

May 6, 2026

Resonia Limited: [ICRA]AA- (Stable); assigned

Summary of rating action

| Instrument* | Current rated amount (Rs. crore) | Rating action |
|---------------|-------------------------------------|-----------------------------|
| Issuer rating | - | [ICRA]AA-(Stable); assigned |
| Total | - | |

*Instrument details are provided in Annexure II

Rationale

The assigned rating for Resonia Limited (RL) factors in its established track record in the transmission business, supported by strong execution capabilities and a satisfactory operating performance of its commissioned transmission projects. RL is a platform incorporated by Sterlite Grid 5 Limited (SGL5) and Singapore-based sovereign fund GIC with a shareholding ratio of 51% and 49%, respectively, by demerging the transmission business of Sterlite Power Transmission Limited (SPTL) effective October 2024. It is one of the leading private players in the power transmission sector and derives its strength from the Sterlite Power Group's track record in the successful execution of projects. At present, RL holds a portfolio of 14 power transmission projects through various special purpose vehicles (SPVs). Within this, five projects are operational as on date and the balance nine projects are under construction. The rating also factors in an experienced management team and the large equity commitment of \$500 million from GIC, with ~Rs. 1,800-crore equity drawn so far.

The rating also positively factors in the company's robust order book position at a standalone level, which stands at ~Rs. 13,451 crore (except for the recently won projects) as of December 2025 with majority of it from engineering, procurement and construction (EPC) contracts for under-construction transmission assets under its own SPVs. Further, comfort is drawn from the fact that the company does not plan to take any external debt on its standalone books to fund equity requirements of the ongoing projects. Any bridge-finance fund-based facility, if availed, at standalone level would only serve as a temporary substitute for the SPVs' project debt.

The rating also favourably factors in the satisfactory operational track record of RL's operating assets, with all projects achieving line availability above the normative threshold since commissioning. Further, the ratings derive comfort from the assured offtake for all transmission assets, supported by long-term transmission service agreements (TSAs) with availability-linked payment mechanisms. Notably, 13 of the 14 projects form part of the inter-state transmission system (ISTS) and are expected to benefit from the robust payment security framework under the pooling mechanism administered by the Central Transmission Utility (CTU). The CTU undertakes billing and collection on behalf of all ISTS licensees, resulting in a significant diversification of the counterparty credit risk. The combination of availability-linked revenues and low payment risk provides high visibility to RL's cash flows, which is expected to support adequate debt coverage metrics, with the cumulative DSCR expected to remain above 1.25x.

The rating is, however, constrained by the execution risk associated with the sizeable under-construction portfolio of the transmission assets (nine projects) at a cumulative investment of ~Rs. 32,500 crore (pending capital expenditure of ~Rs. 20,900 crore as of December 2025). Hence, any delays in getting the requisite approvals, such as right-of-way approvals and no-objection certificates from Government authorities, could result in delays and cost overruns.

ICRA also notes that the existing under-construction portfolio is concentrated in a single large project — Khavda IV-C Power Transmission Limited — which accounts for around 35% of the total under-construction project cost, thereby exposing the company to project concentration risk. Hence, a timely execution of the projects within the budgeted cost and timeline remains a key monitorable. Most of the existing transmission SPVs under RL (except for recently won projects) have achieved financial closure. The expected fund infusion from the sponsors, the company's internal accruals, the expected top-up loan in the

operational assets and the cash flow upstreaming from operational SPVs post the meeting of the debt covenants should be sufficient to meet the equity requirements and cost overruns (if any) for the ongoing projects. Moreover, for the bid-based under-construction projects, the company's ability to keep the cost within the tariff assumption remains critical, given that the tariff is competitively bid and largely fixed in nature. Nonetheless, comfort is drawn from the company's established execution track record in the transmission segment and the satisfactory physical progress achieved in its under-construction portfolio.

The rating also factors in the exposure of the operational transmission assets to operations and maintenance (O&M)-related risks, including potential escalation in O&M costs, inadequate maintenance leading to reduced line availability, and possible deductions from transmission charges by the counterparties. Further, ICRA notes exposure to interest rate risk and refinancing risk, given the presence of bullet repayments at the end of the debt tenure for borrowings raised across multiple SPVs. Nonetheless, comfort is derived from the long residual TSA tenure and the high stability of cash flows inherent in power transmission projects which will support refinancing.

The Stable outlook on RL's rating reflects ICRA's expectation that the company will progressively scale up its operating transmission portfolio through the commissioning of the underlying projects. This, coupled with the presence of long-term TSAs for the portfolio, is expected to support revenue visibility. Further, the operational projects are expected to continue to demonstrate satisfactory performance, resulting in stable cash flows.

Key rating drivers and their description

Credit strengths

Demonstrated track record in execution and operating transmission projects – RL is a platform incorporated by SGL5 and Singapore-based sovereign fund GIC with a shareholding ratio of 51% and 49%, respectively, by demerging the India transmission business of SPTL (now Sterlite Electric Limited). The Sterlite Power Group is one of the major private players in India's power transmission sector with a long track record. It has developed and commissioned 14 projects, of which 11 have been sold to IndiGrid Infrastructure Trust. It currently holds a portfolio of 14 power transmission projects. Within this, five projects are operational as on date and nine projects are under construction. Hence, the company is expected to benefit from the established track record of the Group in executing power transmission projects.

Comfort drawn from experienced management team and equity commitments from GIC – The company has a qualified and experienced management team with a track record in developing and operating transmission power projects across the country. Also, it has a large equity commitment of \$500 million from GIC, with ~Rs. 1,800 crore-funding drawn so far. The funding from the sponsors, the internal accruals of the company, the expected top-up loan in the operational assets and the cash flow upstreaming from the operational SPVs post the meeting of the debt covenants should be sufficient to meet the equity requirements and cost overruns (if any) for the ongoing projects.

Assured offtake due to long-term TSAs with availability-linked payments for all transmission projects; strong payment security – RL has executed long-term transmission service agreements (TSAs) for all its 14 projects, ensuring strong revenue visibility and mitigating the demand risk. The transmission tariff is availability-linked, with revenues contingent on maintaining the normative line availability of 98%, while assets are eligible for the full contracted tariff upon achieving this level, along with incentives for higher availability. Further, 13 of the 14 projects form part of the ISTS, which benefits from robust payment security under the centralised national pooling mechanism. Under this arrangement, the CTU undertakes billing and collection from system users and distributes the proceeds to inter-state transmission licensees, supporting timely and predictable cash flows.

Credit challenges

Exposure to project execution risk, given the number of transmission projects under execution – RL is exposed to implementation risk for its under-construction transmission portfolio, comprising nine projects with an estimated project cost of Rs.32,500 crore. These assets are spread across multiple states and are at varying stages of development, with commissioning expected over the next 18–24 months. Accordingly, the portfolio remains exposed to execution-related risks, including potential delays in obtaining statutory clearances, permits and right-of-way approvals. Timely execution of the projects within the budgeted cost and envisaged timelines, therefore, remains a key monitorable. Nonetheless, comfort is drawn from the company's established execution track record in the transmission segment and the satisfactory physical progress achieved in its under-construction portfolio.

Further, the consolidated leverage is expected to increase over the medium term on account of debt-funded capex. Nevertheless, ICRA expects RL to maintain comfortable debt servicing indicators, supported by healthy and stable cash flows from its operational assets. Moreover, support from the shareholders is expected to remain forthcoming to meet the group's growth requirements.

Moderate operations and maintenance risk – RL has five operational transmission assets with an operating track record ranging from a few months to around three years. The revenue profile of these assets is availability-linked, requiring adherence to stipulated line availability norms, thereby necessitating efficient O&M practices to minimise outages and transmission line trippings. While the profitability remains exposed to variations in O&M expenses, the risk is partially mitigated by the relatively low share of such expenses in the overall revenue profile. Further, RL's experience in the power transmission segment is expected to support efficient execution of O&M activities, optimal resource allocation and sustained availability levels.

Interest rate and refinancing risk for debt raised under SPVs – The company's debt coverage metrics remain exposed to interest rate risk, given the high proportion of debt in the project capital structure, the floating rates of project loans and the largely fixed tariff framework under the respective TSAs. In addition, the debt raised in a few of the operational SPVs is characterised by bullet repayments at the end of a 14–16-year tenor, which exposes the Group to refinancing risk. Nevertheless, comfort is derived from the long residual tenure of the TSAs and the high stability of cash flows inherent in power transmission projects, which will support refinancing.

Liquidity position: Adequate

The liquidity position is adequate, supported by consolidated cash and bank balances of ~Rs. 1,375 crore (including encumbered balances) as on March 31, 2026, along with largely undrawn fund-based working capital limits of Rs. 223 crore. At the standalone level, RL had free cash and bank balances of ~Rs. 37 crore as of the same date. Going forward, the equity commitments and potential cost overruns for the under-construction projects are expected to be met through a combination of internal accruals, sponsor funding and upstreaming of surplus cash flows from the operational SPVs. Further, for the operational transmission projects, the cash flows from operations are expected to be adequate vis-à-vis the debt-servicing obligations. Additional comfort is derived from the presence of a debt service reserve account (DSRA) equivalent to one quarter of debt servicing.

Rating sensitivities

Positive factors – The rating could be upgraded upon timely completion and stabilisation of under-construction transmission projects, leading to a sustained reduction in execution risk and strengthening of the business profile. A significant improvement in leverage and further strengthening of the coverage metrics, supported by stable cash flows, would also be positive for the rating.

Negative factors – The rating could be downgraded in case of any major time/cost overruns in project execution, any major regulatory challenges, raising of external debt on the books of the holding company to fund the project SPVs’ equity requirements or a delay in capital infusion by the sponsors impacting the liquidity profile of the company. For operational projects, sustained lower-than-target line availability, higher-than-expected operating expenses or delays in receipt of payments from counterparties, resulting in weakened cash flows and debt coverage indicators, could also trigger a rating pressure. Further, any lower-than-expected equity infusion from GIC or support to other Sterlite Group entities, weakening the company’s credit profile, may also trigger a downgrade.

Analytical approach

| Analytical approach | Comments |
|---------------------------------|---|
| Applicable rating methodologies | Corporate Credit Rating Methodology Rating methodology for Power Transmission |
| Parent/Group support | Not applicable |
| Consolidation/Standalone | The rating is based on the consolidated financial statements of RL and its subsidiaries [Details in Annexure III] |

About the company

RL (formerly known as Sterlite Grid 32 Limited) is a power transmission platform sponsored by Twinstar Overseas (via SGL5) and Singapore-based sovereign fund GIC (via its affiliate Stredfort End Investment Pte Ltd). It houses the domestic transmission business of erstwhile STPL and holds multiple SPVs under which it develops and operates transmission projects in India. The platform was created in March 2024 with SG5L holding 51% and GIC 49%.

As per the demerger scheme effective October 2024, SPTL has transferred its transmission infrastructure business, including EPC contracts for the construction of power transmission lines and investments in various transmission SPVs in India and Brazil, to SGL5 (resulting company). SEL has retained the products and master system integration (MSI) businesses (collectively called the solutions business). The demerger was done to simplify the business structure, unlock the value of the transmission business for more growth opportunities and enhance the flexibility in accessing growth capital.

Post the demerger, RL operates as a power transmission company, with its assets held through multiple project-specific SPVs that own individual transmission projects under long-term TSAs. It currently holds a portfolio of 14 power transmission projects. Within this, five projects are operational as on date and nine projects are under construction. Further, RL also undertakes EPC activities at the standalone level for its project SPVs.

Key financial indicators (audited)

| Resonia | FY2024 | FY2025 |
|---|---------------|---------------|
| Operating income | 407.7 | 3,419.1 |
| PAT | -47.6 | - 440.0 |
| OPBDIT/OI | -12.7% | 13.9% |
| PAT/OI | -11.7% | -12.9% |
| Total outside liabilities/Tangible net worth (times) | 11.4 | 20.7 |
| Total debt/OPBDIT (times) | - 34.8 | 26.9 |
| Interest coverage (times)* | - 3.3 | 0.6 |

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

*Includes interest on debt infused by shareholders

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 | | | | | | | |
|----------------------|------------------|--------------------------|-------------------|---|--------|--------|--------|--------|--------|---|--|
| Instrument | Type | Amount rated (Rs. crore) | May 6, 2026 | FY2026 | | FY2025 | | FY2024 | | | |
| | | | | Date | Rating | Date | Rating | Date | Rating | | |
| Issuer rating | Long term | 0.00 | [ICRA]AA-(Stable) | - | - | - | - | - | - | - | |

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

| Sr. No. | Instrument | FSR |
|---------|--|--|
| 1 | Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities) | SEBI |
| 2 | Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities) | MCA |
| 3 | Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*) | SEBI |
| 4 | Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*) | SEBI |
| 5 | Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*) | RBI |
| 6 | Listed Commercial Paper and NCDs with original maturity less than 1 year | RBI |
| 7 | Unlisted Commercial Paper and NCDs with original maturity less than 1 year | RBI |
| 8 | Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)) | RBI |
| 9 | External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings | RBI |
| 10 | Certificates of Deposit | RBI |
| 11 | Fixed Deposits raised by NBFCs, Banks, HFCs, FIs | RBI |
| 12 | Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs | MCA |
| 13 | Inter Corporate Deposits/Loans extended by Corporates | MCA |
| 14 | Listed Security Receipts | SEBI |
| 15 | Unlisted Security Receipts | RBI |
| 16 | Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*) | Investor-side Regulator such as IRDAI, PFRDA (%) |

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

| Sr. No. | Activity Name | FSR |
|---------|---|------|
| 1 | Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs) | SEBI |
| 2 | Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs | SEBI |
| 3 | Independent Credit Evaluation (ICE) | RBI |
| 4 | Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs) | RBI |
| 5 | Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities)) | SEBI |
| 6 | Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities)) | MCA |
| 7 | Credit Rating of Borrowing programme | (@) |

| | | |
|----|--|------|
| 8 | Issuer Ratings | (#) |
| 9 | Monitoring Agency | SEBI |
| 10 | Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs) | NA |

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: 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.

Complexity level of the rated instruments

| Instrument | Complexity indicator |
|---------------|----------------------|
| Issuer rating | 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 II: Instrument details

| ISIN | Instrument name | Date of issuance | Coupon rate | Maturity | Amount rated (Rs. crore) | Current rating and outlook |
|------|-----------------|------------------|-------------|----------|--------------------------|----------------------------|
| NA | Issuer rating | NA | NA | NA | 0.00 | [ICRA]AA-(Stable) |

Source: Company

Annexure III: List of entities considered for consolidated analysis

| Company name | RL ownership | Consolidation approach |
|--|--------------------------------|------------------------|
| Resonia Limited | 100% (rated entity) | Full Consolidation |
| Lakadia Vadodara Transmission Project Limited | 56.33% | Full Consolidation |
| Mumbai Urja Marg Limited | 51.44% | Full Consolidation |
| Kishtwar Transmission Limited | 100.00% | Full Consolidation |
| Nangalbibra–Bongaigaon Transmission Limited | 100.00% | Full Consolidation |
| Fatehgarh III Beawar Transmission Limited | 100.00% | Full Consolidation |
| Goa–Tamar Transmission Project Limited | 51.95% | Full Consolidation |
| Udupi Kasargode Transmission Limited | 100.00% (Step Down Subsidiary) | Full Consolidation |
| Beawar Transmission Limited | 100.00% | Full Consolidation |
| Khavda IV C Power Transmission Limited | 100.00% | Full Consolidation |
| Anantapur II REZ Transmission Limited | 100.00% | Full Consolidation |
| Neemrana II Kotputli Transmission Limited | 100.00% | Full Consolidation |
| NER Expansion Transmission Limited | 100.00% | Full Consolidation |
| Sterlite Grid 13 Limited | 100.00% | Full Consolidation |
| Sterlite Grid 14 Limited | 100.00% | Full Consolidation |
| Sterlite Grid 18 Limited | 100.00% | Full Consolidation |
| Sterlite Grid 29 Limited | 100.00% | Full Consolidation |

Source: Company data; Note: 2 recently won projects i.e. Hampapura Transmission and Kurnool Transmission are also considered for full consolidation.

ANALYST CONTACTS

Girishkumar Kashiram Kadam
+91 22 61143406
girishkumar@icraindia.com

Ankit Jain
+91 124 4545865
ankit.jain@icraindia.com

Rachit Mehta 2
+91 22 61693328
rachit.mehta2@icraindia.com

Arnav Gandhi
+91 22 61693359
arnav.gandhi@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 61143406
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.