refers to period between April 01 to March 31). Debt coverage indicators are also satisfactory marked by Interest coverage, total debt (TD) by PBILDT and TD by gross cash accruals (GCA) of 10.34x (PY: 5.46x), 1.43x (PY: 2.09x) and 1.82x (PY: 4.38x) respectively as on FY25.

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

Growth in scale of operations considering satisfactory orderbook and healthy profitability margins

Post commencement of operations in FY21, Scale of operations grew at a compounded annual growth rate (CAGR) of 154% for four years ended FY25 to ₹241.5 crore as on FY25 considering increase in utilisation of installed capacity which augmented from 100 MW in FY22 end to 600 MW in FY25 end. Till Q1FY26, CPPPL clocked TOI of ~₹100 crore and is envisaged to close FY26 with a turnover of ~₹900-1100 crore considering capacity addition of 800 MW in April 2025 and envisaged capacity addition of 1600MW in Q3FY26.

CPPPL has satisfactory orderbook of ~₹850 crore from reputed clientele such as Vikram Solar Limited, Goldi Solar Private Limited, ECE (India) Energies Private Limited, Insolation Green Energy Private Limited. (CARE BBB; Stable/ A3+) and Zetwerk Manufacturing Businesses Private Limited, which is to be executed in 3-12 months.

CPPPL's PBILDT margin remained in range of ~9-15% for five years ended FY25. CPPPL's PBILDT and profit after tax (PAT) margins improved by 447bps and 355bps respectively to 15.23% (PY: 10.76%) and 9.79% (PY:6.25%) in FY25 considering lower RM cost and better absorption of fixed cost owing to economies of scale.

Key weaknesses

Implementation and stabilisation risk pertaining to ongoing debt funded capex

CPPPL is undertaking a brownfield project to increase the installed capacity to 3 GW (from existing 1.4GW as on April 2025) post setting up a new plant in Surat, Gujarat. The envisaged project cost of ₹129.25 crore is expected to be funded in debt equity mix of 1.38x:1x. The progress of project is at nascent stage with 7% of the project cost i.e. ~₹ 9 crore incurred till June 06, 2025. The project is envisaged to commence operations in Q3FY26. The financial closure for debt portion of the project has been achieved. CPPPL plans to meet the portion of equity contribution partly from internal accruals and partly by raising funds through private equity (PE) investment mode. Completion of project within envisaged time and cost parameters and subsequent scaling up of operations remains a key monitorable.

Presence in intensely competitive industry

The solar PV module industry is highly competitive, with significant competition from Chinese manufacturers and around 100 domestic PV module manufacturers. Additionally, government initiatives to boost domestic manufacturing has led to substantial capacity expansions by leading manufacturers. These factors cumulatively have led to an excess supply in the domestic market and has intensified competitive intensity and it can potentially impact profit margins.

Exposure to RM price fluctuation risk and risk related to evolution in technology

CPPPL's profitability is vulnerable to fluctuation in key RM prices, particularly solar cells, which constitute ~50-60% of the total raw material cost and are mainly procured from China. For Solar PV modules manufactured on Job work basis, RM is supplied by counterparty, mitigating risk of RM price fluctuation to certain extent.

Solar PV modules and solar cells are subject to technical advancements thereby exposing the products manufactured by the company to risk of obsolescence in terms of technology. Nevertheless, CPPPL currently has lines for both Mono PERC and TOPCon technology and can switch production in these lines as per demand by changing requisite equipment.

Liquidity: Adequate

Liquidity of CPPPL is adequate marked by sufficient GCA of ₹93 to ₹185 vis-à-vis term debt repayment obligation of ₹ 6 - ₹ 28 crore in FY26-FY28, adequate cushion in form of unutilised limits marked by average month end utilisation of FB limits of 67% in past 12 months trailing June 2025 and cashflow from operations of ₹14.70 crore as on FY25 end (FY24: ₹0.88 crore). CPPPL reported moderate current ratio of 1.09x as on FY25 end (PY: 1.21x).

Timely infusion of funds from PE investors and disbursement of debt by lenders with timely receipt of payment from debtors post implementation of enhanced capacity shall remain key monitorable and crucial from credit perspective.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital goods	Electrical equipment	Other electrical equipment

Incorporated in 2020, CPPPL is engaged in manufacturing of Solar PV module at Surat, Gujarat. CPPPL, promoted by Mr. Jenish Ghael and Mr. Shravan Gupta, is currently manufacturing PV modules at an installed capacity of 1.4 GW (using Mono PERC and TOPCon technology). CPPPL is expanding its module manufacturing facility by setting up additional unit for manufacturing of 1.6 GW Solar PV Module (TOPCon) in Surat at a project cost of ₹129.25 crore. Same is envisaged to be funded in Debt: Equity ratio of 1.38:1x. The additional 1.6 GW line is envisaged to commence operations from October-November 2025.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	June 30, 2025 (UA)
Total operating income	98.79	241.52	97.6
PBILDT	10.63	36.79	15.56
PAT	6.17	23.65	NA
Overall gearing (times)	2.87	0.75	NA
Interest coverage (times)	5.46	10.34	NA

A: Audited UA: Unaudited; NA: Not available, 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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT/ ST-Working Capital Limits		-	-	-	35.00	CARE BBB; Stable / CARE A3+
Term Loan-Long Term		-	-	07-06-2032	55.00	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	Term Loan-Long Term	LT	55.00	CARE BBB; Stable				
2	Fund-based - LT/ ST-Working Capital Limits	LT/ST	35.00	CARE BBB; Stable / CARE A3+				

LT: Long 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/ ST-Working Capital Limits	Simple
2	Term Loan-Long Term	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.

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