



Press Release
GANGAMAI KALYAN ACR PRIVATE LIMITED
October 07, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	90.00	ACUITE BBB Stable Assigned	-
Bank Loan Ratings	525.00	ACUITE BBB Stable Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	615.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on Rs.525.00 Cr. bank facilities of Gangamai Kalyan ACR Private Limited (GKACR). The outlook is '**Stable**'.

Further Acuite has assigned long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on Rs.90.00 Cr. bank facilities of Gangamai Kalyan ACR Private Limited (GKACR). The outlook is '**Stable**'.

Rationale for rating

The rating reaffirmation considers refinancing of existing term loan with the additional sanction of term loan of Rs 90.00 Cr. with the total term loan amount of Rs 615.00 Cr. thereby impacted the average debt service coverage ratio of the company albeit stood above unity i.e.1.07 times till the tenure of the loan. It also factors receipt of three annuities payments till September-2025 and expected to receive the further annuity as per the annuity schedule. Further, the rating factors adequate liquidity of the company in the form of DSRA (Debt Service Reserve Account) created equivalent to six months interest and one principal instalment coupled with an escrow mechanism. Acuite has also considered the technical support and funding support in the form of corporate guarantees for the loan availed from the sponsor while arriving at the rating. These strengths are however partly offset by susceptibility to risks related to delay in receipt of annuity and changes in operational cost & interest rate. Acuite notes that average DSCR is declined and any further decline would be monitorable.

About the Company

Maharashtra based GKACR was incorporated in December 2020 as a joint venture between Gangamai Industries & Construction Limited (GICL) (51 percent) and Kalyan Toll Infrastructure Limited (KTIL) (49 percent). On November 24, 2024, KTIL existed GKACR and is now 100% held by GICL. It was formed as a special purpose vehicle (SPV) to undertake the four laning of Ausa Chakur road which is part of National Highway 361 near Aurangabad under the Hybrid Annuity Model (HAM). National Highway Authority of India (NHAI) is the concessioning authority for the project. The present directors of GKACR are Mr. Ranjeet Padmakar Mulay and Mr. Padmakar Haribhau Mulay.

Analytical Approach

Team has considered the standalone business and financial risk profile of Gangamai Kalyan ACR Private Limited (GKACR) while arriving at the rating. The financial support expected from the Parent/Sponsor companies Gangamai Industries and Construction Private Limited (GICL) whenever required has been factored while arriving at the rating.

Key Rating Drivers

Strengths

Experienced management along with extensive experience of sponsor

Gangamai Kalyan ACR Private Limited (GKAPL) was established in December 2020 as a JV between Gangamai Industries and Constructions Limited (51 percent) and Kalyan Toll Infrastructure Limited (49 percent). In FY2025, KTIL exited the company and currently 100 percent shareholding is with GICL. GICL is a part of Padmakar Mulay Group of Companies of Aurangabad, incorporated in May 1999. The group is led by Mr. Padmakar H Mulay an industrialist having more than 45 years of rich experience. GICL has provided the financial support to project undertaken by GKACR wherein ~Rs.124.70 crore was infused by GICL and the same has been reduced to Rs 8.19 Cr. as on March 31, 2025 (Prov.) by way of availing the enhancement in the existing term loan facilities. Acuite believes that the company will benefit from the experienced track record of operations of the sponsor GICL in the near to medium term.

Annuity-based revenue model

The project being constructed under hybrid annuity model. Under this model, NHAI makes bi-annual payment over the concession period to the concessionaire. The company does not bear any traffic risk as it recovers whole of the capital cost through annuity. Further, bi-annual operational and maintenance expense and interest cost reimbursement to the extent of bank rate+3 per cent is given to the concessionaire during the concession phase. The company has achieved 100 per cent construction stage and received all milestone payment from the authority. Further, the company has achieved COD (Commercial Operation Date) as on May 15, 2024. Also received three annuities' payments till September 2025 and expecting to receive the further annuity payments as per the annuity schedule. Further, the existing loan with Union Bank of India has been taken over by Bank of Maharashtra with a Top up loan of Rs 90.00 crore amounting to total loan sanctioned of Rs.615.00 Cr. and the said top up loan has also been disbursed in the month of June-25 thereby impacted the average debt service coverage ratio of the company albeit stood above unity i.e.1.07 times till the tenure of the loan. Further enhancement in term loan coupled with repayment of term loan facilities would remain key monitorable.

Waterfall Mechanism in ESCROW account and Debt-service reserve account (DSRA)

GKAPL has escrow mechanism through which cash flows from authority is routed and used for payment as per the defined payment waterfall. The company has to maintain DSRA equivalent to six months interest and one principal instalment. Further, only surplus cash flow after meeting operating expense, debt servicing obligation, and provision for major maintenance expense, can be utilised as per borrower's discretion during the concession period. Further, corporate guarantee of sponsor is available. Any shortfall in debt servicing and shortfall in resources till the tenure of loan is to be met through support from GICL.

Weaknesses

Susceptibility to risks related to delay in receipt of annuity and changes in operational cost & interest rate

As per the concession agreement, the company is expected to receive a semi-annual annuity. Any delay in timely receipt of the annuity could adversely impact debt-servicing ability. Along with fixed annuities, the project will receive interest payments on the balance annuities that are linked to the prevailing bank rate. The bank rate has reduced significantly in past couple of years which has impacted the project inflow as a large proportion of the cash inflow is from the interest on balance annuities. However, this risk is partially offset as the interest rate on debt is floating and is also expected to follow the trend in bank rates thus

keeping DSCR in check. Further, the company is exposed to risks related to maintenance of the project. If the prescribed standards are not met, annuity payment may be reduced. Any significant delay and deduction in annuities could impact the debt servicing ability of the company. However, strong track record of sponsor, who is also the O&M contractor, is expected to mitigate this risk.

Top-up loans resulting in decline in DSCR

The company has refinanced the existing term loan coupled with top up in the existing facilities of Rs 90.00 Cr. making total term loan amount of Rs 615.00 Cr. thereby impacted the average debt service coverage ratio of the company albeit stood above unity i.e.1.07 times till the tenure of the loan. Acuite notes that average DSCR is declined and any further decline would be monitorable.

Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the "CE" suffix)

Gangamai Industries and Construction Private Limited (GICPL) has extended a corporate guarantee for the term loan facilities availed by GKAPL. This being the part of Gangamai Group helps to strengthening the credit profile of the GKAPL.

Stress case Scenario

Acuite believes that, given the adequacy of the strategic and financial support by GICPL in the form of corporate guarantee, GKAPL will be able to service its debt on time, even in a stress scenario.

ESG Factors Relevant for Rating

Gangamai Kalyan ACR Private Limited committed to maintaining the standards of Environmental, Social, and Governance compliance in all its operations. The company ensures that all project activities under the HAM model conform to applicable statutory, regulatory, and contractual requirements of NHAI and relevant authorities. The organization remains dedicated to sustainable infrastructure development and to upholding the confidence of all stakeholders, including lenders, regulatory bodies, and the public.

For Environmental

The company has adopted and implemented an Environmental Management Plan (EMP) in accordance with the requirements of NHAI and the Ministry of Environment, Forest and Climate Change (MoEF&CC).

- **Regulatory Compliance:** All construction activities are carried out strictly in accordance with environmental clearances and statutory norms prescribed by MoEF &CC and the State Pollution Control Board.
- **Pollution Control:** Regular dust suppression through water sprinkling, deployment of low-emission machinery, and installation of noise barriers near residential areas.
- **Material and Energy Efficiency:** Use of fly ash, recycled aggregates, and energy-efficient construction methods to optimize resource utilization.
- **Green Cover & Afforestation:** Implementation of compensatory plantation programs and landscaping works along the project corridor in consultation with the Forest Department.
- **Waste & Hazard Management:** Scientific disposal of construction and hazardous waste in accordance with CPCB guidelines.

The company continues to monitor and report on environmental parameters throughout the project lifecycle to ensure sustained compliance.

For Social

- **Local Employment & Skill Development:** Preference given to local workforce and vendors, enhancing livelihood opportunities and regional capacity building.
- **Health & Safety:** Implementation of a robust Occupational Health and Safety

Management Plan (OHSMP), ensuring use of personal protective equipment (PPE), periodic safety training, and emergency response preparedness.

- Community Development: Undertaking community welfare initiatives such as improvement of access roads and other support in nearby villages under CSR commitments.
- Stakeholder Engagement: Regular consultations with local authorities, community representatives, and project-affected persons to address grievances and maintain transparency.
- Compliance with R&R Norms: Adherence to NHAI's Resettlement and Rehabilitation (R&R) framework and the provisions of the Right to Fair Compensation and Transparency in Land Acquisition Act, 2013.

For Governance Factors

- Corporate Oversight: The company's Board and senior management oversee project implementation, ESG performance, and compliance reporting.
- Transparency & Disclosure: Maintenance of accurate records, timely submission of statutory returns, and full compliance with the Companies Act, 2013 and other applicable financial regulations.
- Ethics & Anti-Corruption: Implementation of a Code of Conduct and anti-bribery policy with zero tolerance for unethical practices.
- Audit & Risk Management: Periodic internal audits, third-party inspections, and quality assurance mechanisms are in place to ensure adherence to NHAI concession conditions and safeguard lender interests.
- Sustainability Integration: ESG parameters are embedded in decision-making, project design, and operational stages to ensure long-term environmental and social sustainability.

Rating Sensitivities

- Timely receipt of annuity payments from NHAI going forward
- Further augment in debt profile thereby impacting financial risk profile and liquidity of the company
- Significant deterioration in the sponsor's credit profile.
- Timely support from the sponsor for O&M activities.

Liquidity Position

Adequate

GKACR's liquidity position is adequate marked by timely milestone payment received from NHAI, while executing the project and also the company started receiving the annuity payments from August 2024. Acuité expects the liquidity of GKACR is likely to remain adequate backed by consistent support from government in terms of annuity payments and also DSRA maintained by the company equivalent to six months interest and one principal instalment. The cash and bank balance stood at Rs. 0.03 Cr. as on March 31, 2025(Prov).

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	103.74	7.80
PAT	Rs. Cr.	2.96	(0.11)
PAT Margin	(%)	2.85	(1.38)
Total Debt/Tangible Net Worth	Times	(1.23)	(1.08)
PBDIT/Interest	Times	1.80	0.97

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>
- Group And Parent Support: <https://www.acuite.in/view-rating-criteria-47.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Jan 2025	Term Loan	Long Term	390.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	135.00	ACUITE BBB Stable (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	46.00	ACUITE Not Applicable (Withdrawn)
23 Jul 2024	Proposed Short Term Bank Facility	Short Term	46.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Term Loan	Long Term	390.00	ACUITE BBB Stable (Upgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	135.00	ACUITE BBB Stable (Assigned)
13 Jul 2023	Proposed Short Term Bank Facility	Short Term	46.00	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	390.00	ACUITE BBB- Stable (Reaffirmed)
14 Apr 2022	Bank Guarantee (BLR)	Short Term	46.00	ACUITE A3 (Assigned)
	Term Loan	Long Term	40.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	350.00	ACUITE BBB- Stable (Assigned)

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 Maharashtra	Not avl. / Not appl.	Term Loan	09 Jun 2025	Not avl. / Not appl.	31 May 2038	525.00	Simple	ACUITE BBB Stable Reaffirmed
Bank of Maharashtra	Not avl. / Not appl.	Term Loan	09 Jun 2025	Not avl. / Not appl.	31 May 2038	90.00	Simple	ACUITE BBB Stable Assigned

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr No	Name of the entity
1	Gangamai Kalyan ACR Private Limited
2	Gangamai Industries and Construction Private Limited

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About Acuité Ratings & Research

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