

## NeoGreen Power Solar Private Limited

April 20, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	60.00	CARE BB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of financial sector regulators (FSRs), and the names of respective FSRs has been disclosed under Annexure-6.

### Rationale and key rating drivers

The ratings assigned to the bank facilities of Neogreen Power Solar private Limited (NPSPL) remain constrained owing to limited track record of its operations coupled with stabilization risk associated with recently completed debt funded project (6.30 MW) along with funding and project completion risk associated with the other ongoing solar power project (22.50 MW) under group captive arrangement. While the PPAs and share subscription agreements have been signed by the customers, financial closure for 22.5 MW project is awaited. Further, the ratings factor leveraged capital structure, stretched liquidity and climatic and technological risks associated with the business.

Rating however derives strength from experienced promoters and long-term Power Purchase Agreement (PPAs) executed by company with reputed clients.

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

#### Positive factors

- Actual generation being in line with P-90 levels on a sustained basis and timely collection of bills.
- Faster than expected deleveraging of the project.

#### Negative factors

- Significant underperformance in generation and/or any increase in the debt levels weakening the cumulative DSCR on project debt to less than 1.10x, on a sustained basis
- Significant delay in receiving payments from the off taker leading to elongation of receivable cycle.

**Analytical approach:** Standalone

#### Outlook: Stable

The stable outlook reflects Care Ratings Ltd.'s (CareEdge Rating) expectation of NPSPL's satisfactory generation and collection levels going forward, resulting in an overall improvement in its business profile.

### Detailed description of key rating drivers:

#### Key Weaknesses

##### Limited track record

NPSPL has limited track record, with operations having recently commenced in February 2026 at its 6.3 MW solar power project at Chitradurga, Karnataka. The 22.5 MW project is under construction and is expected to commence operations from June 2026. There are few smaller solar assets in Neogreen group their average age however is less than a year.

##### Project implementation and stabilisation risk associated with debt-funded capex

Of the two solar power projects undertaken by NPSPL, one has recently commenced operations, which is subject to stabilisation risk, while the other project is under construction with ~25% progress. The major pendency pertains to installation of modules, which will commence post debt tie-up. For the project to be completed without delays, scaling up resources, especially from the promoter and lender, in a timely manner remains crucial.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

### Leveraged capital structure and exposure to interest rate risks

The capital structure of the company is leveraged on account of recently concluded debt-funded capex for 6.3 MW plant and another (22.5 MW) debt-funded capex under implementation. Per CARE Ratings' base case assumptions, Total Debt/PBILDT is expected to remain leveraged over 6.6x and 4.5x in FY27 and FY28, respectively (FY refers to April 01 to March 31), with FY27 being the first year of operations for both the projects combined. Further, the company is subject to interest rate fluctuation risk, which may impact its accruals to some extent. Nonetheless, the coverage indicators of the project are comfortable, with average DSCR being ~1.35x for the tenor of the debt.

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

As tariffs are one-part in nature, the company may book lower 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. The geographical concentration of assets amplifies generation risk.

### Key strengths

#### Experienced promoters in the renewable energy segment

NPSPL is promoted by Mr. Chandraprakash Karanam, Managing Director, Mr. Krishna Kulkarni, Director, and Mr. Md. Iliyas, Executive Director, having industry experience of 27 years, 13 years, and 15 years, respectively. The promoters are highly qualified and have experience in commissioning and developing around 100-500 MW renewable power projects in their previous ventures.

#### Long-term PPA with reputed clients, comfortable tail period

The company has entered into long-term power purchase agreements (PPA) of 25 years, valid till 2052, with tariff ranging between ~₹3.75-₹4.10 per unit. The clients are strong having an above average credit risk profile indicating low counterparty risk. The proposed term debt tenor is 15 years, while the PPA tenure is 25 years, providing a sufficient tail period of ~8 to 10 years.

#### Liquidity: Stretched

Liquidity profile of the company remains stretched with recently commenced operations in one out of two projects, and the other project under implementation. The company is expected to generate gross cash accruals (GCA) of ~₹8 crore in FY27 against which it has a repayment obligation of ~₹6 crore. Completion of the 22.50 MW project within envisaged time and cost along with generating envisaged cash accruals to meet the debt obligations shall remain crucial from a credit perspective. However, per management, need-based funds will be infused by the promoters to meet operational and financial requirements.

### Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Solar Power Projects](#)

### About the company and industry

#### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power Generation

NeoGreen Power Solar Private Limited (NPSPL) is a SPV of Neogreen Power Private Limited incorporated in February 2025. It has set up a 6.30 MW DC/4.95 MW AC grid-connected Solar Photovoltaic Power Plant in Kurudihalli Village, Challikere taluka, Chitradurga district, Karnataka, operational from February 2026. The company is in the process of setting up another 22.50 MW DC/16 MW AC grid-connected Solar Photovoltaic Power Plant in Godachi Village, Ramdurga taluka, Belgaum district, Karnataka. The projects have tied up long-term PPAs with commercial and industrial (C&I) consumers under a group captive arrangement.

**Brief Financials:** Not applicable as operations commenced in February 2026.

**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-Term Loan	-	-	-	05-02-2041	60.00	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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	60.00	CARE BB; Stable				

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](#)

### Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of FSRs, and the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments <sup>2</sup>
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI

<sup>2</sup>SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments <sup>2</sup>
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutual Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

\* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI, or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details and names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

**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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