

Nithin Sai Renewables Private Limited

January 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	140.60 (Reduced from 150.00)	CARE BB-; Stable	Downgraded from CARE BB; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in the rating assigned to bank facilities of Nithin Sai Renewables Private Limited (NSR) reflects delays in ramping up operations due to change in solar module technology, which have resulted in sales volumes remaining below expectations. Although the company has completed the necessary plant modifications to incorporate the latest technology, it has yet to receive approval under the Approved List of Module Manufacturers (ALMM). Further delay in improving the plant's capacity utilisation may exert additional pressure on the company's liquidity, given that term loan repayments have already commenced and cash credit limits are nearly fully utilised.

The rating is also constrained by intense competition with large companies operating in the space, though the company has already received letter of intent (LOI) from some customers.

Although solar module manufacturing is a new business venture for the promoters, comfort is derived from the experienced professionals hired by the company, who have a strong track record in operations and business development within the solar industry. Their involvement has supported the timely completion of the project within the envisaged cost and schedule. The rating also positively factors in the resourcefulness of the promoters, which has enabled the company to maintain lower reliance on debt for project completion. Continuing timely fund infusion from promoters till stabilisation of operations would be key to the company's credit profile.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Earning profit before depreciation, interest and taxation (PBDIT) margin of over 10% on a sustained basis.
- Ability to operate the plant at 60% capacity utilisation.

Negative factors

- Lower than envisaged sales volume on sustained basis impacting cash flows and profitability.
- Debt funded capex plans taken by the company.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CARE Ratings Limited (CareEdge Ratings') expectation that the company would be able to scale up operations once required approvals are in place.

Detailed description of key rating drivers:

Key weaknesses

Stabilisation risk associated with the project

NSR completed its project by March 2025, with lower-than-envisaged construction cost. However, the plant was built to produce solar modules of Monoperc technology, while the industry largely shifted to the Topcon technology. Due to demand-supply mismatch, the company could not scale up the operations as reflected in net sales of ₹7.3 crore in H1FY26 and capacity utilisation of ~20%. The company has now upgraded the plant for the Topcon technology, though ALMM approval is pending. In the meantime, the management signed an LOI with potential customers and certain inter-group projects. In an intensely competitive industry, NSR's ability to operate the plant at optimum levels and to generate envisaged profitability, remains to be seen.

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

Risk of fluctuations in realisation price due to price volatility of solar modules

NSR is susceptible to risk arising from movement in prices of solar modules, impacting realisations of the company. However, the module manufacturing industry is commoditised in nature and generally, manufacturers pass on the increase in prices to end-customers.

Technology risk owing to evolving technology for solar cells and modules

NSR is exposed to technology risk since solar cells and modules are subject to technical advancements, exposing products manufactured by the company to risk of obsolescence in terms of technology. With the changing demand, NSR has added a Topcon machine, which took another six months post of setup of operations. Per the management, the company plans to operate plants in a modular fashion, enabling it to switch to newer technologies with minimal capex requirements.

Key strengths

Long experience of promoters in EPC business though solar modules is new business venture

The company's promoters have experience of engineering, procurement and construction (EPC) business through Nithin Sai Constructions for close to three decades. The group's expertise includes infrastructural projects, such as construction of solar and wind power projects, National Highway roads, irrigation projects, Bridges, and flyovers among others. Solar modules manufacturing is a new business venture, but it has appointed senior management having expertise in the segment. The company appointed Ramesh Shivanna as chief technical officer (CTO) having expertise in product design, manufacturing, and power infrastructure. He specialises in solar energy, including design, development, project management, and solar module manufacturing. NSR has also appointed Dharmendra P as Director- Business Development and Strategy.

Timely technology upgrade

The solar industry witnessed rapid transition towards the Topcon technology, leading to a sudden shift in market demand that impacted manufacturers across the sector. In response, NSR recently commissioned Topcon manufacturing capacity in the range of 610W to 625W to align with evolving customer requirements. Timely adoption of this technology positions the company in line with prevailing industry standards and is expected to support order finalisation and improve competitiveness going forward.

Liquidity: Stretched

The company's liquidity is stretched, as evidenced by the cash losses incurred and the near-full utilisation of its cash credit limits. With term debt repayments already having commenced, it is crucial for the company to enhance its plant capacity utilisation to strengthen its liquidity position. Liquidity is supported to an extent by resourceful promoters, who have infused unsecured loans. As of September 30, 2025, the company held fixed deposits of ₹17.53 crore and cash and bank balances of ₹0.67 crore.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

About the company and industry

Industry classification

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

NSR has set up a unit to manufacture 500MW of Solar PV module at Chikballapura District, Karnataka. NSR is promoted by Nirmaladevi G and Nithin Sai, who have also promoted Nithin Sai Constructions, which is into EPC business.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	September 30, 2025 (UA)
Total operating income	0.00	0.74	7.27
PBILDT*	0.00	-1.94	-7.65
Profit after tax (PAT)	0.04	-11.89	-22.27
Overall gearing (x)	0.00	1.15	NA
Interest coverage (x)	0.00	NM	NM

A: Audited UA: Unaudited NA: Not Available NM: Not Meaningful; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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-Cash Credit	-	-	-	-	55.00	CARE BB-; Stable
Fund-based - LT-Term Loan	-	-	-	June 2031	85.60	CARE BB-; 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	85.60	CARE BB-; Stable	-	1)CARE BB; Stable (23-Jan-25)	-	-
2	Fund-based - LT-Cash Credit	LT	55.00	CARE BB-; Stable	-	1)CARE BB; Stable (23-Jan-25)	-	-

LT: Long 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-Cash Credit	Simple
2	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.

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