



**Press Release**  
**RAJ INFRASTRUCTURE DEVELOPMENT INDIA PRIVATE LIMITED**  
**May 26, 2025**  
**Rating Assigned and Upgraded**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	39.00	ACUITE BBB+   Stable   Assigned	-
Bank Loan Ratings	20.00	ACUITE BBB+   Stable   Upgraded	-
Bank Loan Ratings	120.00	-	ACUITE A2   Assigned
Bank Loan Ratings	80.00	-	ACUITE A2   Upgraded
Total Outstanding Quantum (Rs. Cr)	259.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuité has upgraded its long-term rating to **'ACUITE BBB+' (read as ACUITE Triple B Plus)** from **'ACUITE BBB' (read as ACUITE Triple B)** and the short-term rating to **'ACUITE A2' (read as ACUITE A two)** from **'ACUITE A3+' (read as ACUITE A Three Plus)** on the Rs.100.00 Cr. bank facilities of Raj Infrastructure Development India Private Limited (RID IPL). The outlook is **'Stable'**.

Acuite has assigned its long-term rating of **'ACUITE BBB+' (read as ACUITE Triple B Plus)** on the Rs. 39.00 Cr. and short-term rating of **'ACUITE A2' (read as ACUITE A two)** on the Rs. 120.00 Cr. bank facilities of Raj Infrastructure Development India Private Limited (RID IPL). The outlook is **'Stable'**.

**Rationale for upgrade**

The rating upgrade reflects the improvement in the scale of operations and healthy order book position. Further, it factors in the continuing healthy financial risk profile marked by strengthening network, low gearing and strong debt protection metrics coupled with adequate liquidity profile and moderate nature of working capital operations. The rating also considers the established track record of operations and extensive industry experience of the promoters in the civil construction works. However, the rating is constrained due to intense competition, susceptibility of operating margin to volatility in input material prices and labour charges, geographical concentration risk as RID IPL mostly operates in Maharashtra and risk associated with tender based nature of operations.

**About the Company**

Raj Infrastructure Development India Private Limited (RID IPL), was incorporated in 1996 and is headquartered in Maharashtra. The company is engaged in construction of Highways and Bridges, executing Irrigation Projects, Land Development, Industrial Construction, Residential Construction, Public Private Projects. The Directors of the company are Mr. Ram Udaysing Nimbalkar, Ms. Rutuja Ram Nimbalkar and Mr. Adhiraj Ram Nimbalkar. The company's clientele includes various government entities such as NHAI, MoRTH, PWD, MSRDC, MIDC and several other corporations. The current directors of the company are Mr. Ram Udaysing Nimbalkar, Ms. Rutuja Ram Nimbalkar and Mr. Adhiraj Ram Nimbalkar.

**Unsupported Rating**

Not applicable

**Analytical Approach**

Acuite has considered the standalone business and financial risk profile of Raj Infrastructure Development India Private Limited (RID IPL) to arrive at the rating.

## Key Rating Drivers

### Strengths

#### Experienced management and established track record of operations

The company is managed by Mr. Ram Nimbalkar, Director, along with Ms. Rutuja Ram Nimbalkar and Mr. Adhiraj Ram Nimbalkar and a team of experienced personnel. The directors have over two decades of experience in construction business. It has successfully completed various projects with several reputed counterparties like NHAI, Public Works Departments, Maharashtra and MSRDC among others. The long-standing experience of the promoter and long track record of operations has helped the company to establish comfortable relationships with key suppliers and reputed customers. Acuité believes that the long track record of operations and rich experience of the promoters' will continue to aid the business risk profile of the company.

#### Improved operating performance backed by healthy order book position

The company reported a substantial improvement in its operating performance, with revenue increasing to Rs. 390.94 Cr. in FY 2025(Prov.), from Rs. 287.32 Cr. in FY 2024 on account of higher execution of contract works during the year. This growth is supported by a healthy order book position, with unexecuted orders of ~ Rs. 1849.33 Cr., as of May 2025, compared to Rs.932 Cr. as of February 2024, thereby reflecting strong revenue visibility for the medium term. The company achieved an operating margin of 22.29 per cent in FY25 (Prov), up from 21.73 per cent in FY24. The PAT margin also improved to 14.40 per cent in FY25(Prov) from 14.20 per cent in FY24. Acuité believes that RIDIPLs operating performance would remain stable over the medium term backed by its healthy order book position.

#### Healthy financial risk profile

The financial risk profile of the company continues to be healthy, marked by strengthening network, low gearing and strong debt protection metrics. The net worth of the company grew to Rs. 325.66 Cr. in FY 2025(Prov), from Rs. 269.77 Cr. in FY 2024. This improvement in net worth is mainly due to the retention of profits. Further, the gearing level improved to 0.10 times as of March 31, 2025(Prov.), compared to 0.12 times as of March 31, 2024. The debt protection metrics are comfortable, with the debt service coverage ratio (DSCR) of 5.15 times in FY 2025(Prov.), compared to 4.08 times in the previous year. The Total outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 0.48 times as of March 31, 2025(Prov.), compared to 0.35 times as of March 31, 2024. The Net Cash Accruals to Total Debt (NCA/TD) stood at 2.04 times in FY 2025(Prov.), compared to 1.67 times in the previous year. Acuité believes the financial risk profile of the company is likely to remain healthy on account of expected steady net cash accruals and absence of any major debt-funded capex over the near term.

#### Moderate working capital intensity

The working capital operations of the company are moderate in nature, marked by GCA of 252 days in FY2025(Prov.) against 187 days in FY2024. The Debtors' collection period improved and stood at 68 days in FY2025(Prov.), as compared to 112 days in FY2024. Inventory days elongated to 56 days in FY2025(Prov.) from 9 days in FY2024. Additionally, the creditors' days stood at 38 days in FY2025(Prov.), as compared to 41 days in FY2024. Furthermore, the company's fund-based working capital limit utilization remained low at ~45 per cent over the last 10 months ending February 2025. Acuité believes that ability of the company to manage its working capital at similar levels going forward is a key rating sensitivity.

### Weaknesses

#### Competitive construction industry, and tender-based nature of operations

Although the company has a long-standing presence of more than 20 years in the industry, as almost all its sales are tender based, the revenue depends on the company's ability to bid successfully for tenders. RIDIPL specialises in civil works related to construction of roads and irrigation projects mainly for Government of Maharashtra and NHAI. The company faces competition from large players, as well as many local and small unorganised players, adversely affecting the profitability. Currently all their projects are situated in Maharashtra. This increases the geographical concentration risk significantly. Nonetheless, the company is bidding for projects in new territories which is expected to mitigate the geographic concentration risk to some extent.

#### Susceptibility of operating margin to volatility in input material prices and labour charges

The basic input materials for execution of construction projects and works contracts are steel, stone chips, cement, and structures etc. The prices of which are highly volatile. However, currently government agencies' work contracts have price escalation clause which mitigate price volatility risk to some extent. Furthermore, the operating margin of the company is exposed to sudden spurt in the input material prices along with increase in labour prices being in labour intensive industry.

### Rating Sensitivities

- Sustained growth in scale of operation while maintaining profitability margins.
- Timely execution of orders.

- Elongation in working capital cycle.
- Sustenance of existing financial risk profile with healthy capital structure.

### **Liquidity Position**

#### **Adequate**

The company's liquidity position is adequate, marked by generation of sufficient net cash accruals of Rs. 68.37 Cr. in FY2025(Prov.) as against its maturing debt obligations of Rs. 8.28 Cr. during the same tenure. In addition, it is expected to generate sufficient cash accruals in the range of Rs. 79.12 – 101.78 Cr. as against its maturing repayment obligations of around Rs. 8.14 – 19.25 Cr. over the medium term. The current ratio stood at 2.36 times as on 31<sup>st</sup> March 2025(Prov.) as against 2.79 times as on 31<sup>st</sup> March 2024. Further, the average bank limit utilization for the past 10 months ending February 2025 is averaging around 45 percent. Additionally, the company has unencumbered fixed deposits of ~Rs 58.15 Cr. as on 31<sup>st</sup> March 2025(Prov.). Acuite believes that the liquidity position of the company will continue to remain adequate on account of expected healthy cash accruals generation, availability of liquid funds and buffer available from unutilised working capital limits.

#### **Outlook: Stable**

#### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	390.94	287.32
PAT	Rs. Cr.	56.29	40.79
PAT Margin	(%)	14.40	14.20
Total Debt/Tangible Net Worth	Times	0.10	0.12
PBDIT/Interest	Times	15.14	29.19

**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
05 Apr 2024	Bank Guarantee (BLR)	Short Term	80.00	ACUITE A3+ (Assigned)
	Secured Overdraft	Long Term	20.00	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 Baroda	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.00	Simple	ACUITE A2   Upgraded ( from ACUITE A3+ )
Bank of Baroda	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.00	Simple	ACUITE A2   Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A2   Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BBB+   Stable   Assigned
Bank of Baroda	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB+   Stable   Upgraded ( from ACUITE BBB )
Bank of Baroda	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB+   Stable   Assigned
Bank of Baroda	Not avl. / Not appl.	Term Loan	14 Nov 2024	Not avl. / Not appl.	14 Nov 2027	15.00	Simple	ACUITE BBB+   Stable   Assigned

## Contacts

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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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