**July 22, 2026**

# ABREL SOLAR POWER 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** | 293.00 | 293.00 | [ICRA]AA; placed on rating watch with developing implications | RBI |
| **Long term - Fund based – Overdraft** | 3.00 | 3.00 | [ICRA]AA; placed on rating watch with developing implications | RBI |
| **Long term – Non fund based – Bank guarantee** | 10.00 | 10.00 | [ICRA]AA; placed on rating watch with developing implications | RBI |
| **Total** | **306.00** | **306.00** | | |

**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 Solar Power Limited (ABReSPL), 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 ABReSPL 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<br>Power - Solar and Wind |
| **Parent/Group support** | ICRA expects ABReSPL's parent, ABRen, to be willing to extend financial support to ABReSPL, should there be a need, given the high strategic importance that ABReSPL has for ABRen |
| **Consolidation/Standalone** | The rating is based on the standalone financial profile of the company. |

## About the company

ABREL Solar Power Limited (ABReSPL) is a subsidiary of Aditya Birla Renewables Limited (ABRen), which holds a 74% stake in the company, while the remaining 26% is owned by Grasim Industries Limited (GIL). ABReSPL has a total portfolio capacity of 343.7 MWp, comprising 201.9 MWp of operational capacity and 141.8 MWp currently under construction. Among the operational assets, 25.0 MWp of solar capacity is at Ganjam, Odisha. Additionally, it has a 35.3-MWp hybrid project at Mahua, Madhya Pradesh — consisting of 21-MW wind and 14.3p-MW solar—which was commissioned in June 2023. Another 140.1 MW project in Madhya Pradesh, comprising 54-MWp solar and 86.1-MW wind capacity, became operational in June 2025. The company also operates a 1.5-MW rooftop solar installation in Punjab, with a tariff of Rs. 4.82 per unit. The under-construction project is a 141.8-MW solar plant in Gujarat, expected to be commissioned in FY2027, with a tariff of Rs. 3.65 per unit. All operational and under-construction projects are developed under the group captive model, with Grasim Industries Limited as the sole offtaker. The group intends to continue expanding ABReSPL's portfolio by adding more projects wherever GIL is the counterparty.

### Key financial indicators (audited)

| ABReLSPL (Standalone) | FY2025 | FY2026 |
|---|---|---|
| **Operating income** | 37.89 | 108.45 |
| **PAT** | -17.59 | -48.95 |
| **OPBDIT/OI** | 73.92% | 76.53% |
| **PAT/OI** | -46.41% | -45.14% |
| **Total outside liabilities/Tangible net worth (times)** | 4.81 | 7.38 |
| **Total debt/OPBDIT (times)** | 39.42 | 17.18 |
| **Interest coverage (times)** | 0.87 | 0.96 |

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

*PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation*

## 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 |
| **Term Loan** | Long term | 293.00 | [ICRA]AA; rating watch with developing implications | Dec 01, 2025 | [ICRA]AA (Stable) | Jun 28, 2024 | [ICRA]AA (Stable) | - | - |
| | | | | Sep 30, 2025 | [ICRA]AA (Stable) | - | - | - | - |
| **Overdraft** | Long term | 3.00 | [ICRA]AA; rating watch with developing implications | Dec 01, 2025 | [ICRA]AA (Stable) | - | - | - | - |
| **Bank guarantee** | Long term | 10.00 | [ICRA]AA; rating watch with developing implications | Dec 01, 2025 | [ICRA]AA (Stable) | - | - | - | - |

## Complexity level of the rated instruments

| Instrument | Complexity indicator |
|---|---|
| **Long term – Fund based – Term loan** | Simple |
| **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 | Financial Sector Regulator# |
|---|---|---|---|---|---|---|---|
| **NA** | **Long term – Fund based – Term loan** | May 2025 | NA | March 2042 | 293.00 | [ICRA]AA; rating watch with developing implications | RBI |
| **NA** | **Long term – Fund based – Overdraft** | May 2025 | NA | NA | 3.00 | [ICRA]AA; rating watch with developing implications | RBI |
| **NA** | **Long term – Non fund based – Bank guarantee** | May 2025 | NA | NA | 10.00 | [ICRA]AA; rating watch with developing implications | RBI |

*Source: Company*

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

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

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## 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

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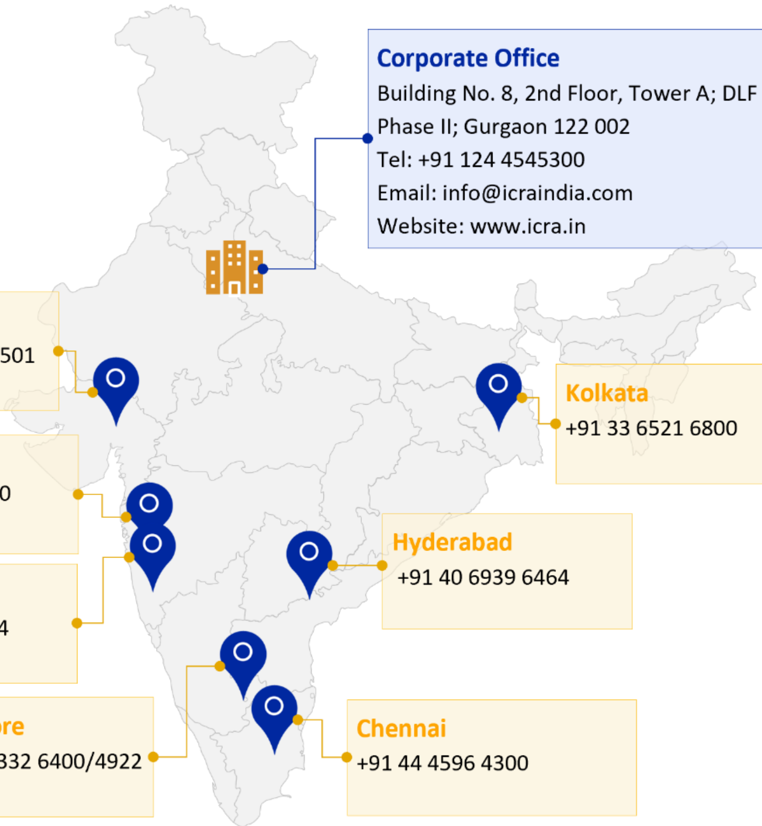

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