



Press Release
ASHTECH INDIA PRIVATE LIMITED
September 16, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	125.00	ACUITE BBB Stable Upgraded	-
Total Outstanding Quantum (Rs. Cr)	125.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long-term rating to **'ACUITE BBB' (read as ACUITE Triple B)** from **'ACUITE BBB-' (read as ACUITE Triple B minus)** on the Rs. 125.00 crore bank facilities of Ashtech India Private Limited (AIPL). The outlook is **'Stable'**.

Rationale for Rating

The rating upgrade reflects a year-on-year improvement in the company's operational scale, as evidenced by the increase in revenue to Rs. 814.61 Cr. in FY2025 from Rs. 796.11 Cr. in FY2024 and Rs. 727.97 Cr. in FY2023. The rating also factors in the performance during the first four months of FY2026, with revenue rising to Rs. 297.65 Cr. from Rs. 254.85 Cr. in the corresponding period of the previous fiscal. The rating continues to draw comfort from the company's established presence in the industry and the promoters' extensive experience of over two decades. It also considers the company's healthy financial risk profile and adequate liquidity position. However, the rating remains constrained by the moderately intensive working capital requirements and the susceptibility of profitability due to cyclicalities in construction materials Industry and intense competition.

About the Company

Ashtech India Private Limited (AIPL) was incorporated in 2002 by Mr. Hanuman Mandhania and his sons, Mr. Bankat Mandhania, Mr. Sanjay Mandhania, and Mr. Satish Mandhania. The company is engaged in processing, transport and distribution of fly ash and its variants, ready mix concrete and other building material additives. The company is further foraying into cement manufacturing with its own registered brand, 'Ashtech Gold', which commenced operations in May 2025. The various products include Fly Ash, Ultra Fine Fly Ash (P500), Cement, Gypsum Powder, Ready Mix Plaster, Solid Concrete Blocks, Uni Pavers, Ready Mix Concrete, Aggregates, Admixtures, Atblue, GBFS (Slag), GGBFS, Polymers, Grout, and Grinding Aid. The company's head office is based in Mumbai, Maharashtra.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of Ashtech India Private Limited (AIPL) to arrive at the rating.

Key Rating Drivers

Strengths

Experienced management and established track record of operations

The company is managed by Mr. Sanjay Mandhania and Mr. Satish Mandhania, along with a team of experienced personnel. The directors have over 20 years of experience in the industry. Their experience, combined with the company's long-standing operations, has supported the development of stable relationships with key suppliers and customers. Acuite believes that company shall continue to benefit from its established presence and track record

along with a healthy relationship with customers.

Stable Growth in Revenue and Operations

AIPL's revenue increased to Rs. 814.61 Cr. in FY2025 from Rs. 796.11 Cr. in FY2024 and Rs. 727.97 Cr. in FY2023, primarily driven by higher sales of fly ash. For the four months ended July FY2026, the company reported revenue of Rs. 297.65 Cr., compared to Rs. 254.85 Cr. during the same period in the previous year. As of August 25, cumulative revenue stood at approximately Rs. 373 Cr. The operating margin for FY2025 was 7.89 per cent, slightly higher than 7.62 per cent in FY2024. However, the PAT margin declined to 3.65 per cent in FY2025 from 4.11 per cent in FY2024. Acuité expects AIPL's operating performance to remain stable over the medium term.

Healthy Financial Risk Profile

The financial risk profile of the company remains healthy, marked by a strong net worth, low gearing, and comfortable debt protection metrics. Acuité has considered Rs. 16.00 Cr. of CCDs as quasi-equity. The net worth of the company increased to Rs. 236.33 Cr. as on March 31, 2025, from Rs. 206.60 Cr. as on March 31, 2024, primarily due to profit retention. The gearing level remained healthy at 0.70 times as on March 31, 2025, compared to 0.47 times as on March 31, 2024. Debt protection metrics were comfortable, with an interest coverage ratio (ICR) of 5.66 times in FY2025, compared to 7.76 times in the previous year. The Debt/EBITDA ratio stood at 2.40 times as on March 31, 2025, against 1.57 times as on March 31, 2024. Net Cash Accruals to Total Debt (NCA/TD) stood at 0.29 times in FY2025, compared to 0.48 times in the previous year. The company is undertaking two capital expenditure initiatives. The first involves the development of a logistics infrastructure solution at Singhaji, Madhya Pradesh, under a BOOT (Build, Own, Operate, Transfer) model. This project includes the construction of a fly ash handling system, which the company will operate for a period of 15 years before transferring ownership to the government. The estimated project cost is approximately Rs. 50.00 Cr. The second initiative pertains to the establishment of a grinding mill at Butibori, near Nagpur, for the production of ultrafine Ground Granulated Blast Furnace Slag (GGBS). The estimated cost of this project is around Rs. 45.00 Cr. The company has availed term loans of Rs. 30.00 Cr. for the Singhaji Project and Rs. 33.50 Cr. for the Butibori Project to fund capital expenditure. The drawdown of these loans is planned during FY2026. Acuité believes that, despite the capex-related borrowings, the company's financial risk profile likely to remain healthy over the medium term.

Weaknesses

Moderately intensive working capital operations

The working capital operations of the company remain moderately intensive, as reflected in Gross Current Assets (GCA) of 153 days in FY2025, compared to 145 days in FY2024. The debtor collection period stood at 113 days in FY2025, against 110 days in FY2024. The company generally extends credit of up to 90 days to its customers. Inventory holding remained stable at 6 days in both FY2025 and FY2024, while creditor days declined to 55 days in FY2025 from 71 days in FY2024. Furthermore, the average utilisation of fund-based working capital limits remained moderate, at around 75 per cent over the 12 months ending July 2025. Acuité believes that AIPL's working capital operations are likely to remain moderately intensive over the medium term, given the nature of its business.

Susceptibility of profitability to cyclical in construction materials Industry and intense competition

The demand for products is intricately tied to the level of activity in commercial and residential real estate, as well as infrastructure segments. These sectors are influenced by the broader economic context, resulting in their cyclical nature. The major raw material of the company is Fly Ash. The company operates in a highly competitive and fragmented industry characterised by low entry barriers, which results in intense competition from the large number of organised and unorganised players present in the downstream segment providing similar products and services. Hence, the bargaining power of the company remains low due to the competitive nature of the industry. Any volatility in the prices of the raw materials has a direct impact on the profitability margins of the company.

Rating Sensitivities

- Improvement in scale of operation while improving the profitability margin.
- Any elongation in its working capital cycle.
- Deterioration in financial risk profile on the back of higher-than-expected debt funded capex
- Timely completion of capex

Liquidity Position

Adequate

The company's liquidity position remains adequate, supported by sufficient net cash accruals of Rs. 47.36 Cr. in FY2025 against maturing debt obligations of Rs. 12.39 Cr. during the same period. Over the medium term, it is expected to generate cash accruals in the range of Rs. 54.62 – 70.53 Cr., compared to repayment obligations of approximately Rs. 17.26 – 25.02 Cr. The current ratio stood at 1.38 times as on March 31, 2025, against 1.34

times as on March 31, 2024. Further, reliance on fund-based working capital limits remained moderate, with average utilisation at around 75 per cent over the 12 months ending July 2025. Acuité believes that the company's liquidity position will remain adequate, supported by steady cash accruals and prudent working capital management.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	814.61	796.11
PAT	Rs. Cr.	29.71	32.72
PAT Margin	(%)	3.65	4.11
Total Debt/Tangible Net Worth	Times	0.70	0.47
PBDIT/Interest	Times	5.66	7.76

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>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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. Acuité'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	
18 Jun 2024	Term Loan	Long Term	4.00	ACUITE BBB-	Stable (Assigned)
	Term Loan	Long Term	30.00	ACUITE BBB-	Stable (Assigned)
	Cash Credit	Long Term	75.00	ACUITE BBB-	Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	16.00	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
Indusind Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Indusind Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	16 Apr 2031	30.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	28 Feb 2026	4.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)

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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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