

## SUNRIDGE GREEN ENERGY ONE PRIVATE LIMITED

December 23, 2025

Facilities/Instruments	Amount (₹ crore)	Rating	Rating Action
Long Term Bank Facilities	22.35	CARE BBB-; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The reaffirmation of the ratings on the bank facilities of Sunridge Green Energy One Private Limited (SGEOPL, operating a 5 MW AC solar power project in Maharashtra) factors in presence of long-term power purchase agreement (PPA) with Maharashtra State Electricity Distribution Company Limited (MSEDCL) for 25 years from COD at a fixed tariff of Rs 3.29 per unit providing revenue visibility. Underlying PPA has enabling clauses such as compensation to the developer in case of grid unavailability and backdown which act as necessary safeguards. SGEOPL has set up a 5 MWAC (7 MWDC) solar power project in Maharashtra, which was awarded through competitive bidding route under Mukhya Mantri Saur Krushi Vahini Yojana (MSKVY) 1.0 program. The rating also factors in timely payment from MSEDCL as evident from average collection days of 72 in FY25 (PY: 89). The liquidity of the company remains satisfactory as evident from cash and cash equivalent of Rs 2.2 crore as on September 30, 2025 including DSRA of Rs 0.75 crore towards one quarter of debt servicing.

The rating is however constrained by modest operational track record of the project as evident from plant load factor (PLF) of 17.8% in FY25 and 20.2% in 8M FY26 as against P90 PLF of 25.23%. The project was commissioned in September 2023 and the generation has been impacted by stabilization issues in initial months and grid failure/ fluctuations in recent months. CareEdge Ratings notes that the state transmission utility has recently replaced the transformer in October 2025 and the grid availability going forward is expected to be satisfactory as per the management. While the generation has improved in the last two months, ability of the company to demonstrate generation in line with P90 PLF estimates shall be a key rating monitorable. The rating is constrained by the leveraged capital structure considering debt funded capex incurred for setting the project as evident from total debt/EBITDA of ~10.3 times as on March 31, 2025 which is expected to remain above 6 times in the medium term. Consequently, the company remains exposed to interest rate fluctuation risk given floating interest rate on the term debt. CARE Ratings Limited (CARE Ratings) also factors in exposure of project cash flows to adverse variations in weather conditions given single part tariff for the project. The rating is also constrained by counter party credit risk considering exposure to MSEDCL which has moderate financial profile although the payment has been timely in the recent past.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Actual generation levels being in line with estimated P-90 figures along with receivable cycle remaining below 60 days on a sustained basis resulting in strong liquidity position.
- Faster than expected deleveraging.

#### Negative factors

- Any significant underperformance in generation and/or any increase in the debt levels of the entity thereby weakening the cumulative DSCR on project debt to less than 1.15x times, on a sustained basis.
- Deterioration in credit risk profile of the off-taker or significant elongation in collection period to 120 days

**Analytical approach:** Standalone

**Outlook:** Stable

The Stable outlook on the long-term rating of SGEOPL reflects CARE Ratings' opinion that the company's cash flows are expected to remain stable considering presence of long term PPA with MSEDCL, satisfactory generation in line with P90 PLF estimates and timely payment from MSEDCL.

**Detailed description of key rating drivers:**

**Key strengths**

**Revenue visibility considering presence of long term PPA with MSEDCL for the entire capacity at fixed tariff**

The company has low off-take risks considering a long-term PPA with MSEDCL at a fixed tariff of ₹3.29 per unit for a tenor of 25 years from COD, providing revenue visibility to the company. PPA has enabling clauses such as compensation to developer in case of backdown and grid unavailability which are a positive.

**Operational track record of 26 months**

SGEOPL's 5 MW AC (7 MW DC) solar project is in Jalna of Maharashtra. The project was fully commissioned September 2023 as against scheduled COD of July 02, 2023. Entire project capacity has an operational track record of ~26 months with generation levels being lower than P90 till October 2025. While the generation has improved in last two months after replacement of transfer, ability of the company to demonstrate generation in line with P90 PLF estimates of 25.23% shall be a key rating monitorable.

**Moderately comfortable debt protection metrics and healthy tail life of ~5 years**

SGEOPL's debt protection metric remains moderately comfortable as reflected by average DSCR of over 1.20x over the tenure of term debt. Further, the project has a tail life of five years aiding the company's financial strength.

**Key weaknesses**

**Leveraged capital structure and exposure to interest rate risk**

SGEOPL's capital structure remains leveraged considering debt-funded capex incurred for setting up the project which is customary to renewable sector. The project has been funded in a debt equity ratio of 70:30. In CARE Ratings' base case assessment, the total debt to earnings before interest, taxation, depreciation, and amortisation (TD/EBITDA) is expected to remain high above 7x in FY26. However, debt coverage indicators are expected to be moderately comfortable as reflected by average DSCR of over 1.20x for the debt tenor. The rating is also constrained by interest rate fluctuation risk and asset concentration risk given the full capacity is in a single state.

**Counter party credit risk considering exposure to MSEDCL**

The company is exposed to counterparty credit risk considering MSEDCL's moderate financial profile. Nevertheless, payments from MSEDCL have been timely in recent months. Going forward, timely collections from MSEDCL on a sustained basis remains a key rating monitorable.

**Vulnerability of cash flows to variation in weather conditions**

As tariffs are one part, the company may report lesser revenues in the event of non-generation/lower generation of power due to variation in weather conditions and/or equipment quality and/or any other factor. This in turn would affect its cash flows and debt servicing ability. Geographical concentration of asset amplifies generation risk.

**Liquidity:** Adequate

There is some headroom between the projected gross cash accrual of FY26 and FY27 vis a vis the scheduled debt repayment. While the payment from the counterparty is expected to be timely, the availability of DSRA strengthens the liquidity to some extent. As on September end 2025, the company had a cash and bank balance of ₹2.20 crore (Including FD lien of Rs 2 Crore).

**Environment, social, and governance (ESG) risks:** Not applicable

## Applicable criteria

- [Definition of Default](#)
- [Liquidity Analysis of Non-financial sector entities](#)
- [Rating Outlook and Rating Watch](#)
- [Financial Ratios – Nonfinancial Sector](#)
- [Infrastructure Sector Ratings](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power Generation

SGEOPL is a special purpose vehicle incorporated on March 20, 2019 by Sunridge Green Energy Ventures Private Limited, engaged in renewable energy industry. SGEOPL has developed grid-connected ground-mounted solar photovoltaic power project with a capacity of 5 MWAC / 7 MWDC in Maharashtra. The project was won in a bid under MSEDCL's tender in Mukhya Mantri Saur Krushi Vahini Yojana (MSKVY) 1.0 program. PPA for the entire capacity is signed with MSEDCL at a tariff of INR 3.29/unit for 25 years from COD. Electricity produced by the project will be transmitted to a 33/11 kV grid substation. The project is situated in village - Deogaon Khawne, Jalna, Maharashtra.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY2026
Total operating income	1.43	2.6	1.3
PBILDT	1.38	2.1	1.2
Profit after tax (PAT)	-0.23	-0.72	0.1
Overall gearing (x)	1.75	2.00	Not Mentioned
Interest coverage (x)	1.15	0.98	Not Mentioned

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		-	-	July 2044	22.35	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	22.35	CARE BBB-; Stable	-	1)CARE BBB-; Stable (27-Dec-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.

**Annexure-6: List of entities consolidated: Not Applicable**

### Contact us

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