Vena Energy Vidyuth Private Limited

November 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	991.82 (Reduced from 1,005.46)	CARE A-; Stable	Reaffirmed
Short-term bank facilities	25.00	CARE A2	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation in ratings of Vena Energy Vidyuth Private Limited (VEVPL), which is operating a wind-solar hybrid power project in Karnataka, factors in timely commissioning of the entire project in October 2024 and the track record of support coming from The Vena Group towards the project. The project has witnessed a cost overrun primarily considering increase in goods and service tax (GST), which has been funded entirely through incremental contribution from the promoter. The project has also received support for meeting operational cash flows, as the actual generation has been lower than the envisaged levels, and the same has also been bridged by incremental promoter contribution. Ratings continue to factor in sponsor undertaking for prepayment of debt in case tariff is not increased considering change in law till 24 months from commercial operations date (COD).

Ratings continue to derive comfort from long-term revenue visibility considering presence of a long-term power purchase agreement (PPA) at a fixed tariff of ₹2.99 per unit for its entire capacity with Solar Energy Corporation of India Limited (SECI, 'CARE AAA; Stable/ CARE A1+') for 25 years from COD. The company has signed a PPA for 160 MW with SECI and is setting up 164.45-MW solar wind hybrid project (133.2 MW wind and 31.25 MW_{AC} solar). The collection performance also stood healthy with payments being received within ~8 days of invoicing since COD. Ratings are further supported by the maintenance of a debt servicing reserve account (DSRA) and an additional cash reserve account (ACRA), each equivalent to one quarter of debt servicing and comfortable debt coverage indicators with average debt service coverage ratio (DSCR) being upwards of 1.15x for entire term loan tenor per CARE Ratings Limited's (CareEdge Ratings') base case. Ratings favourably factor in the company being part of the Vena group which has a long-standing track record in the renewable energy sector.

However, ratings are constrained due to stabilisation risk since the entire project has limited operational track record of approximately one year with generation being significantly lower than P90 plant load factor (PLF) estimates due to machine availability (MA) and grid availability (GA) issues. There was a collapse of an external transmission line in May-June 2025, which impacted the generation for ~45 days. The issue has since been resolved, and the generation has improved in recent months. The project's ability to achieve generation levels in line with P90 PLF estimates will remain a key rating monitorable. These rating strengths are also constrained considering leveraged capital structure with term debt to earnings before interest, taxation, depreciation, and amortisation (EBITDA) expected to remain above 7x in the next three years per CareEdge Ratings' base case. Ratings are further constrained considering interest rate fluctuation risk, dependence on climatic conditions, wind patterns, and solar irradiance.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Actual generation being in line with P-90 levels on a sustained basis resulting in improvement in coverage indicators
- Faster-than-expected deleveraging of the asset.
- Increase in tariff considering change in law leading to improvement in debt coverage indicators.

Negative factors

- Significant underperformance in generation with PLF remaining below P-90 levels on a sustained basis and/or increase in debt levels, weakening the cumulative DSCR on project debt to less than 1.1x on a sustained basis.
- Significant deterioration in the credit profile of the promoter or dilution in its support philosophy towards its special purpose vehicles (SPVs).
- Significant delay in receipt of payments from off-taker, leading to debtor cycle of over 90 days.

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

Analytical approach: Standalone plus factoring in support of Vena Group, which is backed by Global Infrastructure Partners (GIP).

Outlook: Stable
The 'Stable' outlook is supported by satisfactory revenue visibility, given the presence of a long-term PPA, generation in line with P90 PLF estimates and anticipated timely receipt from its off-taker, SECI.

Detailed description of key rating drivers:

Key strengths

Experienced promoters, part of the Vena Energy group with proven track record in implementation and running of projects in renewable energy sector

VEVPL is a part of the Vena Energy group. The group is one of the largest renewable energy producers with over 300 solar and wind projects comprising ~7.3 GW of combined wind and solar projects in operation, under construction and contracted and 39 GW of development pipeline with presence around Asia Pacific region in eight countries - Australia, India, Indonesia, Japan, Taiwan, Thailand, Korea, and Philippines. Vena Energy India has a portfolio of wind and solar energy generation assets of 875 MWAC operational capacity. GIP owns 76% in Vena Energy and 24% is held by China Investment Corporation (CIC) and Public Sector Pension Investment Board (PSP) combined. In FY25, Blackrock acquired 100% stake in GIP. As this transaction occurred at the parent company level, it does not impact the SPVs within the Vena Energy Group.

The group has provided support to the company to cover cost overruns arising from the increase in GST and for replacing the cash-backed DSRA/ACRA with SBLCs. Additionally, the sponsor has undertaken to prepay debt in case tariff is not increased considering change in law till 24 months from COD.

Commissioning of the project

The project was commissioned in phases starting September 2024 and achieved COD for the entire project on October 29, 2024, mitigating execution risk typically associated with under-construction projects. The project has limited track record of operation of ~1 year as on date.

Revenue visibility considering PPA with SECI, timely payment from SECI

VEVPL has signed a PPA for 25 years from COD at a fixed tariff of ₹2.99 per unit with SECI for 160-MW capacity, providing revenue visibility. SECI has signed a power supply agreement (PSA) with Madhya Pradesh discoms. CareEdge Ratings notes that the project cost had increased due to hike in GST rates and imposition of Basic Customs Duty (BCD). Per PPA, these events are covered in change in law, and the company has received favourable order from CERC for change in law in January 2024. Quantum of tariff hike shall be ascertained post verification of documents by off-taker, which is under process and the same shall be a key rating monitorable.

The collection performance for generation billing has been strong with payments being received within ~8 days of invoicing from SECI since COD.

Strong financial risk profile of off-taker, SECI

SECI, set up in 2011, is under administrative control of the Ministry of New and Renewable Energy (MNRE) as an implementation and facilitation institution dedicated to solar energy sector. SECI's financial risk profile is supported by strong parentage being 100% owned by Government of India (GoI). SECI enjoys its strategic role in promoting solar and wind energy sector in India, which is a thrust area for GoI.

SECI has been included as a beneficiary in the Tri Partite agreement (TPA) executed between the Central government, State governments, and the Reserve Bank of India. The TPA insulates SECI against payment delays by discoms of the signatories. This mechanism will ensure timely payments to the power suppliers by SECI as the TPA mechanism will act as deterrent for the discoms which should ensure their ability to honour the PSAs signed with SECI. SECI has agreed to open a letter of credit equal to an average one-month billing as payment security to VEVPL.

Key weaknesses

Operational performance significantly below P90 levels since COD

The company has a limited track record of operations, as the asset achieved commissioning for entire capacity of 164.45 MW on October 29, 2024. The generation performance was suboptimal, with a PLF of 15.72% in the last five months of FY25 (after project COD), primarily due to machine availability issues. Additionally, generation was affected in May and June 2025 following the collapse of an external transmission line. The issue has since been resolved, and the project has been operating normally thereafter. The project's ability to demonstrate generation in line with P90 PLF estimates shall be a key rating monitorable.

Refinancing requirement in FY28, repayment started in June 2024

The existing project debt has a door-to-door tenor of four years, with bullet repayment in December 2027 exposing the company to refinancing risk. The company's ability to secure long-term debt at favourable terms (interest rate, tenor, etc) would remain a monitorable.

Dependence on favourable climatic conditions and wind patterns

Wind projects are exposed to the inherent risk of weather fluctuations, leading to variations in the wind patterns, which affects the PLF. Solar power projects are exposed to variation in solar irradiance, dust, and other factors. The revenue of the project is linked to actual generation and decline in generation may impact the debt coverage indicators.

Interest rate fluctuation risk

The term loan for the project has floating interest rate, exposing VEVPL to the risk of change in cost factors. The interest cost being the primary cost component on a cash-basis, adverse movement in interest rates would impact the overall debt-servicing ability of the SPV.

Liquidity: Adequate

As on October 20, 2025, the company had free cash and bank balance of ~ ₹30 crore and other reserves of ~₹24 crore. The company is also maintaining DSRA/ACRA of ~₹14 crore in the form of FD and ~₹39 crore in the form of Stand By Line of Credit (SBLC), which is equivalent to two quarters of debt servicing obligations in line with the sanctioned terms. The loan agreement allows these reserves (DSRA/ACRA) to be maintained either in cash or through SBLCs. In addition to this, VEVPL is maintaining fund-based working capital limit of ₹25 crore, which remained utilised above 90% as on September 30, 2025.

Applicable criteria

Policy on Default Recognition
Notching by Factoring Linkages in Ratings
Financial Ratios – Non financial Sector
Liquidity Analysis of Non-financial sector entities
Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
Infrastructure Sector Ratings
Rating of Short Term Instruments
Wind Power Projects
Solar Power Projects

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power generation

VEVPL is a subsidiary of Vena Energy (India) Renewables II Pte Ltd, Singapore, which is held by Vena Energy (India) Holdings Pte Limited (earlier known as Equis Energy) and ultimately by GIC. The company is setting up a wind-solar hybrid power project at Gudaddur in Kustagi Taluk, Koppal district in Karnataka, with aggregate capacity of 164.45 MW (133.2 MW wind and 31.25 MW solar) and contracted capacity of 160 MW. The PPA has been signed for 160-MW capacity of the project with SECI at a tariff of ₹2.99 per unit for tenure of 25 years from COD.

Brief Financials (₹ crore)	March 31, 2025 (P)
Total operating income	33.47
PBILDT	21.74
PAT	-35.34
Overall gearing (times)	-33.95
Interest coverage (times)	0.59

P: Provisional; 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 - ST-Bank Overdraft		-	-	-	25.00	CARE A2
Term Loan-Long Term		-	-	December 2027	991.82	CARE A-; 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	991.82	CARE A-; Stable	-	1)CARE A-; Stable (11-Oct-24)	-	-
2	Fund-based - ST-Bank Overdraft	ST	25.00	CARE A2	-	1)CARE A2 (11-Oct-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 - ST-Bank Overdraft	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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About us:

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