

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Approach - Consolidation Rating Methodology for Solar Power Producers
Parent/Group Support	Not applicable
Consolidation/Standalone	The ratings are based on the consolidated financials of KPIGEL and its wholly owned subsidiaries, KPIGEPL and SDEPL.

About the company

KPI Green Energy Limited (previously known as K.P.I. Global Infrastructure Ltd.) (KPIGEL), incorporated on February 01, 2008, is engaged in solar power generation. It provides solar power, both as an independent power producer (IPP) and as a service provider (EPC contractor) to CPP customers. The company carries out the entire business from its Solarism plant located at the Sudi, Samiyala & Tanchha villages in Bharuch, Gujarat. Currently, the company has an installed capacity of 66 MW of solar power under the IPP segment and has executed more than 65 MW of EPC/CPP projects since its inception. The company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange, India.

The solar power plants under the subsidiaries, i.e., ~20 MW under KPIGIL and 8 MW under SDEPL, are expected to be fully operational from July 2022. These plants are also located at Bharuch, Gujarat.

Key financial indicators (Consolidated)

	FY2021	FY2022
Operating Income (Rs. crore)	103.5	229.9
PAT (Rs. crore)	22.0	43.4
OPBDIT/OI (%)	56.4%	47.4%
RoCE (%)	15.1%	22.4%
Total Outside Liabilities/Tangible Net Worth (times)	2.4	4.1
Total Debt/OPBDIT (times)	4.1	3.1
Interest Coverage (times)	3.6	2.9
DSCR (times)	1.7	2.0

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net Worth + Deferred Tax Liability - Capital Work in Progress); DSCR: (PBIT + Mat Credit Entitlements - Fair Value Gains through P&L - Non-cash Extraordinary Gain/Loss)/(Interest + Repayments made during the Year).

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31, 2022 (Rs. crore)	Date & Rating	Date & Rating in FY2022	Date & Rating in FY2021		Date & Rating in FY2020
					Jun 21, 2022	Jan 11, 2022	Feb 02, 2021	Jan 14, 2021	-
1	Term Loans	Long-term	178.00	170.74	[ICRA]A-(Stable)	[ICRA]BBB+(Positive)	[ICRA]BBB+(Stable)	-	-
2	Cash Credit	Long-term	25.00	-	[ICRA]A-(Stable)	[ICRA]BBB+(Positive)	[ICRA]BBB+(Stable)	[ICRA]BBB+(Stable)	-
3	Working Capital Demand Loans	Short-term	55.75	-	[ICRA]A2+	[ICRA]A2	[ICRA]A2	-	-
4	Bank Guarantee	Short-term	2.50	-	[ICRA]A2+	[ICRA]A2	[ICRA]A2	-	-
5	Bank Guarantee	Short-term	-	-	-	[ICRA]A2	[ICRA]A2	[ICRA]A2	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Term Loans	Simple
Cash Credit	Simple
Working Capital Demand Loans	Simple
Bank Guarantee	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No/ Bank Name	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loans	FY2018-FY2021	~7.45- 10.45%	~FY2033	178.00	[ICRA]A- (Stable)
NA	Cash Credit	NA	NA	NA	25.00	[ICRA]A- (Stable)
NA	Working Capital Demand Loans	NA	NA	NA	55.75	[ICRA]A2+
NA	Bank Guarantee	NA	NA	NA	2.50	[ICRA]A2+

Please click [here](#) to view details of lender-wise facilities rated by ICRA

Annexure-2: List of entities considered for consolidated analysis

Company Name	KPIGIL Ownership	Consolidation Approach
KPIG Energia Private Limited	100.00%	Full Consolidation
Sun Drops Energia Private Limited	100.00%	Full Consolidation

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