



**Press Release**  
**R K D CONSTRUCTION PRIVATE LIMITED**  
**August 19, 2025**  
**Rating Reaffirmed**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	144.50	ACUITE A   Positive   Reaffirmed   Stable to Positive	-
Bank Loan Ratings	850.50	-	ACUITE A1   Reaffirmed
Total Outstanding Quantum (Rs. Cr)	995.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed its long-term rating of '**ACUITE A**'(read as **ACUITE A**)and the short-term rating of '**ACUITE A1**' (read as **ACUITE A one**)on the Rs. 995 Cr. bank facilities of R K D Construction Private Limited (RKD). The outlook is revised from '**Stable**' to '**Positive**'.

**Rationale for rating reaffirmation and revision in outlook**

The rating reaffirmation and outlook revision takes into account the healthy business risk profile, supported by its strong project execution capabilities leading to growth in operating revenues and profitability. Further, the rating draws comfort from healthy order book position which is ~2.28 times of FY2025(Prov.) revenue, providing sound revenue visibility over the medium term. The rating also factors in the healthy financial risk profile and adequate liquidity position. However, the rating is constrained by moderate nature of working capital operations, company's high exposure to its group companies & road subsidiaries (SPVs) and the intensity of competition in construction business.

**About the Company**

RKD Construction Private Limited based in Orissa, was started as a proprietorship firm in 1980 by Lt. Rohit Kumar Das and was changed to a closely held company in 1996. The company is engaged in civil construction activities for road and national highway projects. The current directors of the company are Mr. Rohan Das, Mr. Swayam Prakash Das, and Mr. Akshya Kumar Das.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuite has taken a standalone view of the business and financial risk profile of RKD Construction Private Limited to arrive at the rating.

**Key Rating Drivers**

**Strengths**



RKD Construction Private Limited was founded by Late Rohit Kumar Das in 1996. Presently the company is managed by second generation promoters. Further, the current management has more than two decades of experience in construction business. Over the years, the company has developed expertise in road and highway construction through successful completion of projects in Odisha, Jharkhand, and Bihar.

### **Growing scale of operations coupled with healthy order book**

The revenue of the company grew by ~25% in FY2025(Prov.) to Rs. 1,010.18 Cr. from Rs. 805.47 Cr. in FY2024. Further, As of Q1FY2026 the company has achieved revenue in the range of Rs.280- 290 Cr. The growth in revenue is supported by a strong order book position of Rs. 2,301.09 Cr. as on July 31, 2025, executable in next 24-30 months, reflecting sound revenue visibility over the medium term. The operating profit margin of the company also stood steady at 14.46 % in FY2025(Prov.) (14.60% in FY2024). It is further estimated to remain in the similar range over the medium term.

### **Healthy financial risk profile**

The net worth of the company improved to Rs.523.38 Cr. as on March 31, 2025 (Prov.) as against Rs. 453.67 Cr. as on March 31, 2024, on account of accretion of profits to reserves. While the short-term debt of the group increased significantly in FY2025 along with additional equipment borrowings, the gearing continued to remain below unity. Further, the Total outside Liabilities/Tangible Net Worth (TOL/TNW) of the company stood healthy at 1.15 times as on FY2025(Prov.) (0.82 times as on March 31, 2024). The interest coverage and debt service coverage ratio also stood comfortable at 3.77 times and 1.96 times respectively as on March 31, 2025 (Prov.). Acuité believes that the financial risk profile of the company will remain healthy over the medium term backed by absence of any significant debt funded capex plan.

## **Weaknesses**

### **Significant exposure in group companies**

The company has investments (in the equity & preference shares) & loans and advances of Rs 298.03 Cr. as on March 31, 2025 (56.94% of net worth) towards its group companies namely RKD Hotels Private Limited and road SPVs – Palma Gumla Highway Private limited and Bama Highways Private limited. Further, since one of these road SPV is currently under construction and shall require sponsor infusion from RKD. Therefore, any significant outflow towards the group companies thereby impacting the liquidity of the company shall be a key rating monitorable.

### **Moderate nature of working capital operations**

The working capital operations of the company is moderate, marked by gross current assets (GCA) of 124 days as on 31st March 2025(Prov.) as compared to 63 days as on 31st March 2024. The high GCA days is on account of high other current assets mainly comprising of retention/security deposits. The inventory holding stood at 39 days as on 31st March 2025(Prov.) (32 days as on 31st March 2024). Further, the debtor period also stood comfortable at 31 days as on 31st March 2025(Prov.) as compared to 29 days on 31st March 2024.

Acuité believes that the working capital operations of the company will remain at similar levels given the nature of the industry over the medium term.

### **Tender based nature of operations and competitive industry**

The company majorly executes government road construction/widening projects; therefore, the revenue of the company is highly dependent on the number and value of tenders floated by the Government. Moreover, since the nature of operations is tender based, the business depends on the ability to bid for contracts successfully. However, the company has a healthy outstanding order book position on the back of which this risk is reduced upto certain extent.

## **Rating Sensitivities**

- Increasing revenues with order book growth along with maintenance of stable profit margins.
- Any further stretch in the working capital levels affecting the liquidity profile.
- Continued maintenance of the current financial risk profile.
- Significant outflow to group companies in the form of investments or loans thereby impacting its liquidity.

## **Liquidity Position Adequate**

The company has adequate liquidity profile as reflected from its net cash accrual of Rs. 90.88 Cr. in FY2025(Prov.) as against repayment obligations of Rs. 25.00 Cr. during the same period. Further, the company is expected to generate cash accruals in the range of Rs. 99.74 Cr- 115.92 Cr. as against repayment obligation of Rs. 14.80 – 18.26 Cr. during the same period. The average utilisation of fund-based limits stood moderate at ~

86.74% over the last six months ending May 2025, and non-fund-based limit utilisation at ~54.52% for the last six months ended June 2025. The current ratio also stood moderate at 1.13 times in FY2025(Prov.). Further, the cash and bank balance of the company stood at Rs.4.95 Cr. as on March 31, 2025(Prov.).

Acuite expects the liquidity position of the company to remain adequate over the medium term backed by steady accruals.

**Outlook: Positive**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	805.47	752.30
PAT	Rs. Cr.	53.43	48.13
PAT Margin	(%)	6.63	6.40
Total Debt/Tangible Net Worth	Times	0.38	0.42
PBDIT/Interest	Times	3.84	3.97

### 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. Acuite'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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 May 2024	Cash Credit	Long Term	62.50	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	9.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE A   Stable (Reaffirmed)
	Secured Overdraft	Long Term	14.00	ACUITE A   Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	14.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE A   Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	6.00	ACUITE A   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	90.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	262.50	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	86.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	20.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	112.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	45.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	82.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	36.00	ACUITE A1 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	27.00	ACUITE A1 (Reaffirmed)
30 Apr 2024	Cash Credit	Long Term	47.50	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE A   Stable (Assigned)
	Cash Credit	Long Term	9.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE A   Stable (Reaffirmed)
	Secured Overdraft	Long Term	9.00	ACUITE A   Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	14.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	21.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE A   Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	15.00	ACUITE A   Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	90.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	177.50	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	85.00	ACUITE A1 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	5.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	78.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	45.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	44.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	36.00	ACUITE A1 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	150.00	ACUITE A1 (Assigned)
05 Apr 2023	Cash Credit	Long Term	47.50	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	9.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE A   Stable (Reaffirmed)
	Secured Overdraft	Long Term	9.00	ACUITE A   Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	14.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	21.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE A   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	90.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	177.50	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	5.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	78.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	45.00	ACUITE A1 (Reaffirmed)

	Bank Guarantee/Letter of Guarantee	Short Term	44.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	36.00	ACUITE A1 (Reaffirmed)
07 Mar 2022	Cash Credit	Long Term	12.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	35.50	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	7.00	ACUITE A   Stable (Reaffirmed)
	Secured Overdraft	Long Term	10.00	ACUITE A   Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	13.00	ACUITE A   Stable (Reaffirmed)
	Proposed Bank Guarantee	Short Term	10.00	ACUITE A1 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	140.00	ACUITE A1 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	13.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	45.00	ACUITE A1 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	35.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	19.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	44.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	41.00	ACUITE A1 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A1 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	114.50	ACUITE A1 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	50.00	ACUITE A1 (Assigned)



**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
Indian Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	112.00	Simple	ACUITE A1   Reaffirmed
Bank of Baroda	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE A1   Reaffirmed
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	82.00	Simple	ACUITE A1   Reaffirmed
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	36.00	Simple	ACUITE A1   Reaffirmed
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A1   Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	90.00	Simple	ACUITE A1   Reaffirmed
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	262.50	Simple	ACUITE A1   Reaffirmed
Union Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	86.00	Simple	ACUITE A1   Reaffirmed
Union Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A1   Reaffirmed
Karnataka Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A1   Reaffirmed
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	62.50	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Punjab and Sind Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Bank of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	27.00	Simple	ACUITE A1   Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to Positive
Karnataka	Not avl. /	Secured	Not avl. /	Not avl. /	Not avl. /	14.00	Simple	ACUITE A   Positive   Reaffirmed   Stable to



Bank Ltd	Not appl.	Overdraft	Not appl.	Not appl.	Not appl.			Positive
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### About Acuité Ratings & Research

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