July 29, 2026

GE Vernova T&D India Limited (erstwhile ALSTOM T&D India Limited): Longterm rating upgraded to [ICRA]AA and outlook revised to Stable from Positive; short-term rating reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator #
Long term - Fund based - Cash credit	156.00	160.4	[ICRA]AA(Stable); upgraded from [ICRA]AA-(Positive); outlook revised to Stable from Positive and assigned for enhanced amount	RBI
Long term/Short term – Non-fund based - Others	5,675.00	7,736.0	[ICRA]AA (Stable) /[ICRA]A1+; long-term rating upgraded from [ICRA]AA-(Positive); outlook revised to Stable from Positive; short-term rating reaffirmed and assigned for enhanced amount	RBI
Long term/Short term - Unallocated	1,169.00	2,103.6	[ICRA]AA (Stable) /[ICRA]A1+; long-term rating upgraded from [ICRA]AA-(Positive); outlook revised to Stable from Positive; short-term rating reaffirmed and assigned for enhanced amount	RBI
Total	**7,000.00**	**10,000.0**		

**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

The upgrade in the ratings factors in a continued improvement in the credit profile of GE Vernova T&D India Limited (GEVTDIL) in FY2026, supported by a significant strengthening of its order book and operating performance. The company reported a sharp increase in its order backlog to Rs. 21,456 crore as on March 2026, driven by robust order inflows, including a high value high voltage direct current (HVDC) orders, which provides strong revenue visibility over the medium term. Further, the company has demonstrated a substantial improvement in its operating performance, with the operating income growing sharply in FY2026 and the operating margins expanding to ~27%, supported by a favourable pricing environment, increasing share of high-margin product orders and a shift away from low-margin EPC projects.

ICRA expects the company's profitability to remain healthy over the medium term, supported by structural improvements in the business mix, a higher share of exports and the presence of price variation clauses in a proportion of its contracts that mitigates exposure to commodity price volatility. The overall demand outlook for the transmission and distribution (T&D) segment remains favourable, driven by increasing investments in grid modernisation, renewable energy integration, and the emerging demand from data centres and electrification. To strategically capture this expanding market opportunity, the company has announced a capex of ~Rs. 1,000 crores. Additionally, the strong momentum at the parent level, reflected in the robust order inflows and a growing order backlog in the electrification segment, provides incremental growth opportunities for the India entity, particularly through exports.

The ratings also continue to factor in the company's strong market position in the domestic T&D equipment space, supported by its established track record, diversified product portfolio, strong technical capabilities, and the financial and operational support from its parent, GE Vernova Inc., which enhances its competitive positioning and financial flexibility. The company's credit profile is further supported by its debt-free status, strong cash accruals and healthy liquidity, with substantial cash balances and minimal reliance on external borrowings.

However, the ratings remain constrained by the intense competition in the power transmission equipment segment because of the presence of several domestic and global players. Further, exposure to the power sector and the potential volatility in working capital metrics, including the receivable cycles, remain monitorable areas, though these have improved in recent periods with the strategic shift towards private sector customers.

The Stable outlook on the rating reflects ICRA's opinion that the credit profile of GEVTDIL will continue to benefit from a robust order book position, favourable domestic demand prospects, healthy profitability and a strong liquidity position.

Key rating drivers and their description

Credit strengths

Established business position – GEVTDIL benefits from an established operating track record in the power transmission equipment industry, supported by its access to advanced technologies through its parent and its proven execution capabilities across complex projects. Over the years, the company has strengthened its position as one of the leading players in the domestic transmission equipment segment. Its operations are diversified across four business verticals — products, solutions, automation and services – and are supported by a broad portfolio of transmission equipment and grid solutions, which provides revenue diversification and supports the profitability.

Benefits of strong parentage – GEVTDIL derives technical synergies and financial benefits from its strong parentage (ultimate parent—GE Vernova Inc.). Additionally, being a part of the GEV Group helps it while bidding for fresh orders, given its access to the parent's technology and a wide client base because of the GEV Group's global presence. Further, the company's access to cash pool and the financial flexibility derived from being a part of the GEV Group also provides comfort.

Strong order book position – The company continues to maintain a strong order book position, with the order backlog increasing significantly to Rs. 21,456 crore as on March 31, 2026, supported by robust order inflows, including a large HVDC order. The sizeable backlog, equivalent to around 3.5 times the FY2026 operating income, provides strong revenue visibility over the medium term and is expected to support a steady growth in revenues and cash flows. The healthy order pipeline, coupled with favourable demand prospects in transmission infrastructure, grid modernisation, renewable energy integration and data centre-related investments, is likely to support sustained order inflows, going forward.

Comfortable credit profile, marked by healthy profitability and zero debt levels – The company's credit profile has strengthened materially over the last two years, supported by a significant improvement in its operating performance, strong cash generation and a debt-free balance sheet. GEVTDIL remained virtually debt-free as on March 31, 2026, while the profitability improved sharply, with the OPBDITA margins expanding to ~27% in FY2026. Strong accrual generation and healthy cash flows helped increase the cash and liquid investments substantially to ~Rs. 1,520 crore as on March 31, 2026, from ~Rs. 453 crore a year earlier. In addition, the company had extended inter-corporate deposits (ICDs) of Rs. 971.04 crore as on March 31, 2026, compared to Rs. 578.34 crore as on March 31, 2025, under the cash pooling arrangement and are recallable on demand. To capture additional market share, the company has announced ~Rs. 1,000 crore capex, which includes the introduction of new products, de-bottlenecking of existing lines, and overall capacity expansion. This investment is expected to be funded through internal cash accruals. The strong liquidity position, robust coverage indicators and absence of leverage provide considerable financial flexibility and continue to support the company's credit profile.

Credit challenges

Intense competition in industry – The power transmission equipment space is highly competitive due to the presence of a large number of Indian companies and global majors (through joint ventures). Thus, the ability of the company to improve its order intake amid intense competition will be critical.

Susceptible to elongation in working capital cycle – While the working capital profile remains comfortable, the company remains exposed to a potential elongation in the working capital cycle due to the relatively high receivable levels and retention money requirements inherent to the transmission equipment business. However, the risk is partially mitigated by the company's increasing share of private sector and export orders, lower exposure to state utility projects, and favourable contract terms, which support timely collections and cash flow generation.

Concentration of revenues to power sector – The company's products and services are tailored specifically to support electricity transmission, distribution and grid stability which increases its reliance on one specific sector, i.e., power to derive its revenues. Hence, any downturn in the power sector will exert pressure on the company's revenues.

Environmental and social risks

Environmental considerations - GEVTDIL operates at multiple project sites at any point of time and, therefore, the risk of business disruptions on account of physical climate risk at a particular location is low. Risks emanate from the imposition of emission control norms and right of way issues faced by the company's customers in the heavy industrial, transmission and distribution space which can result in a deferment of execution timelines and/or of fresh orders in the industry.

Social considerations - Entities like GEVTDIL face social risks stemming from the health and safety concerns of workers, which could invite regulatory or legal action, besides reputational harm. GETDIL has a track record of maintaining heathy relationships with its workers/employees, including contractual labour, with no material incidents of slowdown in execution because of workforce management issues.

Liquidity position: Strong

The company's liquidity profile remains strong, supported by a significant increase in cash and liquid investments to ~Rs. 1,520 crore as on March 31, 2026 (from ~Rs. 453 crore as on March 31, 2025), driven by robust cash accruals and an improved operating performance. The liquidity is further supported by unutilised working capital limits with negligible reliance on external borrowings. Additionally, the company had inter-corporate deposits (ICDs) of Rs. 971.04 crore as on March 31, 2026 (Rs. 578.34 crore as on March 31, 2025), under the cash pooling arrangement and are recallable on demand. The company also participates in a group cash pooling arrangement backed by parent guarantee, with the contribution limit currently capped at Rs. 1,000 crore. Any upward revision in the cap will be monitorable. The company is expected to maintain a comfortable liquidity position over the medium term in the absence of scheduled debt repayment obligations and support from strong internal cash generation.

Rating sensitivities

Positive factors – GEVTDIL's ratings could be upgraded if the company demonstrates a sustained growth in its revenues amid a healthy profitability while maintaining its liquidity position and keeping its working capital intensity under check. Further, an improvement in the credit profile of the parent – GE Vernova Inc. - can push the ratings upwards.

Negative factors – The ratings could be downgraded in case of any sustained pressure on the revenue and profitability. Further, any stretch in the working capital cycle, exerting pressure on the liquidity position, and a high reliance on debt could result in a negative rating action. Moreover, any deterioration in the credit profile of GE Vernova Inc., or weakening of linkages and financial support from GE Vernova Inc., can exert pressure on the ratings.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Ultimate Parent Company: GE Vernova Inc. The ratings are based on implicit support from the ultimate parent, primarily in the form of technological and financial synergies
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company

About the company

GE Vernova T&D India Limited (GEVTDIL, erstwhile GE T&D India Limited) is engaged in the manufacturing of transmission equipment such as transformers, switchgears (both air insulated and gas insulated), control panels/relays, line traps etc. GEVTDIL provides transmission systems, comprising substations ranging from 66 kV to 1,200 kV. However, the company primarily operates in the high voltage space (440 kV and 765 kV), which is marked by the presence of a few established players like Siemens, Hitachi, etc. GEVTDIL is essentially a transmission equipment manufacturer, and its products cater to power generation and power transmission companies and industrial end-users in the infrastructure, oil and gas and other industries.

The company is present in all stages of the power supply chain and offers a wide range of products and related services that include power transformers, circuit breakers, gas insulated switchgears, instrument transformers, substation automation equipment, digital software solutions, turnkey solutions for substation engineering and construction, flexible AC transmission systems (FACTS), high voltage DC (HVDC) and maintenance support.

Key financial indicators (audited)

Standalone	FY2025	FY2026
Operating income	4297.4	6206.3
PAT	608.3	1233.3
OPBDIT/OI	19.3%	27.1%
PAT/OI	14.2%	19.9%
Total outside liabilities/Tangible net worth (times)	1.6	1.8
Total debt/OPBDIT (times)	0.0	0.0
Interest coverage (times)	31.2	114.1

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

<table>
<tr><th rowspan="3">Instruments</th><th colspan="4">Current (FY2027)</th><th colspan="6">Chronology of rating history for the past 3 years</th></tr>
<tr><th rowspan="2">Type</th><th rowspan="2">Amount rated (Rs. crore)</th><th rowspan="2" colspan="2">Jul 29, 2026</th><th colspan="2">FY2026</th><th colspan="2">FY2025</th><th colspan="2">FY2024</th></tr>
<tr><th>Date</th><th>Rating</th><th>Date</th><th>Rating</th><th>Date</th><th>Rating</th></tr>
<tr><td rowspan="2">Fund based - Cash credit</td><td rowspan="2">Long term</td><td rowspan="2">160.4</td><td rowspan="2" colspan="2">[ICRA]AA (Stable)</td><td rowspan="2">Sep 02, 2025</td><td rowspan="2">[ICRA]AA- (Positive)</td><td>Nov 27, 2024</td><td>[ICRA]A+ (Positive)</td><td rowspan="2">Sep 04, 2023</td><td rowspan="2">[ICRA]A (Stable)</td></tr>
<tr><td>Apr 12, 2024</td><td>[ICRA]A (Stable)</td></tr>
<tr><td rowspan="2">Non-fund based - Others</td><td rowspan="2">Long term/Short term</td><td rowspan="2">7,736.0</td><td rowspan="2" colspan="2">[ICRA]AA (Stable) /[ICRA]A1+</td><td rowspan="2">Sep 02, 2025</td><td rowspan="2">[ICRA]AA- (Positive)/ [ICRA]A1+</td><td>Nov 27, 2024</td><td>[ICRA]A+ (Positive)/[ICRA]A1</td><td rowspan="2">Sep 04, 2023</td><td rowspan="2">[ICRA]A (Stable)/ [ICRA]A1</td></tr>
<tr><td>Apr 12, 2024</td><td>[ICRA]A (Stable)/ [ICRA]A1</td></tr>
<tr><td rowspan="2">Unallocated</td><td rowspan="2">Long term/Short term</td><td rowspan="2">2,103.6</td><td rowspan="2" colspan="2">[ICRA]AA (Stable) /[ICRA]A1+</td><td rowspan="2">Sep 02, 2025</td><td rowspan="2">[ICRA]AA- (Positive)/ [ICRA]A1+</td><td>Nov 27, 2024</td><td>[ICRA]A+ (Positive)/[ICRA]A1</td><td rowspan="2">Sep 04, 2023</td><td rowspan="2">[ICRA]A (Stable)/ [ICRA]A1</td></tr>
<tr><td>Apr 12, 2024</td><td>[ICRA]A (Stable)/ [ICRA]A1</td></tr>
</table>

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term - Fund based - Cash credit	Simple
Long term/Short term – Non-fund based - Others	Simple
Long term/Short term - 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	Financial sector regulator#
NA	**Long term - Fund based - Cash credit**	NA	NA	NA	160.4	[ICRA]AA (Stable)	RBI
NA	**Long term/Short term – Non-fund based - Others**	NA	NA	NA	7,736.0	[ICRA]AA (Stable)/[ICRA]A1+	RBI
NA	**Long term/Short term - Unallocated**	NA	NA	NA	2,103.6	[ICRA]AA (Stable)/[ICRA]A1+	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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