

June 17, 2026

INR Energy Ventures Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	435.0	435.0	[ICRA]A- (Negative); reaffirmed
Total	435.0	435.0	

*Instrument details are provided in Annexure II

Rationale

The rating reaffirmation for INR Energy Ventures Private Limited (INREVPL) factors in the long-term power purchase agreements (PPA) with the Prestige Group and the Blackstone Group (Knowledge Realty Trust) under the captive mode for the entire power generation capacity (60 MW). The signed PPAs are for 25 years with effect from April 2021 compared to the term loan tenure of 15 years, resulting in low market risk. The amended PPA provides for adequate liquidated damages, in case of default or termination by the counterparties, to cover the debt outstanding and further makes it prohibitive for any termination. The company has a satisfactory track record of power generation with PLF levels remaining in line with the P-90 estimates. The credit profile also benefits from the financial flexibility by being part of the Blackstone Group, one of the leading global investors in real estate and infrastructure. The sponsor has infused funds in the form of Optionally Convertible Debentures (OCDs) in FY2026, which was partly utilised to repay their outstanding Inter-Corporate Deposits (ICDs) along with accrued interest and balance is kept as liquidity in the company. The promoter remains committed to infuse further funds, if required, to meet any shortfall in debt servicing and working capital requirement.

The continuation of the Negative outlook on the rating for INREVPL factors in the continued lower tariff rate for FY2027 and FY2028 by Bangalore Electricity Supply Company Limited (BESCOM), which were disclosed in March 2025 for next three years, thereby impacting its cash inflows and coverage metrics. The PPA with the counterparties is fixed at BESCOM's tariff levels for the highest slab of HT-2B1 tariff category, which is currently at Rs. 5.70 per unit for FY2027, reducing from Rs. 5.95 per unit in FY2026 (FY2025: Rs. 8.0 per unit) resulting in a decline in the operating surpluses and debt protection metrics. However, as per the Karnataka Electricity Regulatory Commission's (KERC) order in March 2026, there is a retrospective increase in tariff rate to Rs. 6.90 per unit for FY2026 from earlier disclosed rate of Rs. 5.95 per unit, the differential amount will be recovered in the form of arrears in FY2027, which will result in satisfactory coverage metrics in the current fiscal. Nevertheless, owing to substantial reduction in the tariff for the upcoming years, the cumulative debt service coverage ratio (DSCR) over the loan tenure is expected to remain weak, thereby necessitating timely funding support from the sponsor group in the later years. Nonetheless, the company will have adequate liquidity and cash flows to meet its debt service obligations over the next 2-3 years.

ICRA also notes that in FY2026, the revenue and surplus were adversely impacted by lower power generation owing to floods in Q2 FY2025, which caused damage to 11 MW of capacity. This became operational from April 2026 and the power generation is expected to improve in FY2027. The repair of the same was funded by the existing on-balance sheet liquidity and insurance proceeds. The credit profile remains exposed to the vulnerability of the cash flows to variations in solar irradiance level and any regulatory changes, with respect to various charges, duties and other aspects related to power generation and supply in the future. ICRA notes that KERC's May 2018 order, which restricted the waiver on open-access charges, has been quashed by the Karnataka High Court. The cash flows are susceptible to the risk of further downward revision of tariff rate by BESCOM. The tariffs realised are vulnerable to any decline in offtake from the counterparties considering realisations from third-party sales could be lower than the PPA tariff.

Key rating drivers and their description

Credit strengths

Strong promoter profile lends financial flexibility – The company was taken over by the Blackstone Group, one of the leading global investors in real estate and infrastructure. INREVPL derives exceptional financial flexibility by being a part of the strong Group. The sponsor has infused funds in the form of OCDs in FY2026, which was partly utilised to repay their outstanding ICDs along with accrued interest and balance is kept as liquidity for the company. The promoter remains committed to infuse further funds, if required, to meet any shortfall in debt servicing and working capital requirements.

Long tenure of PPAs and low counterparty risk – The counterparty risk is low as all the open-access consumers are commercial buildings and properties that are managed or owned by the Prestige Group and the Blackstone Group (Knowledge Realty Trust). Further, the company has signed an amended PPA in April 2021, which is valid for the next 25 years compared to the term loan tenure of 15 years, resulting in low market risk. The amended PPA provides for adequate liquidated damages, in case of default or termination by the counterparties, to cover the debt outstanding and further makes it prohibitive for any termination. The company has satisfactory track record of power generation with PLF levels remaining in line with the P-90 estimates.

Credit challenges

Moderation in debt coverage metrics – The coverage metrics weakened owing to decline in revenues on the back of reduced tariff rates by BESCOM. The PPA with the counterparties are fixed at BESCOM tariff levels for the highest slab of HT-2B1 tariff category, which is currently at Rs. 5.70 per unit for FY2027 reducing from Rs. 5.95 per unit in FY2026 (FY2025: Rs. 8.0 per unit) resulting in a decline in the operating surpluses and debt protection metrics. However, as per KERC order in March 2026, there is retrospective increase in tariff rate to Rs. 6.90 per unit for FY2026 from earlier disclosed rate of Rs. 5.95 per unit, the differential amount will be recovered in the form of arrears in FY2027. The special purpose vehicle (SPV) will have adequate liquidity and cash flows to meet its debt service obligations over the next 2-3 years. However, owing to substantial reduction in tariff, the cumulative DSCR over the loan tenure is expected to remain weak, thereby necessitating funding support from the sponsor group in the later years. Nonetheless, the company will have adequate liquidity and cash flows to meet its debt service obligations over the next 2-3 years. Moreover, in FY2026, the revenues and surpluses were adversely impacted by lower power generation owing to floods in Q2 FY2025, which caused damage to 11 MW of capacity. This became operational from April 2026 and the repair of the same was funded by the existing on-balance sheet liquidity and insurance proceeds. The power generation is expected to improve in FY2027.

Cash flows vulnerable to variations in solar irradiance or offtake by consumers; exposed to adverse regulatory developments or tariff revisions – The key factors impacting the solar plant's operations are solar radiation levels, losses in photovoltaic (PV) systems due to temperature and climatic conditions, design parameters of the plant, inverter efficiency and module degradation owing to ageing. The tariffs realised are vulnerable to any decline in offtake from the counterparties considering realisations from third-party sales could be lower than the PPA tariff.

As the tariffs for the counterparties are fixed by BESCOM (Rs. 5.70/unit for FY2027), any downward revision in tariffs by BESCOM would impact the project's profitability. Any regulatory changes, with respect to various charges, duties and other aspects related to power generation and supply, would impact the project's cash flows. The company enjoys concessional open-access charges, which support the high net tariff realised. Any withdrawal of such concessions may adversely impact the accruals and debt coverage metrics. ICRA notes that KERC's May 2018 order, which restricted the waiver on open-access charges, has been quashed by the Karnataka High Court.

Liquidity position: Adequate

As of March 2026, the liquidity position is adequate with free cash and liquid balances of ~Rs. 54.6 crore. Additionally, a Debt-Service Reserve Account (DSRA) of Rs. 14.6 crore (equivalent to debt servicing for one quarter of both the entities) is maintained. It has scheduled debt (Principal + Interest) repayments of Rs. 54.3 crore towards the existing external debt in FY2027, which can be adequately met from its cash flow from operations and available liquidity buffer.

Rating sensitivities

Positive factors – ICRA may revise the outlook to stable if the company demonstrates an improvement in operational risk profile through improved revenue and surpluses or significant debt reduction leading to improvement in the leverage and coverage metrics

Negative factors – The rating can be downgraded in case of an inability to improve surpluses and debt protection metrics or if there is a delay in receipt of payments from the customers adversely impacting the liquidity position.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power - Solar and Wind
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

INR Energy Ventures Private Limited (INREVPL) is involved in solar power generation and sale of its power to commercial consumers under the third-party open access mechanism in Karnataka. The company has two 30-MW solar power projects in Karnataka and supplies power to counterparties with whom they have signed long-term PPAs through the third-party open access mode. The projects benefit from the solar power policy of KERC, which provides significant waiver of open-access charges for solar power plants commissioned by March 2018. The plants were commissioned in March 2018.

Key financial indicators (audited)

	FY2025	FY2026*
Operating income	85.1	66.1
PAT	-80.8	-17.1
OPBDIT/OI	84.1%	74.4%
PAT/OI	-95.0%	-25.9%
Total outside liabilities/Tangible net worth (times)	-4.6	-4.4
Total debt/OPBDIT (times)	10.3	16.2
Interest coverage (times)	0.6	0.7

Source: Company, ICRA Research; *Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; All ratios as per ICRA's calculation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	FY2027		FY2026		FY2025		FY2024	
		Amount rated (Rs crore)	Jun 17, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based-Term loan	Long-term	435.00	[ICRA]A-(Negative)	May 08, 2025	[ICRA]A-(Negative)	-	-	Jun 20, 2023	[ICRA]A (Stable)
				-	-	-	-	Feb 09, 2024	[ICRA]A (Stable)

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (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
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 Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	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.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA

7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based – Term loan	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: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	Feb-23	NA	Jan-38	435.0	[ICRA]A-(Negative)

Source: Company

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

Annexure III: List of entities considered for consolidated analysis – Not applicable

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Branches



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