

July 15, 2025

GE Power India Limited (erstwhile Alstom India Limited): Ratings reaffirmed; outlook revised to Stable

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based – working capital	286.00	286.00	[ICRA]BBB (Stable); reaffirmed with change in outlook to stable from negative
Long-term/short-term – non-fund based – BG/LC	3,199.00	3,199.00	[ICRA]BBB (Stable)/ [ICRA]A3+; reaffirmed with change in outlook to stable from negative
Unallocated	1,555.00	1,555.00	[ICRA]BBB (Stable)/ [ICRA]A3+; reaffirmed with change in outlook to stable from negative
Total	5,040.00	5,040.00	

*Instrument details are provided in Annexure I

Rationale

The revision in the outlook to Stable from Negative factors in the expectations of improvement in profitability of GE Power India Limited (GEPIL), led by focus on its core offerings of service, repairs and upgrades of boiler, turbine, generators, supply of flue-gas desulphurisation equipment and supply of boiler parts, etc, along with hive off of the hydro segments entailing long project tenures and elongated working capital cycles. Moreover, the company has also decided to move away from the construction part of the EPC projects, which will again result in lowering of the execution tenures as well as working capital intensity and will provide more certainty to the cash flows. ICRA also notes that the order intake has remained healthy in FY2025 which translates into comfortable revenue visibility going forward. Further, the profitability in the new orders is relatively better translating into expectations of improvement in the overall profit margins. Moreover, with improvement in collections, and one time gain due to hive off of the hydro and gas business segments, the external debt levels have come down to zero as on March 31, 2025, which along with presence of healthy cash and equivalents totalling 433 crores further translate to improved credit profile.

The ratings draw comfort from GEPIL's established position in the thermal plant equipment and services industry in India, supported by technological and financial benefits derived from its parent, GE Vernova Inc. (GEV), and its strong technical/execution capabilities. Access to GE's cash pool with a sanctioned limit up to Rs. 286.0 crore and the expected release of a sum of retention money in the next two years as projects come to closure, provide continuing liquidity comfort.

The ratings however, remain constrained by the consistent weak profitability reported by the company in the past, which along with moderation in the scale of operations has resulted in sizeable losses. Intense competition apart, the profitability remains volatile to the input costs and delays in project execution.

The Stable outlook on GEPIL's rating reflects ICRA's opinion that the company will continue to benefit from its established position and is expected to report steady improvement in margins going forward, which coupled with nil debt levels is likely to translate into comfortable credit profile.

Key rating drivers and their description

Credit strengths

Established operational track record in power equipment industry- GEPIL is one of the major players in the power equipment industry with an operational track record of several decades. It manufactures/supplies critical equipment, including boilers, emission control equipment/systems, etc., for power plants, and provides associated services.

Benefits of parentage- GEPIL derives technical synergies and financial support/flexibility from its strong parentage (ultimate parent—GE Vernova Inc.). Additionally, being a part of the GE Vernova Group augurs well while bidding for fresh orders, given its access to technology and a wide client base because of the GE Vernova Group’s global presence.

Steady improvement expected going forward with change in business strategy- GEPIL has revised its business strategy to concentrate on delivering core services. By eliminating the commissioning scope from erection and procurement activities, the company has shortened project execution timelines. Additionally, the new orders are more profitable, and the average duration for order execution has significantly decreased following the sale of hydro segment and the Construction segment of EPC projects.

Credit challenges

Volatility in profit margins due to input costs; susceptibility to any delays in project execution – GEPIL’s profit margins remain susceptible to delays in executing orders and the volatility in prices of key raw materials and bought-out components, given the relatively long project execution cycle and the fixed-price nature of some contracts.

Intense competition – The industry remains highly competitive with established local players and global majors. While the outlook for capacity addition in the thermal segments has improved, the company’s ability to secure orders amid the intense competition in the industry will remain a key monitorable.

Liquidity position: Adequate

The liquidity position is adequate, supported by cash balances of more than Rs. 433 crore as on March 2025, out of which Rs. 260 crore is parked in temporary fixed deposits along with undrawn bank lines (which are not utilized as on date), access to GE’s internal cash pool with sanctioned borrowing limits of Rs. 286 crore and no term loan repayment obligations.

Rating sensitivities

Positive factors – The ratings can be upgraded, if a steady execution of the existing order book and a healthy incremental order inflow enable GEPIL to demonstrate revenue growth while improving its profit margins on a sustained basis. Moreover, improvement in the credit profile of GEV can also trigger a positive rating action.

Negative factors – GEPIL’s ratings could be downgraded in case of company’s inability to improve its profitability. Further, deterioration in the working capital cycle owing to elongation in the receivables period will remain a key downward trigger. A deterioration of the credit profile of GEV or weakening in linkages with GEV could also lead to a downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Ultimate Parent Company: GE Vernova Inc. Ratings are based on implicit support from ultimate parent, primarily in the form of technological and financial synergies

Consolidation/Standalone

For arriving at the ratings, ICRA has considered the consolidated financials of GE Power India Limited. As on March 31, 2025, the company had one wholly-owned subsidiary and one JV, which are enlisted in Annexure-II

About the company

GE Power India Limited (GEPIL) is engaged in the engineering, procurement and construction of key equipment for thermal and hydropower plants. It manufactures and/or supplies critical electrical and industrial equipment, including boilers, turbines and pollution-control equipment for these power plants, along with associated services. The company's manufacturing facility is in Durgapur (West Bengal). The company is owned by GE Vernova Inc. with a 68.58% shareholding in the company through its Group company - GE Steam Power International BV.

Key financial indicators (audited)

GEPIL Consolidated	FY2024	FY2025
Operating income	1088.67	1075.10
PAT	-142.37	224.68
OPBDIT/OI	-8.72%	-1.77%
PAT/OI	-13.1%	20.9%
Total outside liabilities/Tangible net worth (times)	36.51	5.36
Total debt/OPBDIT (times)	-1.71	-1.52
Interest coverage (times)	-1.33	-0.43

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

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs Crore)	Jul 15, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Long term-cash credit-fund based	Long Term	286.00	[ICRA]BBB (Stable)	Apr 12, 2024	[ICRA]BBB (Negative)	Jun 06, 2023	[ICRA]BBB+ (Negative)	Jun 28, 2022	[ICRA]A (Negative)
				Dec 24, 2024	[ICRA]BBB (Negative)	Aug 23, 2023	[ICRA]BBB+ (Negative)	Dec 20, 2022	[ICRA]A- (Negative)
						Nov 22, 2023	[ICRA]BBB (Negative)	-	-
Long term / short term-	Long Term/	1555.00	[ICRA]BBB (Stable)/[ICRA]A3+	Apr 12, 2024	[ICRA]BBB (Negative)/[ICRA]A3+	Jun 06, 2023	[ICRA]BBB+ (Negative)/[ICRA]A2	Jun 28, 2022	[ICRA]A (Negative)/[ICRA]A2+

unallocated-unallocated	Short Term			Dec 24, 2024	[ICRA]BBB (Negative)/[ICRA]A3+	Aug 23, 2023	[ICRA]BBB+ (Negative)/[ICRA]A2	Dec 20, 2022	[ICRA]A- (Negative)/[ICRA]A2+
						Nov 22, 2023	[ICRA]BBB (Negative)/[ICRA]A3+	-	-
Long term / short term-others-non fund based	Long Term/ Short Term	3199.00	[ICRA]BBB (Stable)/[ICRA]A3+	Apr 12, 2024	[ICRA]BBB (Negative)/[ICRA]A3+	Jun 06, 2023	[ICRA]BBB+ (Negative)/[ICRA]A2	Jun 28, 2022	[ICRA]A (Negative)/[ICRA]A2+
				Dec 24, 2024	[ICRA]BBB (Negative)/[ICRA]A3+	Aug 23, 2023	[ICRA]BBB+ (Negative)/[ICRA]A2	Dec 20, 2022	[ICRA]A- (Negative)/[ICRA]A2+
						Nov 22, 2023	[ICRA]BBB (Negative)/[ICRA]A3+	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term - Fund based working capital limit	Simple
Long-term/Short-term – Non-fund-based BG/LC	Very Simple
Unallocated	NA

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 fund-based – Working capital	NA	NA	NA	286.0	[ICRA]BBB (Stable)
NA	Long-term/short-term – Non-fund based – BG/LC	NA	NA	NA	3,199.0	[ICRA]BBB (Stable)/[ICRA]A3+
NA	Unallocated	NA	NA	NA	1,555.0	[ICRA]BBB(Stable)/[ICRA]A3+

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	GEPL ownership	Consolidation approach
GE Power Boilers Services Limited	100%	Full Consolidation
NTPC GE Power Services Private Limited	50%	Equity Method

Source: company

ANALYST CONTACTS

GirishkumarKashiramKadam
+91 22 6114 3441
girishkumar@icraindia.com

Prashant Vasisht
+911244545322
prashant.vasisht@icraindiacom

Ankit Jain
+911244545865
ankit.jain@icraindia.com

Harshita Singh
+911244545306
harshita.singh@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

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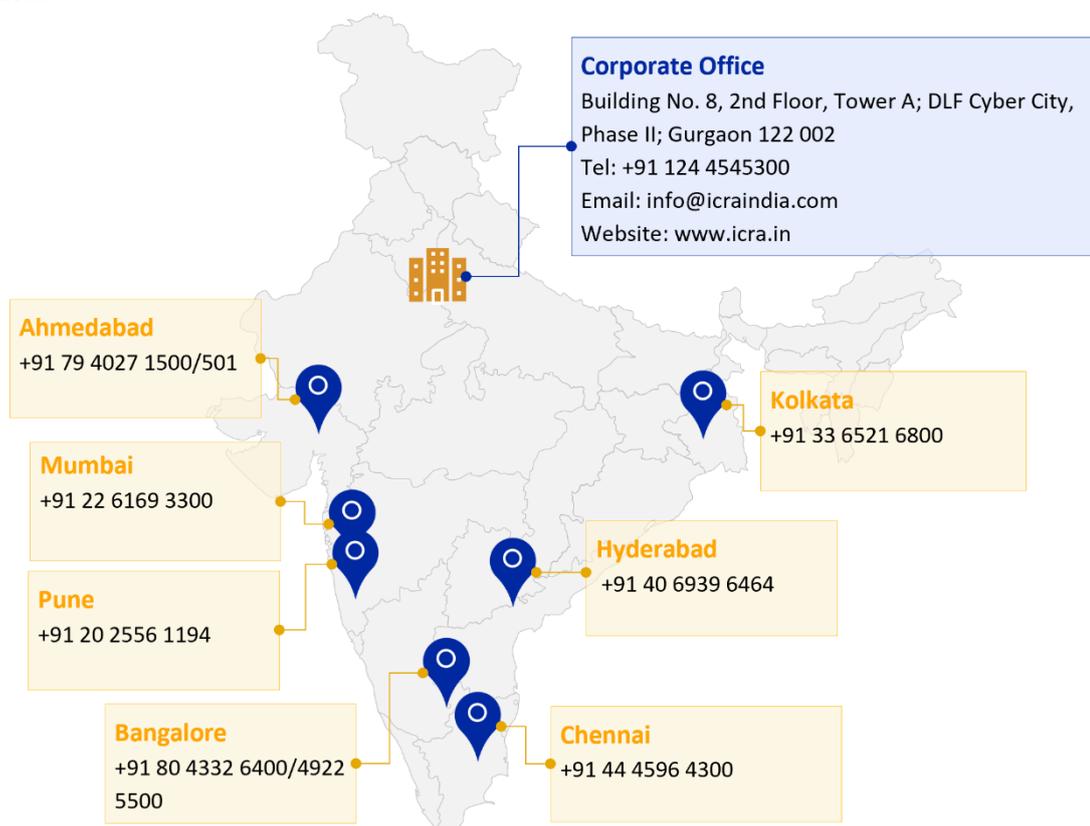
Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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