

March 11, 2026

Sembcorp Green Hydrogen India 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 - Overdraft	1.00	1.00	[ICRA]A+(Stable); Reaffirmed
Long-term - Non-fund based - Bank guarantee	90.00	90.00	[ICRA]A+(Stable); Reaffirmed
Total	91.00	91.00	

*Instrument details are provided in Annexure-I

Rationale

The rating reaffirmation for Sembcorp Green Hydrogen India Private Limited (SGHIPL) factors in the strong credit profile of its ultimate parent – the Singapore-based Sembcorp Industries Limited (SCI) - which has a robust renewable portfolio, a diversified asset profile and strong parentage with a 49.5% shareholding by Temasek Holdings (Private) Limited, rated Moody's Aaa (Stable).

SGHIPL is the Indian holdco of the Sembcorp Group for green hydrogen and green ammonia in India. SGHIPL has three SPVs (100% ownership) in India – Green Infra Renewable Energy Farms Private Limited (GIREFPL), Green Infra Clean Wind Ventures Private Limited (GICWVPL) and Sembcorp Green Hydrogen (Gujarat) Private Limited (SGHGPL). GIREFPL will be setting up a 2,00,000-MTPA green ammonia plant, likely to be commissioned by 2029, subject to prior offtake agreement in place. The land for the project has been allocated near Tuticorin Port in Tamil Nadu. However, the plans for GICWVPL and SGHGPL are yet to be firmed up. Also, SGHIPL has formed a 50:50 JV with Bharat Petroleum Corporation Limited (BPCL), named NeuEn Green Energy Private Limited for domestic renewable energy and green hydrogen/green ammonia projects.

Also, GIREFPL has been recently awarded a production linked incentive (PLI) to produce 90,000 MTPA green hydrogen under the Strategic Interventions for Green Hydrogen Transition (SIGHT) programme of the Government of India. The rating also draws comfort from favourable Government policies, incentives linked with the production of green hydrogen and green ammonia in India and the expected long-term subsidies in key export markets, such as Japan and Korea.

The rating takes into consideration that the company is bidding for offtake arrangements in Japan, Korea and Europe and execution of the projects would be taken up only after a confirmed offtake arrangement. The rating remains constrained by the project execution risks and any delays in the execution of such projects could lead to cost escalation, attract liquidated damages from customers, etc., impacting the returns from the projects. Moreover, the price of green hydrogen/green ammonia at present is higher over other fuels, making it less viable, thereby requiring substantial Government support in the form of subsidies and incentives. The rating is also constrained by the technology risks associated with manufacturing green hydrogen as the technology is still evolving.

The Stable outlook on SGHIPL's rating reflects ICRA's opinion that the company will continue to benefit from the positive demand outlook for green hydrogen/green ammonia owing to the carbon transition initiatives of several countries.

Key rating drivers and their description

Credit strengths

Presence of a strong sponsor and experienced management team – SGHIPL is a step-down subsidiary of Singapore-based Sembcorp Industries (SCI) through Sembcorp Utilities Pte Ltd (SCU) under a green hydrogen holdco named Sembcorp Green Hydrogen Pte Limited (SGHPL), Singapore. The credit profile of SCI is supported by healthy performance in its operating markets and the growing share of renewables in its portfolio. SCI is ~49.5% held by Temasek Holdings (Private) Limited [rated Aaa (Stable) by Moody's]. The companies within the Sembcorp Group are managed by a team of experienced technocrats and finance professionals, who have a long track record of project execution and operations. SGHIPL is strategically important to the Sembcorp Group owing to its objective to set up green hydrogen/green ammonia plants, resulting in further diversification of its portfolio.

Government's thrust for production of green hydrogen and green ammonia - Under the National Green Hydrogen Mission, India aims to develop green hydrogen production capacity of at least 5 million metric tonnes (MMT) per annum with an associated renewable energy capacity addition of about 125 gigawatts (GW) in the country by 2030. The total outlay for the mission is Rs. 19,744 crore, out of which the Government has allocated Rs. 17,490 crore for the strategic Interventions for the Green Hydrogen Transition (SIGHT) programme, Rs. 1,466 crore for the upcoming pilot projects, Rs. 400 crore for R&D, and Rs. 388 crore towards other mission components. The Government of India (GoI) has allocated incentives to 12 entities including GIREFPL (for green hydrogen production of up to 90,000 MTPA) under the production linked incentive (PLI) scheme (Strategic Interventions for Green Hydrogen Transition programme – SIGHT 1). Also, Solar Energy Corporation of India Limited (SECI) under the SIGHT – 2A programme has recently allocated annual capacities to seven successful bidders (green ammonia producers) who quoted the lowest supply prices for supplying green ammonia to 13 phosphatic fertiliser producers and will provide subsidy to the green ammonia producers for the first three years of production, with the focus on promoting green ammonia production in India. Further, long-term subsidies are also expected in key export markets such as Japan and Korea where the green ammonia produced in India by GIREFPL and GICWVPL is planned to be exported.

Sembcorp group's well diversified renewable asset base across multiple states in India - The overall renewable portfolio of the Sembcorp Group stands at 7.60 GW, comprising an operating capacity of 3.60 GW and the balance being under development, spread over 13 states, leading to geographic diversification.

Credit challenges

Absence of offtaker agreements and execution risks associated with under-development projects - SGHIPL is yet to enter firm offtaker agreements. Further, the project remains exposed to execution risks associated with the under-development portfolio. However, the rating takes comfort from the strong execution capabilities of the Sembcorp Group with its past record of venturing into many new projects, especially in the renewable portfolio (solar and wind) and successfully scaling such new projects. The ability to commission such projects without major cost and time overrun shall be critical.

Competition from other fuels – Green hydrogen/green ammonia faces stiff competition from other fuels especially coal, LNG, grey ammonia, methanol, etc. The levelised cost of green hydrogen is primarily driven by the capital cost (capex) of electrolyzers as well as cost of renewable power, along with other O&M costs over the current price of other fuels which is considerably lower than the cost of green hydrogen/green ammonia. However, Government support in the form of subsidies,

incentives, contract-for-difference, etc., is required to make production and offtake of green hydrogen/green ammonia viable.

Technology risks – Considerable R&D work is being done both globally as well as in India for developing newer and better technologies, which will bring down the manufacturing costs for green hydrogen including developing better electrolyzers, increasing their efficiencies, stack life, etc. As the technology for green hydrogen production is still evolving, the project remains exposed to such risks.

Liquidity position: Adequate

SGHIPL’s liquidity position remains adequate, driven by ample liquidity of its parent – SCI, with healthy cash in hand as well as considerable unutilised limits at the group level as on December 31, 2025.

Rating sensitivities

Positive factors – The rating could be upgraded if the agreements are signed with the offtakers and the project’s progress is timely.

Negative factors - Pressure on ratings could arise if the credit profile of the parent weakens, or if the linkage between the parent and the entity deteriorates, or if there are significant delays in project execution with cost and time overruns adversely impacting the returns.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/group Support	Parent Company – Sembcorp Industries Ltd The rating is based on implicit support from the parent company/group (ultimately held by Sembcorp Industries Ltd), which is expected to extend financial support, should the need arise.
Consolidation/standalone	For arriving at the rating, ICRA has considered the consolidated financials of SGHIPL. Refer to Annexure II for the list of entities considered for consolidation.

About the company

Sembcorp Green Hydrogen India Private Limited (SGHIPL), incorporated in July 2023, is a 100% step down subsidiary of Singapore-based Sembcorp Industries (SCI). SGHIPL has three SPVs (100% ownership) in India – Green Infra Renewable Energy Farms Private Limited (GIREFPL), Green Infra Clean Wind Ventures Private Limited (GICWVPL) and Sembcorp Green Hydrogen (Gujarat) Private Limited (SGHGPL). GIREFPL will be setting up a 2,00,000-MTPA green ammonia plant, to be commissioned by 2029. The land for the project has been allocated near Tuticorin Port in Tamil Nadu. However, the plans for GICWVPL and SGHGPL are yet to be firmed up. Also, SGHIPL has formed 50:50 JV with Bharat Petroleum Corporation Limited (BPCL), named as NeuEn Green Energy Private Ltd. for domestic renewable energy and green hydrogen/green ammonia projects.

Key financial indicators (audited)

Not applicable as it is in project stage

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Instrument	Current rating(FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	March 11, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Non-fund based - Bank guarantee	Long-term	90.00	[ICRA]A+(Stable)	February 10, 2025	[ICRA]A+ (Stable)	-	-	-	-
Fund-based - Overdraft	Long-term	1.00	[ICRA]A+(Stable)	February 10, 2025	[ICRA]A+ (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term - Fund-based - Overdraft	Simple
Long-term - Non-fund based - Bank guarantee	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 I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-term – Non fund based – Bank Guarantee	NA	NA	NA	90.00	[ICRA]A+ (Stable)
NA	Long-term – Fund based – Overdraft (OD)	NA	NA	NA	1.00	[ICRA]A+ (Stable)

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Green Infra Renewable Energy Farms Private Limited (GIREFPL)	100%	Full Consolidation
Green Infra Clean Wind Ventures Private Limited (GICWVPL)	100%	Full Consolidation
Sembcorp Green Hydrogen (Gujarat) Private Limited (SGHGPL)	100%	Full Consolidation

Source: Company

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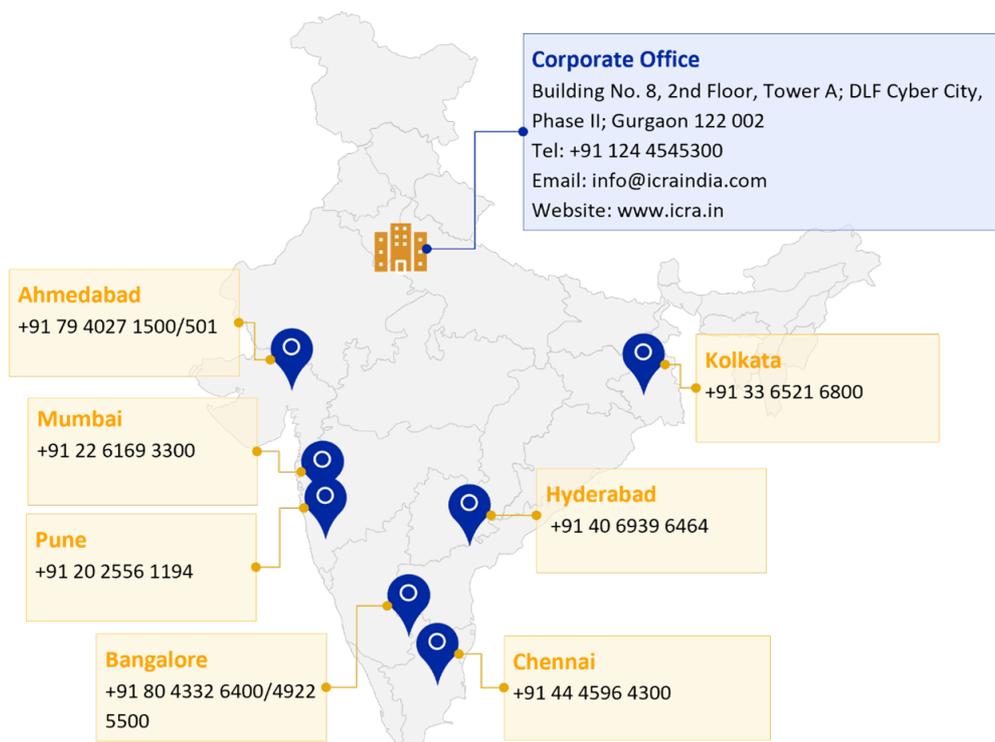


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