July 22, 2026

ABReL (RJ) Projects Limited: Rating placed on watch with developing implications

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long term - Fund based - Term loan	3,677.61	3,677.61	[ICRA]AA; placed on rating watch with developing implications	RBI
Long term non-fund-based limits	150.00	150.00	[ICRA]AA; placed on rating watch with developing implications	RBI
Total	**3,827.61**	**3,827.61**		

**Instrument details are provided in Annexure I*

 # 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.

Rationale

Material Event

On July 13, 2026, Aditya Birla Renewables Limited (ABRen), the parent company of ABReL (RJ) Projects Limited (ABReL (RJ)), announced the acquisition of 100% equity shares and securities of Solenergi Power Private Limited (SPPL), along with its subsidiaries, from Shell Overseas Investments B.V., a wholly-owned subsidiary of Shell PLC. SPPL is an investment holding company for Sprng Energy Private Limited and Sprng Solar Plus Private Limited. Through its subsidiaries, SPPL owns a contracted renewable energy portfolio of ~5.0 GWp, comprising ~3.3-GWp operational and ~1.7-GWp under-construction capacity. The transaction has been announced at an enterprise value of Rs. 17,200 crore. The final equity consideration payable remains subject to customary adjustments for debt, cash, and other agreed items, as stipulated in the share purchase agreement (SPA). The proposed transaction is subject to the receipt of requisite regulatory approvals and fulfilment of customary conditions precedent under the SPA. The transaction is proposed to be funded through a mix of debt and equity and is expected to be completed on or before December 31, 2026.

Impact of Material Event

The proposed transaction is expected to strengthen ABRen's business profile through a significant increase in its scale and portfolio diversification. Upon completion, ABRen's contracted renewable energy portfolio is expected to increase to ~9.3 GWp from the current ~4.4 GWp, and the proportion of operational capacity within the overall portfolio will also improve. Consequently, the transaction is expected to reinforce ABRen's position as a diversified renewable energy platform with presence across both the utility scale and the commercial & industrial (C&I) segments.

SPPL's portfolio is geographically diversified across Rajasthan, Gujarat, Andhra Pradesh, Madhya Pradesh (MP), Telangana, Karnataka and Tamil Nadu, thereby mitigating geographical concentration risks. Further, long-term power purchase agreements (PPAs) at fixed tariffs are in place for the entire portfolio, with majority of the capacity comprising utility-scale projects. Approximately 81% of the total capacity is contracted with strong counterparties such as Solar Energy Corporation of India (SECI), NTPC Limited, NHPC Limited, Indian Railways and Gujarat Urja Vikas Nigam Limited (GUVNL), while the balance 19% is tied up with the state distribution utilities of MP, Karnataka and Telangana. The diversified counterparty profile, coupled with the long-term nature of the PPAs, is expected to provide revenue visibility for the portfolio. Further, the operational portfolio has demonstrated a satisfactory operational and generation track record, with timely payment realisations across the portfolio, reflecting its healthy operating history. The transaction is also expected to accelerate ABRen's growth strategy through the addition of an established renewable energy platform compared to the relatively longer gestation associated with organic capacity addition.

The rating of ABReL (RJ) factors in the implicit support expected from its parent, ABRen, in case of any requirements. Accordingly, following the announcement of the proposed transaction by ABRen, ICRA has placed the long-term rating of the company on watch with developing implications. The rating watch will be resolved upon completion of the proposed transaction and an assessment of its impact on ABRen's business profile.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: Click here

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power - Solar and Wind
Parent/Group support	ICRA expects ABReL (RJ)'s parent, ABRen, to be willing to extend financial support to ABReL RJ, should there be a need, given the strategic importance the company has for ABRen, and out of its need to protect its reputation from distress in a group entity.
Consolidation/Standalone	The rating is based on the standalone financial profile of the company.

About the company

ABReL (RJ) is a Special Purpose Vehicle (SPV) promoted by ABRen (74% stake) and Ultra Tech Cement Limited (UTCL) (26% stake). It is setting up Inter State Transmission System (ISTS) connected hybrid projects under the group captive mode across Gujarat and Rajasthan, comprising (i) UTCL 1, a solar power project of 169 MWp (DC) and wind power project of 182.7 MW in Bhuj, Gujarat; and (ii) UTCL 2, another solar power project of 169 MWp (DC) and wind power project of 182.7 MW in Fatehgarh, Rajasthan. The company has a long-term PPA for 25 years with UTCL at a fixed tariff of Rs. 3.38/unit for the contracted capacity of 200 MW.

Key financial indicators (audited) : Not meaningful as the project is under construction.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Jul 22, 2026	Date	Rating	Date	Rating	Date	Rating
Fund based - Term Loan	Long term	3,677.61	**[ICRA]AA; Rating Watch with Developing Implications**	Jan 27, 2026	[ICRA]AA (Stable)	Mar 31, 2025	[ICRA]AA- (Stable)	-	-
Non fund based	Long term	150.00	**[ICRA]AA; Rating Watch with Developing Implications**	Jan 27, 2026	[ICRA]AA (Stable)	Mar 31, 2025	[ICRA]AA- (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long Term – Fund based -Term Loan	Simple
Long Term- Non fund based	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	Financial Sector Regulator#
NA	**Term Loan - I**	FY2025	NA	FY2045	1842.61	[ICRA]AA; Rating Watch with Developing Implications	RBI
NA	**Term Loan - II**	FY2025	NA	FY2045	1835.00	[ICRA]AA; Rating Watch with Developing Implications	RBI
NA	**Long Term- Non fund based**	NA	NA	NA	150.00	[ICRA]AA; Rating Watch with Developing Implications	RBI

Source: Company

 # 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.

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not Applicable

ANALYST CONTACTS

Girishkumar Kashiram Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Ankit Jain
+91 124 4545 865
ankit.jain@icraindia.com

Rachit Mehta
+91 22 6169 3328
rachit.mehta2@icraindia.com

Arnav Gandhi
+91 22 6169 3352
arnav.gandhi@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

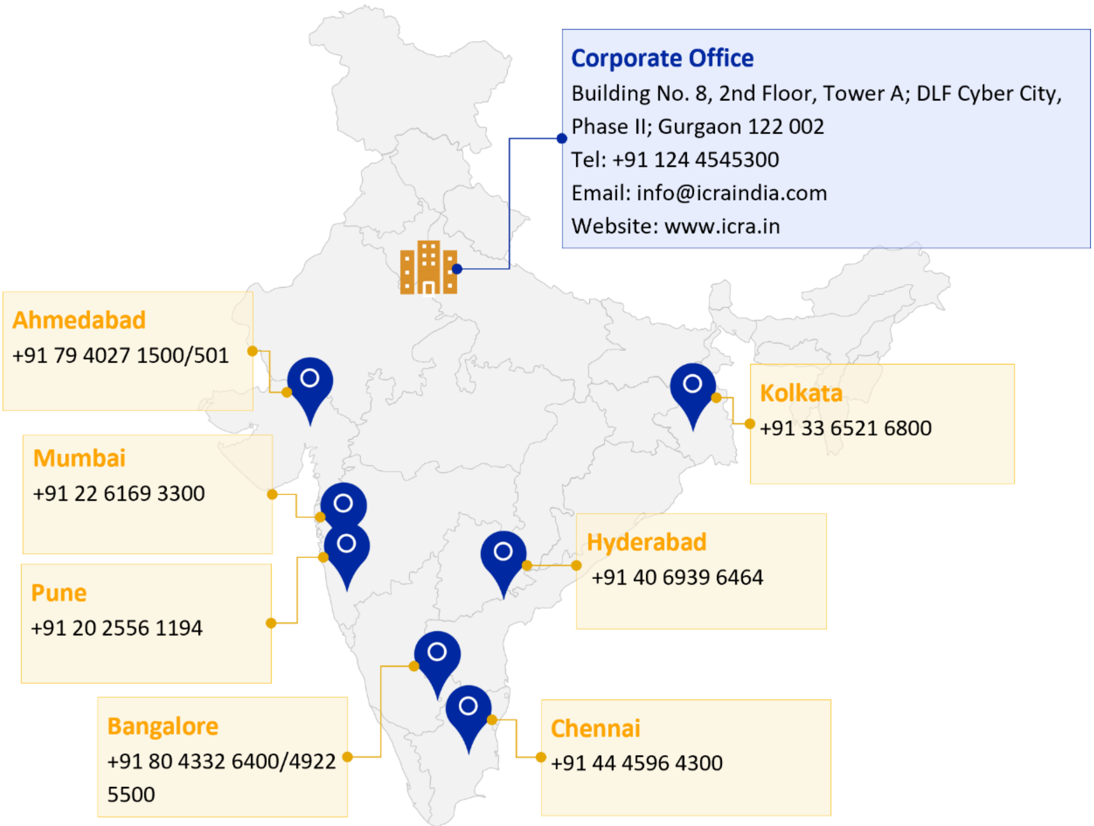
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.