

December 09, 2025

Maithon Gemstar Smart Metering Projects Private Limited: [ICRA]AA- (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long term – Fund based – Term loan	135.83	[ICRA]AA- (Stable); assigned
Long term – Non-fund based – Bank guarantee	13.86	[ICRA]AA- (Stable); assigned
Long term – Unallocated Limits	0.31	[ICRA]AA- (Stable); assigned
Total	150.00	

*Instrument details are provided in Annexure I

Rationale

The assigned rating for Maithon Gemstar Smart Metering Projects Private Limited (MGSMPPL) factors in the availability of long-term contract with Jharkhand Bijli Vitran Nigam Limited (JBVNL) for installing and operating advanced metering infrastructure (AMI). The company is responsible for installing 3,55,136 smart meters along with the associated infrastructure within 27 months of signing the contract i.e. September 2026¹. As per the contract, the company will receive fixed monthly service charges for the operational meters through the operating period of 93 months, subject to meeting the stipulated operating parameters, thereby providing long-term revenue visibility. The company would also receive a lumpsum grant, after achieving operational go-live for the smart meters. ICRA notes there has been satisfactory progress in installation with ~29% of the meters installed (1,03,322 meters) as of September 2025. Further 27,446 smart meters have achieved the go-live status, post the site acceptance tests as of September 2025.

The rating also favourably factors in the availability of a fixed engineering, procurement, and construction (EPC) and operations and maintenance (O&M) contract with Genus Power Infrastructures Limited (GPIL), thereby mitigating the cost variation risk for the project. The company has availed a term loan facility to fund the capital expenditure (capex) for the smart meter project. ICRA expects the company to maintain adequate debt coverage metrics with a cumulative debt service coverage ratio (DSCR) of 1.2-1.3x on the term loan facility.

MGSMPPL is a subsidiary of Gemstar Infra Pte Ltd (GIPL). Gem View Investments Pte Ltd (GVIPL), which is a wholly-owned subsidiary of GIC Infra Holdings Pte Ltd (GIH), holds a 74% stake in GIPL, while GPIL has a 26% stake. GIPL is a platform set up for the implementation of smart meter projects in various states in India. GVIPL controls all the management rights with majority board representation in the platform. Hence, the rating positively factors in the superior financial flexibility offered by its strong sponsors and the experienced management team of the platform. ICRA expects the sponsors to provide the necessary funding support to MGSMPPL, if required.

The rating is constrained by project execution risk given that ~71% of the meters are yet to be installed as of September 2025. Nevertheless, the company has demonstrated satisfactory progress in installations till date. As per the contract, there are milestones identified under which liquidated damages (LDs) are applicable and any delays pursuant to those milestones for reasons attributable to the company would attract LDs from JBVNL. Nevertheless, the company is contractually protected against any LDs imposed by JBVNL through a back-to-back arrangement with the EPC contractor, GPIL. Further, meters not

¹ Lender has approved 39 months from contract date for completion of meter installation (i.e. September 2027).

installed at the end of the execution period due to non-availability of access to the site or other issues attributable to MGSMPPL would be descope and the debt would not be drawn for these meters.

The rating is further constrained by presence of a single counterparty (JBVNL), which exposes MGSMPPL to credit risk. ICRA notes that the project has a direct debit facility (DDF) wherein the online payments made by the consumers of JBVNL will be deposited in the DDF and shall be first used to clear the payments to MGSMPPL; thereafter, the funds will flow to JBVNL. However, there have been delays in the receipt of payments being billed to JBVNL. This is majorly due to delays in the invoice approval process by JBVNL. Hence, a timely realisation of the payments against the invoices will remain a key monitorable, going forward. This apart, the company's ability to demonstrate compliance with the service level thresholds (SLA), as per the contract, related to meter availability and data collection, among others, remains a key monitorable, given that there are provisions for penalty in case of underperformance against these SLAs.

The Stable outlook on the rating derives comfort from the satisfactory progress in project execution so far and ICRA's opinion that the company will benefit from its long-term advanced metering infrastructure service provider (AMISP) contract with JBVNL. Further, ICRA expects the payment track record from JBVNL to MGSMPPL to improve, going forward.

Key rating drivers and their description

Credit strengths

Comfort drawn from strong sponsor profile and experienced management team – MGSMPPL is a subsidiary of GIPL, which is a platform set up by GVIPL and GPIL to implement smart meter projects in various states in India. GVIPL, which is a wholly-owned subsidiary of GIH, holds 74% stake in GIPL, while GPIL has a 26% stake. GPIL has a long track record in the electricity metering business and is among the top players in India's smart metering solutions industry. It has successfully executed multiple projects under the AMISP model. Hence, the rating factors in the superior financial flexibility offered by its strong sponsors and the experienced management team of the platform. ICRA expects the sponsors to provide the necessary funding support to MGSMPPL, if required.

Long-term AMISP contract provides revenue visibility – MGSMPPL has signed a long-term contract with JBVNL for installing and operating 3,55,136 smart meters along with associated infrastructure. The contract tenure includes installation period of 27 months for all the meters and operating period of 93 months for each meter. As of September 2025, the company has installed ~29% of the meters (1,03,322 meters). Further, 27,446 smart meters have achieved the go-live status, post the site acceptance tests as of September 2025, thereby providing long-term revenue visibility for the company.

Credit challenges

Project execution risk – The company is exposed to project execution risk, given that ~71% of the meters are yet to be installed as of September 2025. The execution risk can mainly arise due to inability to access the identified sites for meter installation. Nevertheless, the company has demonstrated a satisfactory progress in installations till date. Moreover, the meters not installed at the end of the execution period due to non-availability of access to the site or other issues attributable to MGSMPPL would be descope and the debt would not be drawn for these meters.

Track record of DDF arrangement remains to be seen – The company achieved operational go-live status for more than 5% of the meters in September 2025. As per the contract, the company started billing from September 2025 onwards. The project has a DDF facility, wherein online payments made by the consumers of JBVNL will be deposited in the DDF and shall be first used to clear payments to MGSMPPL; thereafter, the funds will flow to JBVNL. The utility must ensure at least five times cover on the monthly service charges payable to MGSMPPL in the DDF account. However, there have been delays in the receipt of payments being billed to JBVNL. This is majorly due to delays in the invoice approval process by JBVNL. Hence, a timely realisation of the payments against the invoices will remain a key monitorable, going forward. Further, ICRA expects the sponsors to provide the necessary funding support to MGSMPPL, if required.

Compliance with service level agreement requirements – As per the contract, the company must meet the stipulated SLAs related to meter availability and data collection among others for the operational meters. In case of non-compliance with the SLAs, penalties will be imposed on the company. As the company commenced servicing only in September, there is no performance track record, and no penalties have been levied so far. Moreover, the company is contractually protected against any SLA related penalties imposed by JBVNL through a back-to-back arrangement with the EPC contractor, GPIL. Any sustained underperformance of the operating parameters may adversely impact the profitability and will remain key rating sensitivity.

Liquidity position: Adequate

The liquidity of the company is expected to remain adequate with the available debt financing and equity funding from the sponsor sufficient to fund the capital investments for completing the smart metering installation. Further, the company is expected to receive monthly service charges for the operational meters. The one-time lumpsum payments for the operationalised meters shall be used towards the capital expenditure requirements of the project. ICRA notes that the company needs to maintain three months of debt service reserve account (DSRA) on or prior to the first repayment date on the loan, which will be funded from sponsor’s fund/internal accruals. Further, the liquidity is supported by the funding support available from the strong sponsors, on need basis.

Rating sensitivities

Positive factors – A timely progress in smart meter installation and commissioning the project and meeting the stipulated operating parameters under the AMISP contract after the go-live will be a key monitorable for an upgrade. Also, a sustained track record of timely recovery of grant payments and monthly service charges, in line with the DDF arrangement, will be the key monitorable for an upgrade.

Negative factors – Lower-than-estimated debt coverage metrics owing to significant delays in the installation of meters, underperformance on the SLA parameters and/or further delays in the receivable cycle weakening the liquidity position could result in a downgrade. Any adverse change in its linkages with sponsors can also weigh on the rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone financials of the company

About the company

MGSMPPPL is a project SPV incorporated by GIPL. MGSMPPPL is the AMISP for the implementation of smart metering project in the Dhanbad and Giridih electricity supply areas of Jharkhand. The company signed the AMISP contract with JBVNL in June 2024 for a contract period of 120 months, including the 27 months to complete the meter installation milestone. The total number of meters to be installed under the project is 3,55,136.

Key financial indicators (audited)

	FY2024	FY2025
Operating income	-	-
PAT	-	-0.2
OPBDIT/OI	-	-
PAT/OI	-	-
Total outside liabilities/Tangible net worth (times)	-	NM
Total debt/OPBDIT (times)	-	NM
Interest coverage (times)	-	NM

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; NM: Not meaningful as the operations did not start in FY2025.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instruments	Type	Current (FY2026)		Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Dec 09, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund based – Term loan	Long term	135.83	[ICRA]AA-(Stable)	-	-	-	-	-	-
Non-fund based – Bank guarantee	Long term	13.86	[ICRA]AA-(Stable)	-	-	-	-	-	-
Unallocated limits	Long term	0.31	[ICRA]AA-(Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund based – Term loan	Simple
Long term – Non-fund based – Bank guarantee	Very Simple
Long term – Unallocated limits	Not applicable

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 – Term loan	September 2025	NA	FY2034	135.83	[ICRA]AA- (Stable)
NA	Long term – Non-fund based – Bank guarantee	NA	NA	NA	13.86	[ICRA]AA- (Stable)
NA	Long term – Unallocated limits	NA	NA	NA	0.31	[ICRA]AA- (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 – Not applicable

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