



**Press Release**  
**RMK INFRASTRUCTURE PRIVATE LIMITED**  
**April 30, 2025**  
**Rating Reaffirmed and Withdrawn**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	95.91	ACUITE BBB-   Reaffirmed & Withdrawn	-
Bank Loan Ratings	68.99	-	ACUITE A3   Reaffirmed & Withdrawn
Bank Loan Ratings	22.30	-	Not Applicable   Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	187.20	-	-

**Rating Rationale**

Acuite has reaffirmed and withdrawn its long-term rating of ‘**ACUITE BBB-**’ (read as **ACUITE triple B minus**) and short-term rating of ‘**ACUITE A3** (read as **ACUITE A three**)’ to the Rs.164.90 crore bank facilities of RMK Infrastructure Private Limited (RIPL). The rating is being withdrawn on account of request received from the company, and NOC (No Objection Certificate) received from the banker.

Further, Acuite has withdrawn its short-term rating on Rs.22.30 crore of proposed facility of RMK Infrastructure Private Limited (RIPL) without assigning any rating as it is a proposed facility. The rating is being withdrawn on account of request received from the company.

The withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility / instrument.

**Rationale for Rating**

The reaffirmation of the rating factors in the improvement in the operating performance and healthy order book position in FY25 along with improvement in the profitability margins. The rating gets strength from long-standing experience of RIPL's promoters, its established track record of operations, adequate liquidity along with moderate financial risk profile marked by low gearing levels, moderate debt coverage indicators and net worth. However, the rating is constrained on account of its inherent risk of susceptibility to tender based nature of operations, geographical concentration, and intensive nature of working capital operations.

**About the Company**

Pune-based RMK Infrastructure Private Limited (RIPL) was incorporated in 2011 by Mr. Ranjeet Kakade and is mainly into infrastructure construction and industrial construction. In FY2021, stone crushing business of its group company Kakade Stone Crusher, was merged into RIPL. The company has 38.25 lakh tons of annual stone crushing capacity. Directors include Ms. Sunanda Ramdas Kakade and Mr. Ranjeet Ramdas Kakade.

**Unsupported Rating**

Not Applicable

## **Analytical Approach**

Acuite has considered standalone financial and business risk profiles of RIPL to arrive at the rating.

## Key Rating Drivers

### Strengths

#### Experienced management and established presence in infrastructure construction

RIPL is in the business of infrastructural construction since a decade. The company was established in 2011 by Mr. Ranjeet Kakade, who is a civil engineer and has ~10 years of experience in the construction segment. The promoter's long experience has enabled RIPL to successfully win the tenders and complete the projects. RIPL has done various infrastructure projects of the state government and Municipal Corporations besides industrial constructions. Further, the company is also looking to expand its rental business, where in constructed industrial sheds are given to other companies on a rental basis. Also, the company deals in tender based contracts which includes Government entities where the bid winning ratio is ~70% and execute projects for some private contracts and some In-house construction.

Acuite believes that RIPL's established presence supported by strong experience of the management may continue to support the company's growth in near to medium term.

#### Improvement in revenue and profitability in 11MFY25

The revenue of the company showed a significant improvement in 11MFY25 and stood at Rs.285.43 crore against Rs.196.25 crore in FY24 and Rs.238.97 crore in FY23. The improvement in the revenue is primarily due to better execution of orders in hand. The operating profitability of the company declined in FY2024 and stood at 9.95 per cent as against 11.60 per cent in FY23, the decline is attributed to high fixed cost and admin expenses. However, the profitability is going to improve in FY25 and is estimated to be in the range of 15-20 per cent and PAT margin is expected to be in the range of 10-12 per cent. Additionally, the company has an unexecuted order book position of Rs.152.36 crore as on 28-02-2025 which gives revenue visibility in near to medium term.

#### Moderate financial risk profile

The financial risk profile of the company is moderate marked by comfortable net worth, gearing and debt protection metrics. The tangible net worth of the company stood at Rs.109.25 crore as on March 31, 2024 as against Rs.96.82 crore as on March 31, 2023. The total debt of the company stood at Rs.108.78 crore as on March 31, 2024, as against Rs.97.32 crore as on March 31 2023. The gearing stood moderate at 1.00 times as on March 31, 2024, as against 1.01 times as on March 31 2023. The debt protection metrics declined however stood comfortable as DSCR stood at 1.58 times in FY2024 as against 1.81 times in FY2023, while ICR stood at 3.25 times in FY2024 against 4.08 times in FY2023. The NCA/TD also stood at 0.16 times in FY2024 against 0.22 times in FY2023.

Acuite believes that the financial risk profile of RIPL is expected to remain moderate over the medium term due to its moderate debt levels vis-à-vis moderate tangible net worth and moderate debt protection metrics.

### Weaknesses

#### Geographical concentration and tender-based business

RIPL's entire business is from Maharashtra and Pune. Thus, any negative development in this state/district would have a sharp negative implication on RIPL's overall operating performance and so on financial risk profile and liquidity. Further to reduce the geographical concentration, the company has started looking at expanding in other states. Further, majority of construction business of RIPL is based on tenders floated by MIDC, PCMC, MLDL, etc. Thus, the company's revenue is subject to the successful bidding of tenders amidst high competitive intensity, which also impacts the pricing power of players.

#### Intensive Working Capital Operations

The working capital management of the company is intensive marked by high GCA days of 339 days in FY2024 as against 258 days in FY2023. The debtor days improved marginally and stood at 131 days in FY2024 as against 140 days in FY2023. The improvement in debtor days is primarily due to improved billing in FY2024. The creditor days stood high at 150 days in FY2024 as against 97 days in FY2023. The inventory days stood significantly high at 58 days in FY2024 as against 07 days in FY2023 due to high stocking at the year end due to fluctuations in raw materials. The bank limits utilisation for 4 month ended February 2025 stood at 21% and non-fund based for 11 month ended February 2025 stood at 92.47 per cent.

Acuite believes that RIPL's GCA days will remain intensive in the medium term, thus maintaining intensive working capital operations considering the nature of the business.

### Rating Sensitivities

Not Applicable

### Liquidity Position

Adequate

The company's liquidity position is adequate marked by adequate net cash accruals against its maturing debt obligations. The company has a net cash accrual of Rs.16.88 crore against its maturing debt obligation of Rs.7.34 Cr. The working capital management of the company is intensive marked by high GCA days of 339 days in FY2024 as against 258 days in FY2023. The company maintains unencumber cash and bank balance of Rs.0.68 crore as on March 31,2024. The current ratio stood at 2 times in FY2024. The bank limits utilisation for 4 month ended February 2025 stood at 21% and non-fund based for 11 month ended February 2025 stood at 92.47 per cent.

**Outlook: Not Applicable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	196.25	238.97
PAT	Rs. Cr.	12.29	16.51
PAT Margin	(%)	6.26	6.91
Total Debt/Tangible Net Worth	Times	1.00	1.01
PBDIT/Interest	Times	3.25	4.08

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

Not Applicable

**Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)**

**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
02 Feb 2024	Bank Guarantee (BLR)	Short Term	22.00	ACUITE A3 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	22.30	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	30.49	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	16.50	ACUITE A3 (Reaffirmed)
	Working Capital Term Loan	Long Term	0.56	ACUITE BBB- (Reaffirmed & Withdrawn)
	Working Capital Term Loan	Long Term	0.24	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	4.24	ACUITE BBB- (Reaffirmed & Withdrawn)
	Cash Credit	Long Term	12.00	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Cash Credit	Long Term	12.00	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Cash Credit	Long Term	10.00	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	0.06	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	10.00	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	16.91	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	10.43	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Working Capital Term Loan	Long Term	1.63	ACUITE BBB-   Negative (Reaffirmed (Stable to Negative))
	Term Loan	Long Term	1.97	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	3.43	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	2.36	ACUITE BBB- (Reaffirmed & Withdrawn)
07 Nov 2022	Bank Guarantee (BLR)	Short Term	30.49	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	16.50	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	22.00	ACUITE A3 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	35.33	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	4.00	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	4.10	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	5.00	ACUITE BBB-   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	7.85	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	26.00	ACUITE BBB-   Stable (Reaffirmed)

	Cash Credit	Long Term	10.00	ACUITE BBB-   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	0.46	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	14.27	ACUITE BBB-   Stable (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.49	Simple	ACUITE A3   Reaffirmed & Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.50	Simple	ACUITE A3   Reaffirmed & Withdrawn
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE A3   Reaffirmed & Withdrawn
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.30	Simple	Not Applicable   Withdrawn
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	03 Feb 2027	2.03	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	07 Jul 2024	0.67	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	07 Mar 2026	2.64	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	10 Jan 2028	10.03	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Feb 2024	0.06	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	06 Oct 2030	10.00	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Sep 2035	16.91	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	06 Oct 2033	10.43	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	25 Apr 2028	1.63	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
Kotak Mahindra Bank	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	07 Mar 2025	0.22	Simple	ACUITE BBB-   Reaffirmed & Withdrawn
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	07 Mar 2027	7.29	Simple	ACUITE BBB-   Reaffirmed & Withdrawn



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### About Acuité Ratings & Research

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