

ReNew Sun Bright Private Limited

October 17, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-Term Bank Facilities	1,065.90 (Reduced from 1,082.00)	CARE A+ (RWP)	Placed on Rating Watch with Positive Implications

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed and placed the long-term rating on bank facilities of Renew Sun Bright Private Limited (RSBPL) on rating watch with positive implications. The rating watch takes into account the execution of a definitive agreement between Sembcorp Industries (Sembcorp) and ReNew Group, wherein former will be acquiring 100% stake in RSBPL. CareEdge Ratings notes that the transaction is subject to necessary approvals from lenders and regulators. In case the transaction gets completed, the credit profile of the underlying asset is likely to improve, given the stronger credit profile of Sembcorp. However, the extent of impact on RSBPL's credit profile will be assessed upon materialisation of the transaction, post ascertaining the support and leverage philosophy of the new promoter. CareEdge Ratings will continue to monitor the developments related to the acquisition and assess the impact on RSBPL's credit risk profile accordingly.

The rating reaffirmation on bank facilities of RSBPL, which is operating a 300 MW AC (420 MW DC) solar power project in Rajasthan, continues to factor in the project's track record of around four years with satisfactory generation and timely collections. The company reported a plant load factor (PLF) of 27.2% in FY25 and 27.6% in FY24 as against the P-90 estimate of 27.1%. Furthermore, the PLF in H1 FY26 has been slightly lower at ~26.0% due to the extended monsoons and subsequently CareEdge Ratings expects the full year generation to remain below P90 levels. The rating is further supported by a long-term PPA with Maharashtra State Electricity Distribution Company Limited (MSEDCL) for 25 years, which provides revenue visibility. CareEdge Ratings expects the project's coverage indicators to remain healthy, as reflected by a cumulative debt service coverage ratio (DSCR) above 1.3x over term debt tenor. Availability of two quarters of debt service reserve account (DSRA) and an additional liquidity reserve of two quarters provides additional comfort.

However, the rating is constrained due to counterparty credit risk from MSEDCL, the sole off-taker, with a moderate credit risk profile. The rating is adversely impacted due to a leveraged capital structure, as reflected by total debt to earnings before interest, taxation, depreciation, and amortisation (TD/EBITDA) of ~5.4x as on FY25 end. CareEdge Ratings' base case envisages that the capital structure will continue to remain leveraged, with TD/EBITDA multiple expected to remain range bound between 5.0-5.5x over the next few years. Part of the project loan is denominated in foreign currency, exposing the company to adverse movement in forex rates. However, the risk is mitigated to a large extent since the company hedges 100% of its exposure towards principal and coupon payments. Adequacy and effectiveness of the hedging policy and its associated costs will remain a key credit monitorable. The company's cash flows are exposed to adverse movement in interest rates, which are floating for the project debt and subject to periodic reset. CareEdge Ratings also considers exposure of project cash flows to adverse variations in weather conditions, due to the single-part tariff of the project.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors:

- Actual generation remaining above P-90 levels on a sustained basis resulting in faster-than-expected reduction in the leverage level.
- Conclusion of the transaction for 100% shareholding transfer to Sembcorp.

Negative factors:

- Significant underperformance in generation or sustained elongation in receivables beyond 120 days on a sustained basis, adversely impacting liquidity profile.
- Increase in debt level or interest rates, adversely impacting coverage metrics as reflected by reduction in cumulative DSCR to less than 1.15x on a sustained basis.

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

Analytical approach: Standalone**Outlook: Not Applicable****Detailed description of key rating drivers:****Key strengths****Operational track record of ~4 years for project with healthy generation performance**

The entire 300 MW grid-connected solar photovoltaic (PV) power plant was commissioned successfully and achieved commercial operations date (COD) in November 2021 and has an operational track record of ~four years. The company reported a plant load factor (PLF) of 27.2% in FY25 (FY refers to April 01 to March 31) which remain in line with 27.6% in FY24 and remain slightly above P-90 estimates of 27.1%. Further PLF in H1FY26 slightly lower at ~26.0% due to impact of early monsoon during the period and CareEdge Ratings expects generation to remain slightly below P90 levels in FY26 and in line with the P-90 estimates for FY27 and onwards.

Long-term revenue visibility considering long-term PPA with MSEDCL

RSBPL has healthy revenue visibility owing to the presence of a long-term (25-year) PPA with MSEDCL at a fixed tariff of ₹2.75/kWh, for the entire duration of the project. The receivable position is comfortable considering timely receipt of payments from the counterparty. RSBPL has continued to receive payments from MSEDCL within ~60 days on a consistent basis.

Satisfactory debt coverage indicators; presence of DSRA and additional liquidity reserves

The project's coverage indicators are expected to be satisfactory as reflected by DSCR above 1.3x for the term debt tenor, per CareEdge Ratings' base case. Availability of two quarters of DSRA and an additional liquidity reserve of two quarters provides additional comfort.

Part of Renew Group, which is a leading renewable energy player

RSPL is a wholly owned subsidiary of RPL, which is the flagship company and a subsidiary of ReNew Energy Global Public Limited Company (REG), listed on NASDAQ. The group has over 10 years' experience in developing and operating renewable energy projects. RPL is one of the largest renewable energy developers in India and has an operating capacity of ~11.2 GW and a committed capacity of ~7.1 GW as of September, 2025. The portfolio is diversified across geographies and counterparties. In the past, the group secured investments from private equity investors, financial institutions, and pension funds, signifying its healthy financial flexibility. The group has ongoing plans to enter related business verticals such as module manufacturing, transmission, and green hydrogen

Key weaknesses**Exposure to counterparty credit risk**

The company's operations remain exposed to counterparty credit risk from MSEDCL, the sole off-taker, with a moderate credit risk profile. However, MSEDCL has been clearing invoices in a timely manner, which provides comfort to the company's receivable position.

Leveraged capital structure with exposure to interest rate risk

RSBPL's capital structure is leveraged as reflected by TD/EBITDA of 5.4x as on FY25 end. CareEdge Ratings' base case envisages that the capital structure to continue to remain leveraged, with TD/EBITDA multiple range bound between 5.0-5.5x over the next few years. Consequently, the company's cash flows are exposed to adverse movement in interest rates, as the project debt carries floating interest rates and is subject to periodic reset.

Presence of dollar denominated loan exposes the company to foreign exchange risk

RSBPL is exposed to fluctuations in rupee-dollar exchange rate due to a dollar-denominated loan with floating interest rate. RSBPL has mitigated this risk to a large extent, as the company hedges 100% of its exposure towards principal and coupon payments. Adequacy and effectiveness of the hedging policy and its associated costs will remain a key credit monitorable.

Vulnerability of cash flows to variation in weather conditions

Project cash flows are exposed to adverse variations in weather conditions considering the project's single-part tariff. As tariffs are single part, the company may book lower revenues from non-generation of power due to variation in weather conditions or equipment quality. This would affect its cash flows and debt-servicing ability

Liquidity: Adequate

As on October 09 ,2025 the company had free cash balance of ~₹64.7 crore. This apart, the company is maintaining ₹50.50 crore as DSRA and another ₹50.50 as liquidity reserve aggregating to a buffer of four quarters of debt servicing obligations.

Per CareEdge Ratings' base case, gross cash accruals (GCA) for FY26 and FY27 is expected to be ~₹79.5 and ~₹82.7 crore respectively as against annual repayments of ~₹35-40 crore.

Applicable criteria

[Definition of Default](#)

[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

Incorporated on March 29, 2019, RSBPL is a special purpose vehicle formed by ReNew Group. RSBPL operates a 300 MW (AC) solar power plant in Fatehgarh, Jaisalmer district, Rajasthan. RSBPL has tied up the entire capacity through a 25-year PPA at a fixed tariff of ₹2.75/kWh with MSEDCL. The plant was commissioned on November 15, 2021.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	198.5	198.5
PBILDT	178.1	174.8
PAT	43.8	56.5
Overall gearing (times)	2.50	2.87
Interest coverage (times)	1.82	1.99

A: Audited; 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		-	-	31-03-2042	721.90	CARE A+ (RWP)
Fund-based - LT-Term Loan		-	-	31-03-2042	194.00	CARE A+ (RWP)
Non-fund-based - LT-Forward contract/derivative limit		-	-	-	150.00	CARE A+ (RWP)

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	Non-fund-based - LT-Forward contract/derivative limit	LT	150.00	CARE A+ (RWP)	-	1)CARE A+; Stable (04-Dec-24)	1)CARE A+; Stable (21-Dec-23)	1)CARE A; Stable (16-Mar-23) 2)CARE A+ (CE); Stable (20-Oct-22)
2	Un Supported Rating-Un Supported Rating (Long Term)	LT	-	-	-	-	-	1)Withdrawn (16-Mar-23) 2)CARE A- (20-Oct-22)
3	Fund-based - LT-Term Loan	LT	721.90	CARE A+ (RWP)	-	1)CARE A+; Stable (04-Dec-24)	1)CARE A+; Stable (21-Dec-23)	1)CARE A; Stable (16-Mar-23)
4	Fund-based - LT-Term Loan	LT	194.00	CARE A+ (RWP)	-	1)CARE A+; Stable (04-Dec-24)	1)CARE A+; Stable (21-Dec-23)	1)CARE A; Stable (16-Mar-23)

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
2	Non-fund-based - LT-Forward contract/derivative limit	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

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