



Press Release
GANADHIPATI CONSTRUCTION PRIVATE LIMITED
December 05, 2025
Rating Assigned and Reaffirmed

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|-------------------------------------|------------------------|
| Bank Loan Ratings | 10.99 | ACUITE BBB- Negative Assigned | - |
| Bank Loan Ratings | 3.25 | ACUITE BBB- Negative Reaffirmed | - |
| Bank Loan Ratings | 54.00 | - | ACUITE A3 Assigned |
| Bank Loan Ratings | 43.75 | - | ACUITE A3 Reaffirmed |
| Total Outstanding Quantum (Rs. Cr) | 111.99 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating of **"ACUITE BBB-" (read as ACUITE triple B minus)** and short term rating of **"ACUITE A3" (read as ACUITE A three)** on the Rs.47.00 Cr. bank facilities of Ganadhipati Construction Private Limited. The outlook is revised from **"Stable"** to **"Negative"**. Acuite has also assigned the long-term rating of **"ACUITE BBB-" (read as ACUITE triple B minus)** and short term rating of **"ACUITE A3" (read as ACUITE A three)** on the Rs.64.99 Cr. bank facilities of Ganadhipati Construction Private Limited. The outlook is **"Negative"**.

Rationale for Rating

The revision in outlook reflects the decrease in operating income, which stood at Rs.53.58 Cr. in FY2025 as against Rs.100.80 Cr. in FY2024 on account of delay in funds release in the last quarter of the year owing to the State Elections in Bihar and going forward, the ability of the company to scale up the operations while sustaining its profitability will remain a key rating monitorable. Further, working capital operations of the company are intensive marked by GCA days at 375 days as on 31st March 2025 as against 165 days as on 31st March 2024 and the company is also exposed to geographic concentration risk as GCPL majorly executes orders in Bihar. However, the rating draws comfort from the established track record of operations, experience of the management in the same line of business along with the unexecuted order book of Rs.730.51 Cr. (13.63x of the revenue of the company in FY2025) as on 31st October, 2025. The rating further takes into consideration the EBITDA and PAT margin of the company, which stood at 21.93% and 17.33% respectively in FY2025. Moreover, the financial risk profile of the company is marked by comfortable net worth and coverage indicators along with gearing below unity and the liquidity position is adequate as reflected by sufficient net cash accruals against its debt obligations. Acuite also notes risks related to the tender-based nature of business, volatility in raw material prices and intense competition in the civil construction industry.

About the Company

Ganadhipati Construction Private Limited (GCPL) was incorporated in 1998. The Company is

engaged in civil construction activities related to water supply for government bodies. Mr. Janardan Prasad, Mrs. Leelawati Prasad and Ms. Preeti Kumari are directors of the company. The registered office of the company is in Patna.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of Ganadhipati Construction Private Limited to arrive at the rating.

Key Rating Drivers

Strengths

Experienced Management and long track record of operation

Patna based, GCPL started its operation in 1998 and is engaged in civil construction activities related to water supply for clientele like BUIDCO, UP Jal Nigam and others in Bihar and its adjacent states. The promoter of the company, Mr. Janardan Prasad has more than three decades of experience in the same line of business through his proprietorship company JP Enterprises. The long-standing track record of the management has enabled the company to leverage upon the relationship built with the government departments and suppliers, which resulted into a healthy order book position for the company. Acuite believes that the company will continue to derive benefit from the long track of operations and strong understanding of business dynamics of the experienced management.

Comfortable Financial Risk Profile

The financial risk profile of the company is marked by net worth of Rs.102.67 Crore as on 31st March 2025 against Rs.92.95 Crore as on 31st March 2024. The increase in the net worth is on an account of accretion of profits into reserves. The capital structure of the company is marked by gearing ratio which stood at 0.46 times as on 31st March 2025 against 0.16 times as on 31st March 2024. Additionally, the ROCE of the company stood at 11.03% in FY2025. The coverage indicators of the company are reflected by interest coverage ratio and debt service coverage ratio which stood at 5.02 times and 2.55 times respectively as on 31st March 2025. The TOL/TNW ratio of the company stood at 0.69 times as on 31st March 2025 against 0.60 times as on 31st March 2024 and DEBT-EBITDA of the company stood at 3.16 times as on 31st March 2025 against 0.60 times as on 31st March 2024. Furthermore, the company has acquired land on lease in Greater Noida, Uttar Pradesh, for developing a commercial property. The cost of the project is expected to be around Rs.206.26 Cr. and is expected to be completed in FY2030. The said expansion is expected to be funded by a mix of promoter contribution, internal accruals and loan from banks. Acuite expects that the financial risk profile of the company may slightly moderate yet remain comfortable in near to medium on the back of debt funded capex plans.

Healthy Order book position providing revenue visibility

GCPL has an unexecuted order book of Rs.730.51 Crore (13.63x of the revenue of the company in FY2025) as on 31st October, 2025. The orders are for civil construction activities related to water supply from clientele like Bihar Urban Infrastructure Development Corporation, Uttar Pradesh Jal Nigam and others. All its projects are on the direct tendering basis. Further, though the company's profitability is exposed to volatility in raw material, it has an in-built price escalation clause for major raw materials in most of its contracts. Additionally, the company also tenders in bid of Rs.533.00 Cr. as on 15th November, 2025. Going forward, the revenue and profitability of the company are expected to be supported by the execution of orders in hand coupled with the incremental order book. However, the ability of the company to bag new orders, timely execution of the existing orders along with timely payment for the executed projects will remain a key rating monitorable.

Weaknesses

Decrease in revenue albeit increase in operating margin

The operating income of GCPL stood at Rs.53.58 Cr. in FY2025 as against Rs.100.80 Cr. in FY2024. Moreover, the company booked revenue of Rs.16.72 Cr. in 7M FY2026 as against Rs.17.48 Cr. as on 7M FY2025. The projects executed by the company are majorly from Bihar Urban Infrastructure Development Corporation (BUIDCO). There has been a slowdown in the execution of orders and funds release owing to the State Elections in Bihar. However, currently, the execution of projects has started and the major portion of revenue is expected to be booked in the last quarter of the year, in line with the past trends of the company. However, despite the decrease in revenue, the EBITDA margin of the company stood at 21.93 percent in FY2025 as against 21.59 percent in FY2024 and the PAT margin stood at 17.33 percent in FY2025 as against 18.75 percent in FY2024. Acuite believes that going forward, the ability of the company to sustain its scale of operations while maintaining its profitability margins will remain a key rating sensitivity.

Intensive Working Capital operations

The working capital operations of the company are intensive, marked by GCA days at 375 days as on 31st March 2025 as against 165 days as on 31st March 2024. The high GCA days are on account of higher inventory holding, which stood at 100 days as on 31st March 2025 as against 20 days as on 31st March 2024 and higher other current assets, which stood at Rs.41.49 Cr. as on 31st March 2025 as against Rs.22.86 Cr. as on 31st March 2024 which majorly includes security deposits, GST receivable, advances to suppliers and others, etc. The EPC business retains a naturally elevated working capital intensity, attributed to prolonged project execution timelines, payments tied to project milestones, and the release of retention money. Accordingly, the debtor days of the company stood at 22 days as on 31st March 2025 and the creditor days stood at 212 days as on 31st March 2025. Acuite expects the working capital operations of the company to improve in the near to medium term on the back of the execution of orders by the company and same will remain a key rating sensitivity.

Competitive and fragmented industry with tender based operations

GCPL is engaged as an EPC contractor for water supply infrastructure projects. The company faces intense competition from the presence of several mid to large sized players in the said industry. The risk becomes more pronounced as tendering is based on the minimum amount of bidding on contracts. However, in the face of such competitive pressures, Acuite believes that GCPL is well positioned on account of healthy order book position, its long-standing relationship with the government department in the industry, and the long track record and experience of its promoters spanning nearly three decades. Additionally, the company remains exposed to geographical concentration risk as GCPL majorly caters to Bihar Urban Infrastructure Development Corporation (BUIDCO). Acuite believes that diversification of the customer base will remain a key rating sensitivity.

Rating Sensitivities

- Movement in topline of the company while maintaining profitability position.
- Working capital cycle.
- Timely execution for projects in hand

Liquidity Position**Adequate**

The liquidity profile of the company is adequate marked by net cash accruals of Rs.10.01 Crore as on 31st March 2025 against debt repayment obligation of Rs.2.13 Crore over the same period. The current ratio of the company stood at 1.37 times as on 31st March 2025 against 1.06 times as on 31st March 2024. The cash and bank balance available with the company stood at Rs.0.63 Crore as on 31st March 2025. Further, the fund based and non-fund based bank limit utilization of the company stood at 91.21% and 73.80% respectively for the last six months ended October, 2025. Acuite expects the liquidity profile of the company to remain adequate in the near to medium term supported by sufficient accruals to its debt

obligations.

Outlook: Negative

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 25 (Actual) | FY 24 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 53.58 | 100.80 |
| PAT | Rs. Cr. | 9.28 | 18.90 |
| PAT Margin | (%) | 17.33 | 18.75 |
| Total Debt/Tangible Net Worth | Times | 0.46 | 0.16 |
| PBDIT/Interest | Times | 5.02 | 15.56 |

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, 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 |
|-------------|------------------------------------|------------|-----------------|-----------------------------------|
| 29 Nov 2024 | Bank Guarantee/Letter of Guarantee | Short Term | 3.75 | ACUITE A3 (Reaffirmed) |
| | Bank Guarantee/Letter of Guarantee | Short Term | 40.00 | ACUITE A3 (Reaffirmed) |
| | Secured Overdraft | Long Term | 2.00 | ACUITE BBB- Stable (Reaffirmed) |
| | Secured Overdraft | Long Term | 1.25 | ACUITE BBB- Stable (Reaffirmed) |
| 05 Sep 2023 | Bank Guarantee/Letter of Guarantee | Short Term | 40.00 | ACUITE A3 (Assigned) |
| | Bank Guarantee/Letter of Guarantee | Short Term | 3.75 | ACUITE A3 (Assigned) |
| | Secured Overdraft | Long Term | 2.00 | ACUITE BBB- Stable (Assigned) |
| | Secured Overdraft | Long Term | 1.25 | 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 |
|----------------------|----------------------|------------------------------------|----------------------|----------------------|----------------------|-------------------|------------------|--|
| ICICI BANK LIMITED | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 14.00 | Simple | ACUITE A3 Assigned |
| Punjab National Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 40.00 | Simple | ACUITE A3 Assigned |
| 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 A3 Reaffirmed |
| ICICI BANK LIMITED | Not avl. / Not appl. | Bank Guarantee/Letter of Guarantee | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 3.75 | Simple | ACUITE A3 Reaffirmed |
| Union Bank of India | Not avl. / Not appl. | Secured Overdraft | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 2.00 | Simple | ACUITE BBB- Negative Reaffirmed Stable to Negative |
| ICICI BANK LIMITED | Not avl. / Not appl. | Secured Overdraft | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 1.25 | Simple | ACUITE BBB- Negative Reaffirmed Stable to Negative |
| ICICI BANK LIMITED | Not avl. / Not appl. | Secured Overdraft | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 0.99 | Simple | ACUITE BBB- Negative Assigned |
| Punjab National Bank | Not avl. / Not appl. | Secured Overdraft | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00 | Simple | ACUITE BBB- Negative Assigned |

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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