



Press Release
ANISH INFRACON INDIA PRIVATE LIMITED
July 29, 2025
Rating Downgraded, Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.00	ACUITE BBB Negative Downgraded Stable to Negative	-
Bank Loan Ratings	95.00	-	ACUITE A2 Reaffirmed
Bank Loan Ratings	29.00	-	Not Applicable Withdrawn
Total Outstanding Quantum (Rs. Cr)	121.00	-	-
Total Withdrawn Quantum (Rs. Cr)	29.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BBB**' (read as **ACUITE Triple B**) from '**ACUITE BBB+**' (read as **ACUITE Triple B plus**) on the Rs.26.00 Cr. bank facilities and reaffirmed the short-term rating of '**ACUITE A2**' (read as **ACUITE A two**) on the Rs.95.00 crore bank facilities of Anish Infracon India Private Limited (AIPL). The outlook is revised from '**Stable**' to '**Negative**'.

Acuité has also withdrawn the short-term rating on the Rs. 29.00 Cr. bank facilities of Anish Infracon India Private Limited (AIPL). The same is withdrawn without assigning any rating as it is a proposed facility. The rating is being withdrawn on account of the request received from the company and as per Acuité's policy on withdrawal of ratings as applicable to the respective facility/instrument.

Rationale for rating

The rating downgrade and outlook revision takes into account significant decline in the top line of AIPL on account of slow execution of work order along with modest growth in order book over the past two years owing to intense competition. Further, the rating is constrained on account of the lower operating margin and intensive working capital operations with high receivables from the quarry debtors. Additionally, AIPL has current order book of Rs.725.79 Cr. which includes single EPC order of Rs.710.00 Cr. under hybrid annuity road project awarded to one of its special purpose vehicles (SPV). This project is currently at nascent stages with a committed equity infusion of ~Rs.80.00 Cr. by AIPL; therefore, timely execution of the same remains a key rating monitorable. However, the rating draws comfort from experienced management and long track record of operations along with moderate financial risk profile with comfortable debt protection metrics and minimal gearing.

About the Company

Anish Infracon India Private Limited (AIPL) is a Gujarat-based infrastructure company engaged in civil and road construction projects for central and state government agencies. The company also trades construction materials sourced from its own quarries. AIPL operates across Gujarat, Maharashtra, and Madhya Pradesh, with operational oversight from its offices in Himmatnagar and Mumbai. The company is professionally managed by its board of directors comprising Mr. Samarthdan Zula, Mr. Reezwan Vijapura, Mr. Arif Vijapura, Mr. Jayesh Patel, and Mr. Riyaz Vijapura.

Unsupported Rating

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Not Applicable.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of the Anish Infracon India Private Limited (AIIPL) to arrive at this rating.

Key Rating Drivers

Strengths

Experienced management and long track record of operations

The company is led by an experienced management team with over four decades of expertise in the civil construction industry. This extensive experience has enabled AIPL to build and maintain strong relationships with government clients and sanctioning authorities. The company has consistently demonstrated a solid track record in timely execution of EPC contracts, including those undertaken through its various Special Purpose Vehicles (SPVs).

Moderate financial risk profile

The company's tangible net worth remained moderate at Rs.151.58 Cr. as on 31 March 2025 (Prov.) compared to Rs.148.50 Cr. as on 31 March 2024. The debt profile primarily comprises short-term borrowings used for maintaining completed road assets. As a result, the gearing (debt-to-equity) remained below unity, at 0.29 times as on 31 March 2025 (Prov.) against 0.22 times as on 31 March 2024. The Total Outside Liabilities to Tangible Net Worth (TOL/TNW) also stood healthy at 0.51 times as on 31 March 2025 (Prov.). However, due to lower EBITDA levels, the Debt/EBITDA ratio increased to 4.65 times in FY25 (Prov.) from 0.93 times in FY24.

Weaknesses

Moderation in scale of operations, reduced profitability and order book concentration

AIPL recorded significantly lower revenues of Rs.86.40 Cr. during FY25 (Prov.) as against Rs.273.52 Cr. in FY24. The decline in revenue is primarily due to slow execution of work orders caused by delays in approvals from authorities and minimal growth in the order book over the past two years owing to stiff bidding competition. The current order book of AIPL stands at Rs.725.79 Cr. as on 30th June 2025, which includes a single hybrid annuity road project of Rs.710.00 Cr. awarded to one of the company's SPVs, thereby indicating concentration risk. This project is currently in its nascent stages, with a committed equity infusion of ~Rs.80.00 Cr. by AIPL; hence, timely execution remains a key rating monitorable.

Further, the operating margin of the company stood at 6.88% in FY25 (Prov.) as against 10.93% in FY24. The moderation in margin is largely due to the lower topline and routine maintenance expenses undertaken for constructed roads. Additionally, the company booked revenue of Rs.13.51 Cr. during Q1 FY26.

Intensive working capital operations

The working capital operations of AIPL are intensive, marked by Gross Current Assets (GCA) of 432 days for FY25 (Prov.) as against 124 days for FY24. The debtor cycle is also elongated and stood at 146 days in FY25 (Prov.) compared to 58 days in FY24 due to high year-end billings. Additionally, a majority of the receivables stem from the quarry business, wherein the EPC buyers are reliant on government disbursements for their payments to the company.

Competitive and fragmented industry

AIPL operates in the civil construction sector, which is highly competitive and fragmented, with several mid-to-large players. The company faces intense competition from other players in the industry. The risk is further amplified as tender awards are often based on the lowest bid pricing. However, this risk is partially mitigated by the management's long-standing experience of over four decades in this operating environment.

Rating Sensitivities

- Ability to scale up operations backed by an increase in order book and timely execution of existing projects.
- Elongation of working capital cycle impacting its financial risk profile.
- Significant outflow to group companies in the form of investments or loans thereby impacting its liquidity.

Liquidity Position

Adequate

AIPL's liquidity position is adequate marked by low yet sufficient net cash accruals against no maturing debt obligations. The company's net cash accruals stood low at Rs.7.06 Cr. in FY25(Prov.) as against Rs.25.56 Cr. in FY24, with no maturing debt obligations in the same tenure. In addition, it is expected to generate a sufficient cash accrual in the range of Rs.10.00-12.00 Cr. over the medium term. The company maintained unencumbered cash and bank balances of Rs.4.24 Cr. as on March 31, 2025 (Prov.). The current ratio stood healthy at 3.00 times as on March 31, 2025(Prov.) The average bank limit utilization stood moderate for fund-based limits stood at ~ 74 percent and for non-fund-based limits stood around ~20 percent for the last 06 months ended June 2025. Acuité believes that the company's liquidity will remain sufficient over the medium term on account of expected recovery in accruals.

Outlook: Negative

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	86.40	273.52
PAT	Rs. Cr.	3.08	21.61
PAT Margin	(%)	3.57	7.90
Total Debt/Tangible Net Worth	Times	0.29	0.22
PBDIT/Interest	Times	6.69	11.95

Status of non-cooperation with previous CRA (if applicable)

Not Applicable.

Any other information

None.

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Apr 2024	Bank Guarantee/Letter of Guarantee	Short Term	25.00	ACUITE A2 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	29.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	40.00	ACUITE A2 (Reaffirmed)
	Secured Overdraft	Long Term	15.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	20.00	ACUITE Not Applicable (Withdrawn)
01 Feb 2023	Bank Guarantee/Letter of Guarantee	Short Term	25.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Proposed Bank Guarantee	Short Term	24.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Bank Guarantee (BLR)	Short Term	40.00	ACUITE A2 (Downgraded from ACUITE A2+)
	Secured Overdraft	Long Term	15.00	ACUITE BBB+ Stable (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	1.00	ACUITE BBB+ Stable (Downgraded from ACUITE A- Stable)
	Cash Credit	Long Term	10.00	ACUITE BBB+ Stable (Downgraded from ACUITE A- Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A2 Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Negative Downgraded Stable to Negative (from ACUITE BBB+)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB Negative Downgraded Stable to Negative (from ACUITE BBB+)
Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB Negative Downgraded Stable to Negative (from ACUITE BBB+)
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	29.00	Simple	Not Applicable Withdrawn

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About Acuité Ratings & Research

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