Mayfair Renewable Energy (I) Private Limited

January 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	87.87 (Reduced from 95.67)	CARE BBB; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

To arrive at the rating assigned to the long-term bank facilities of the captioned entity, CARE Ratings Limited (CareEdge Ratings) has adopted a combined approach for the following entities of Samriddhi group - Aavanti Solar Energy Private Limited (ASEPL), Aavanti Renewable Energy Private Limited (AREPL), Mayfair Renewable Energy Private Limited (MREPL) and Brics Renewable Energy Private Limited (BREPL). These entities, referred to as 'Samriddhi RG', have been combined considering the presence of a co-obligor structure between these entities, where these entities are mandated to be jointly and severally responsible for servicing combined debt obligations. The arrangement is unconditional, irrevocable and valid for entire debt tenor and characterised by presence of t-minus structured payment mechanism and cross default clause between entities.

The rating factors in satisfactory operational track record of over seven years for the entire 62 MW_{AC} solar power capacity under Samriddhi RG, which has been set up across different districts in Karnataka. The combined plant load factor (PLF) stood at 19.84% in FY25 against 20.7% in FY23 ,21.3% in FY24 and P90 PLF estimate of 18.86%. Going forward, CareEdge Ratings expects generation to remain in line with the historical trend. The rating also factors in presence of long-term power purchase agreements (PPAs) for 25 years from commercial operations date (COD) with Bangalore Electricity Supply Company Limited (BESCOM) for 22 MW_{AC}, Hubli Electricity Supply Company Limited (HESCOM) for 20 MW_{AC} and Gulbarga Electricity Supply Company Limited (GESCOM) for 20 MW_{AC} at tariffs ranging from ₹4.97 per unit to ₹5.07 per unit with a weighted average tariff of ₹5.00 per unit. CareEdge Ratings notes that the payments have remained regular in the current year as all special purpose vehicles (SPVs) have received the tariff in accordance with the PPA, except AREPL. The rating favourably factors in tail life of over four years with PPA expiring in FY43 and last repayment in FY39. The rating considers comfortable debt protection metrics as reflected by cumulative debt service coverage ratio (DSCR) above 1.1x for debt tenor. The rating is supported by adequate liquidity profile of the entities as reflected by the cash and liquid investments of ₹91.8 crore and on top of it debt service reserve account (DSRA) for two quarters of debt servicing amounting to ₹28.66 crore as on September 30, 2025, is also maintained.

However, rating strengths are tempered by counterparty credit risk considering exposure to state distribution utilities of Karnataka, which have moderate credit profile. The payment from PPA off-takers has been timely for regular billing with payment received within 60-70 days from invoice date for all entities except AREPL. BESCOM is making payments at a tariff of ₹4.36 per unit to AREPL against PPA tariff of ₹4.97 per unit. While AREPL has received favourable order from Karnataka Electricity Regulatory Commission (KERC), receipt of payments from BESCOM without deduction shall be a key rating monitorable. The rating is also constrained due to high leverage owing to top up debt availed at the time of refinancing as reflected by Total External Debt to earnings before interest, taxation, depreciation, and amortisation (EBITDA) of 6.22x as on FY25-end, which is expected to remain above 6x in the medium term. The project is exposed to interest rate fluctuation risk since the interest rate on the underlying debt is floating and tariff is fixed for tenor of PPA. CareEdge Ratings also factors in exposure of project cash flows to adverse variations in weather conditions given the single part nature of tariff for the project.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Achievement of higher-than-envisaged generation levels per CareEdge Ratings base case on a sustained basis, leading to DSCR above 1.25x on a sustained basis, positively impacting debt coverage indicators.
- Faster-than-expected deleveraging of the portfolio.
- Decline in debtor levels, leading to improvement in liquidity profile.

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

Negative factors

- Significant underperformance in generation and/or increase in debt levels of the combined entity weakening cumulative DSCR below 1.05x on a sustained basis.
- Elongation in receivable cycle beyond 200 days on a sustained basis, adversely impacting the liquidity of the SPVs.

Analytical approach: Combined approach

CareEdge Ratings has applied a combined approach for rating bank facilities of (AREPL, ASEPL, MREPL, BREPL), considering the presence of a co-obligor structure for pooling of surplus cash flows from the individual entities to service shortfall in debt servicing in these entities. These SPVs have cash flow fungibility with respect to movement of the surplus cash, post servicing their respective debt obligations. These SPVs are in similar line of business and have a common management. All four entities are part of the Samriddhi Energy promoter Group and are engaged in similar lines of business. Entities consolidated in 'Samriddhi RG' are listed in Annexure-6

Outlook: Stable

The stable outlook on the rating reflects CareEdge Ratings opinion that the combined entity would benefit from its long-term PPA with Karnataka electrical supply companies (ESCOMs). Operational performance of the assets is likely to remain in line with past trends and payments from counterparties are expected to be timely.

Detailed description of key rating drivers:

Key strengths

Long-term revenue visibility and low sales risk considering presence of PPAs for entire capacity

Entire capacity of 62 MWAC of AREPL, ASEPL, MREPL and BREPL is tied up via long-term PPA with BESCOM (22 MWAC), HESCOM (20MWAC) and GESCOM (20 MWAC) for 25 years from COD at tariff ranging from ₹4.97 per unit to ₹5.07 per unit with weighted average tariff of ~₹5.00/kwh, which provides long-term revenue visibility.

The projects were commissioned between February 2018 to May 2018, and COD was delayed compared to scheduled COD. Hence, ESCOMs were making payments at a tariff of ₹4.36 per unit (prevailing tariff at time of COD per KERC), which was lower than PPA tariff. The dispute has been resolved in favour of SPVs with favourable order by KERC. Payments are received per PPA tariff for all entities except AREPL. The management expects settlement with AREPL as well in the near term. Presence of payment security mechanism in form of letter of credit (LC) equivalent to one month of billing adds further strength to PPA.

Satisfactory operational track record of generation performance above designed energy estimate

The 62 MWAC grid connected solar photovoltaic technology plant was fully commissioned in January to May 2018 and has an operational track record of over seven years. The portfolio's operational performance has been satisfactory with PLF of 19.84% in FY2025 and 21.34% in FY2024 against P90 PLF estimate of 18.86%. The generation was impacted in FY25 considering higher rainfall. Going forward, CareEdge Ratings expects the generation levels to be in line with past trends.

Presence of inter-creditor agreement between entities under Samriddhi RG

The four SPVs have formed an RG, where these entities would be jointly servicing combined debt obligations. Shortfall in meeting debt servicing obligations by one entity shall be met through surplus cash flows from other entities in the structure. The arrangement is unconditional, irrevocable and valid for entire tenor of facilities and is characterised by presence of T-minus structured payment and invocation mechanism and cross default clause between three entities.

Comfortable debt coverage indicators and presence of DSRA for two quarters of debt servicing

Debt coverage indicators are comfortable with cumulative DSCR above 1.1x for tenor of facilities. The entities' liquidity profile is supported by presence of DSRA equivalent to two quarters of debt servicing (principal and interest) amounting to ₹28.66 crore as on September 30, 2025.

Entities are part of Samriddhi Renewable Energy Private Limited

The four SPVs with 62 MW_{AC} solar power projects are part of Samriddhi Group. The reorganisation of shareholding, involving the merger of Samriddhi Energy Private Limited (SEPL) with BREPL occurred on September 11,2025 and the subsequent change in the immediate holding company of the operating entities (AREPL, ASEPL, and MREPL) to BREPL, is primarily a group-level structural simplification exercise. The transaction entails no change in the ultimate ownership or control, with only the removal of one intermediary holding layer (SEPL).

Key weaknesses

Exposure to counterparty credit risk profile

Off-takers of Samriddhi RG have moderate credit risk profile with modest average cost of supply-average realisable revenue (ACS-ARR) gap due to higher power purchase cost, impacting liquidity profile. However, CareEdge Ratings notes that the company has been receiving payment on a timely basis in the last 2-3 years. Per the management, entities have realised past dues including tariff difference, compensation for change in law considering GST and late payment surcharge except AREPL, where the discom is paying at a lower tariff of ₹4.36 per unit as on date.

Leveraged capital structure and exposure to interest rate risks

Samriddhi RG's capital structure is leveraged considering the debt-funded capex incurred for setting up the project and top-up loan availed at time of refinancing. Top up loan shall be utilised for equity contribution towards future renewable projects of the group, but for now the amount has been invested in mutual funds. Debt to EBITDA for FY25 stood at 6.22x and is expected to remain above 6.0x in the next two years. However, coverage indicators of the consolidated entity are expected to remain comfortable as reflected by cumulative DSCR above ~1.1x till the tenor of the rated facility per CareEdge Ratings' base-case scenario. Given the leveraged capital structure, single-part nature of fixed tariff in PPA and floating interest rates, profitability remains exposed to fluctuation in interest rates.

Vulnerability of cash flows to variation in weather conditions

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

Liquidity: Adequate

On a consolidated basis, the company holds ~₹2.1 crore in free cash. It has also invested ~₹89.7 crore in mutual funds, bringing the total liquidity position to ~₹91.8 crore. A DSRA balance of ₹28.66 crore-equivalent to two quarters of interest and principal payments as of September 30, 2025, is maintained in government securities and mutual funds.

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 – Non financial Sector
Infrastructure Sector Ratings
Solar Power Projects
Consolidation & Combined approach

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power generation

MREPL is a SPV incorporated on June 24, 2011, by the OPG Group and has set up a 20 MW (AC) / 23.98 MW (DC) solar power generation capacity in Ron, Gadag, Karnataka. In FY24, SEPL acquired the entire stake of MREIPL, making MREIPL its 100% subsidiary. MREIPL signed a long-term PPA with HESCOM. The PPA has been signed for entire capacity for 25 years from COD at a fixed tariff of ₹5.00 per kWh. COD of the project was March 28, 2018.

Brief Financial: MREPL (Standalone)

Brief Financials (₹ crore)	FY24 (A)	FY25(A)
Total operating income	39.8	22.15
PBILDT	22.6	15.9
PAT	14.7	6.2
Overall gearing (times)	5.66	5.59
Interest coverage (times)	3.72	2.34

Brief Financial: Samriddhi RG (combined)

Brief Financials (₹ crore)	FY24 (A)	FY25(A)
Total operating income	87.1	64.3
PBILDT	80.4	50.5
PAT	43.7	18.1
Overall gearing (times)	8.2	7.1
Interest coverage (times)	3.2	2.4

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
Term Loan-Long Term		-	-	**March 31,2039**	87.87	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	87.87	CARE BBB; Stable	-	1)CARE BBB; Stable (06-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	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.

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Aavanti Solar Energy Private Limited	Full	Operational and financial linkages
2	Aavanti Renewable Energy Private Limited	Full	Operational and financial linkages
3	Mayfair Renewable Energy Private Limited	Full	Operational and financial linkages
4	Brics Solar Energy Private Limited	Full	Operational and financial linkages

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About us:
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