July 27, 2026

NTPC GE Power Services Private Limited: Ratings 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 – working capital facilities	55.50	155.50	[ICRA]A+(Stable); Reaffirmed/Assigned for enhanced amount	RBI
Short-term - Non-fund based - Others	544.50	854.50	[ICRA]A1 ; Reaffirmed/Assigned for enhanced amount	RBI
Unallocated limits	1.00	191.00	[ICRA]A1 ; Reaffirmed/Assigned for enhanced amount	RBI
Total	**601.00**	**1,201.00**		

**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

The reaffirmation in ratings assigned to the bank lines of NTPC GE Power Services Private Limited (NGSL/ the company) factor in its established execution track record in the industry, and its strong parents – NTPC Limited (NTPC) and GE Power India Limited (GEPIL). ICRA has considered the support from NTPC Limited, as has been indicated by the parent, in terms of technical/managerial as well as financial assistance even if the other joint venture partner fails to do so. NGSL's order book remains stable in FY2026. The order book of NGSL has evolved from an O&M heavy order book to a more diversified orderbook comprising of renovation & maintenance (R&M) orders for thermal power plant turbine generators, Battery Energy Storage System (BESS) order for thermal power plant, O&M for Flue Gas Desulphurisation (FGD) units and Engineering Procurement and Construction (EPC) contracts for solar projects with differing scope of work. The order book as on March 31, 2026 stands at Rs. 2,182 crore. Company has entered into a new business segment of Battery Energy Storage System (BESS) for thermal power plant of NTPC Limited in FY 2025-26.

The ratings are constrained by the sectoral dependence of the company on the power sector which exposes the company to cyclicality in the capex cycle of the power sector. The ratings are also constrained by the modest profitability of the company and the low net worth as on March 31, 2026. The company posted operating margin of 4.6% in FY2026 (excluding the inflows from the insurance claims) and had a modest networth of Rs. 86.1 crore as on March 31, 2026. With the company increasingly diversifying its business profile and focusing on sourcing projects in the solar power segment, the company's working capital requirements are expected to rise as the company will have to fund the working capital gap created owing to the elongated supply cycle related to the modules while the credit period offered by the solar module suppliers remains in the range of 60-90 days. The same is in contrast to the R&M contracts in the thermal power segment executed by the company wherein the company was able to enter into back to back contracts with GEPIL for material supply thereby mitigating the working capital gap creation.

ICRA notes that one of the units at Athena Power Plant, operated by Vedanta Limited (rated [ICRA] AA+(Stable)/A1+) faced an explosion in a boiler in April 2026. The unit was operating under an O&M contract by NGSL and currently the unit has been shutdown as investigations are underway. Currently, there has been no adverse financial outcome for NGSL, and company is cooperating with the authorities' undertaking investigations. As per management's representation as on date, they do not expect any liability on account of the accident. However, any adverse outcome owing to the investigations impacting on the liquidity and credit profile of the company will remain a key monitorable going forward.
ICRA notes that the company's order inflow as well as project execution were slower in FY2026 resulting in largely stable revenues and profits during the year vis-à-vis FY2025. The order execution remained slower than expectations for the GSECL's Wanakbori project (R&M for2 units of 210 MW each of LMZ steam turbines), NTPC's Vindhyachal project (R&M for 3 units of

210 MW each of steam turbines) and GVREL's Panchet project (EPC of 80 MW solar power project). Additionally, some of the projects which were expected to be received in FY2026 did not materialise and thus led to the revenues and profits remaining largely in line with the previous fiscal.

The Stable outlook on the long-term rating reflects ICRA's opinion that NGSL will continue to benefit from its strong parentage and revenue visibility from the current order book.

Key rating drivers and their description

Credit strengths

Strong parentage and established track record in providing services in power sector - NGSL has an established operational track record with extensive experience of the management in providing rehabilitation, renovation and modernisation (R&M) services and related operations and maintenance services, largely to thermal power plants. The company is backed by NTPC and GEPIL with both the companies having long and established track record in the power sector in the country.

Healthy orderbook provides revenue visibility in medium term – While the order inflow stood lower than the execution, the order book as on March 31, 2026 stood at Rs. 2,182 crore providing revenue visibility in the near term. The order book of NGSL has evolved from an O&M heavy order book to a more diversified orderbook comprising of renovation & maintenance (R&M) orders for thermal power plant turbine generators, Battery Energy Storage System (BESS) order for thermal power plant, O&M for Flue Gas Desulphurisation (FGD) units and Engineering Procurement and Construction (EPC) contracts for solar projects with differing scope of work.

Credit challenges

Significant dependence on the power sector in the current orderbook – The company's order book is derived entirely from the power sector, partly owing to the parent companies being involved in the power sector for a long time which exposes the company to the cyclicality in the capex cycle of the power sector. The company is engaged in providing rehabilitation, renovation and modernisation (R&M) services and related operations and maintenance services, largely to thermal power plants and solar power plants.

Modest profitability and net worth base – While the company has been working on diversifying its customer base and segments it caters to, the overall margin profile of the company remains modest due to high competition and nature of business. The company posted operating margin of 4.6% in FY2026 (excluding the inflows from the insurance claims) and had a modest networth of Rs. 86.1 crore as on March 31, 2026. While the company's current orderbook remains comfortable, profitability is expected to improve on the back of sustained increase in the scale of operations, which in turn would contribute to strengthening of the company's net worth.

Liquidity position: Adequate

The company's liquidity is adequate, supported by healthy free cash balance as on March 31, 2026, nil debt repayments and no major capex plans, going forward. The company has been able to manage its working capital requirements by entering into back-to-back contracts with its suppliers for thermal R&M contracts, resulting in the company being able to match the receivable cycle largely with the credit period from suppliers and advances from the customers. With the release of retention money from some of the past projects, the company has been able to manage the working capital cycle. The ability to raise non-fund-based limits at low margin and availability of the unutilized Rs. 150.5 crore of cash credit limit support the company's liquidity position.

Rating sensitivities

Positive factors – The ratings may be upgraded in a scenario of material growth in the profitability while maintaining its scale of operations on a sustained basis resulting in improvement in the net worth base while maintaining healthy credit profile and liquidity position.

Negative factors – The ratings could be downgraded if there is a significant decline in the company's revenues on a sustained basis due to lower order book execution and decline in fresh order inflow, or reduction in profit margins and cash flow generation. Moreover, an increase in the working capital intensity with a change in the order mix, leading to significant reliance on external debt and material deterioration of the debt protection metrics could also lead to a downgrade. Deterioration in the credit profile of NTPC and/or weakening of the linkages with NTPC could also lead to a rating downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/group Support	Ultimate Parent Company: NTPC Limited & GE Power India Limited The ratings are based on implicit support from NTPC Limited, primarily in the form of technological and financial support, given the close involvement of NTPC Limited in the management and the intent indicated to support the entity. The support is expected to manifest even in case of the support not coming in from the JV partner.
Consolidation/standalone	Standalone

About the company

NTPC GE Power Services Private Limited (NGSL) (erstwhile NTPC Alstom Power Services Private Limited) is a joint venture company which was formed in 1999 through the partnership of two leading companies in the power sector, namely NTPC Ltd., India and ALSTOM Power Systems Gmbh. In 2015, the power business of ALSTOM Group was taken over by General Electric Company (GE) and consequently the shareholding of ALSTOM Group in the JV was transferred to GE. Subsequently the name of the company was also changed to its present name in February 2017. Both the JV partners held 50% stake each in the company. In 2022, GE Power India Limited acquired 50% of the issued and paid-up share capital of NTPC GE Power Services Private Limited from GE Power Systems GmbH at a consideration of Rs. 7.20 crore on April 15, 2021. The GE Group is having 50% voting rights in NGSL and right to net assets in NGSL, thereby having joint control over NGSL along with NTPC.

NGSL is engaged in providing rehabilitation, renovation and modernization (R&M) services and complete operation & maintenance services to power plants in India. The company also provides others related services such as residual life assessment (RLA), plant life extension studies, performance improvement and upgrading studies, steam path audit (SPA) etc. NGSL has also expanded its scope of work in areas of FGD O&M and installation, waste to energy projects as well as solar EPC project execution and Solar power plant O&M contracts.

Key financial indicators (audited)

NGSL Standalone	FY2025	FY2026
Operating income	722.53	780.99
PAT	22.4	32.3
OPBDIT/OI	4.28%	6.41%
PAT/OI	3.10%	4.14%
Total outside liabilities/Tangible net worth (times)	7.7	4.3
Total debt/OPBDIT (times)	0.1	0.1
Interest coverage (times)	12.9	10.0

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: Not applicable

Rating history for past three years

	Current (FY2027)			Chronology of rating history for the past 3 years					
	July 27, 2026			FY2026		FY2025		FY2024	
Instrument	Type	Amount Rated (Rs Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based working capital facilities	Long Term	155.5	[ICRA]A+ (Stable)	11-Jun-25	[ICRA]A+ (Stable)	05-Apr-24	[ICRA]A+ (Stable)	-	-
Non-fund based	Short Term	854.5	[ICRA]A1	11-Jun-25	[ICRA]A1	05-Apr-24	[ICRA]A1	-	-
Unallocated	Short Term	191	[ICRA]A1	11-Jun-25	[ICRA]A1	05-Apr-24	[ICRA]A1	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term - Fund-based - Cash credit	Simple
Short-term - Non-fund based - Others	Simple
Unallocated limits	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 / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook	#Financial Sector Regulators
NA	Fund based working capital facilities	NA	NA	NA	155.50	[ICRA]A+ (Stable)	RBI
NA	Non-fund based	NA	NA	NA	854.50	[ICRA]A1	RBI
NA	Unallocated	NA	NA	NA	191.00	[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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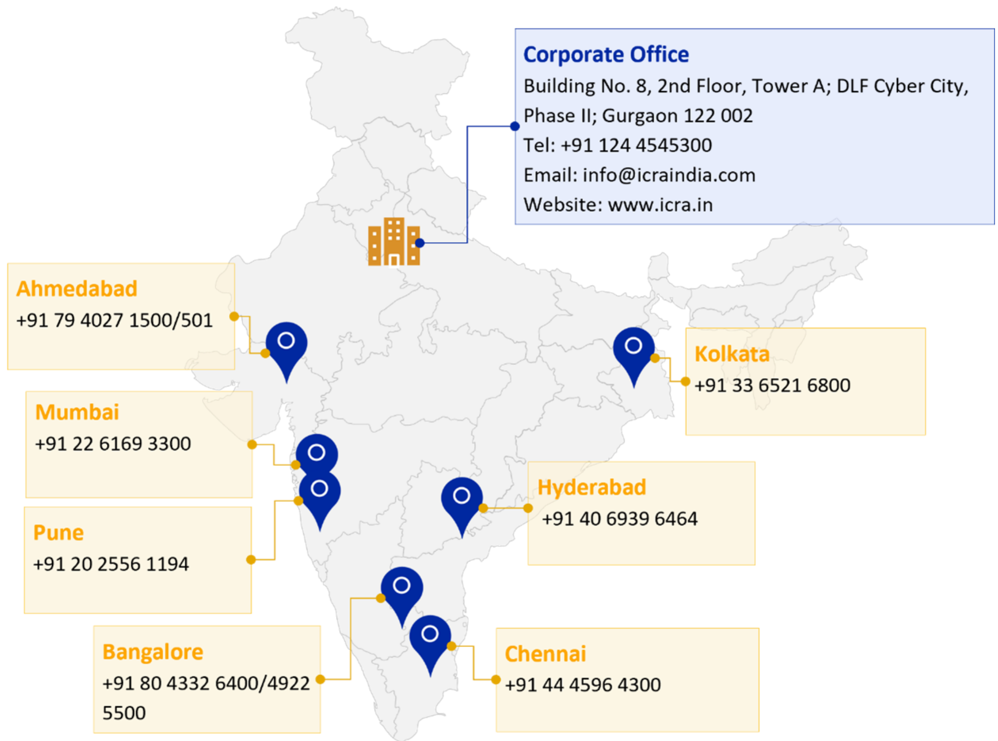

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