



Press Release
G S EXPRESS PRIVATE LIMITED
August 22, 2025
Rating Assigned and Reaffirmed

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|------------------|-------------------------------------|------------------------|
| Bank Loan Ratings | 2.00 | ACUITE BBB+ Positive Assigned | - |
| Bank Loan Ratings | 118.00 | ACUITE BBB+ Positive Reaffirmed | - |
| Bank Loan Ratings | 38.00 | - | ACUITE A2 Assigned |
| Bank Loan Ratings | 82.00 | - | ACUITE A2 Reaffirmed |
| Total Outstanding Quantum (Rs. Cr) | 240.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating to ‘**ACUITE BBB+**’ (read as **ACUITE triple B Plusa**) and the short term rating to ‘**ACUITE A2**’ (read as **ACUITE A Two**) on the Rs. 200 crore bank facilities of G S Express Private Limited (GSEPL). The outlook revised from ‘**Stable**’ to ‘**Positive**’.

Further Acuite has assigned the long-term rating of ‘**ACUITE BBB+**’ (read as **ACUITE triple B Plusa**) and the short-term rating to ‘**ACUITE A2**’ (read as **ACUITE A Two**) on the Rs.40.00 crore bank facilities of G S Express Private Limited (GSEPL). The outlook is ‘**Positive**’.

Rationale for Rating

The revision of outlook takes into account of continued improvement in operating income, healthy order book, healthy financial risk profile and strong liquidity position. The company has a unexecuted order book of Rs. 2,222.92 cr. as on 31st May 2025. Acuite notes that the company has a reputed clientele consisting of government, thereby reducing the counter party risk. However, the above strengths are partly offset by intensive working capital operations and risk related to tender based nature of business & intense competition in the civil construction industry.

About the Company

Incorporated in 2006, by Late Mr. G.S. Anand, Lucknow (Uttar Pradesh) based G S Express Private Limited (GSEPL) is engaged in contract-based construction and renovation of roads and highways, irrigation work, etc. for various Government bodies/departments. The company is mainly in civil construction and predominantly caters to the government contracts through tender participation largely in Uttar Pradesh and Maharashtra. Directors are Mr. Govind Kaur Anand, Mr. Sandeep Anand and Mr. Shyam Singh.

Unsupported Rating

Not Applicable.

Analytical Approach

Acuite has considered the standalone business and financial risk profile of GSEPL to arrive at the rating.

Key Rating Drivers

Strengths

Experienced Management

The company is managed by Anand family as Mr. Sandeep Anand as Managing Director, son of late Mr. G S Anand

along side with Mrs. G K Anand, wife of late Mr. G S Anand. Both have extensive experience in the civil infrastructure industry for more than three decades. The company is supported by a team of well-qualified and experienced professionals in managing the affairs of the company. Acuite believes that going forward, the growth of the company will be aided by the long track record of operations and the management's strong understanding of market dynamics.

Improving Scale of Operations & Profitability

The company witnessed an improvement in its scale of operations by 10.94% marked by an operating income of Rs. 466.37 Cr. in FY 2025 (prov.) as against Rs. 420.39 Cr. in FY 2024. Further, G S Express Private Limited has a healthy unexecuted order book position to the tune of Rs. 2,222.92 Crore approximately as on 31st May 2025. The EBITDA margin of the company improved & stood at 13.39% in FY2025 (prov.) as against 10.82% in FY2024. This is mainly due to ability of the company to bag fresh orders and timely execution of ongoing orders. 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. The PAT margin of the company stood at 6.80% in FY 2025 (prov.) against 5.72% in FY 2024. The net cash accrual increased from Rs. 30.30 Cr. in FY 2024 to Rs. 40.96 Cr. in FY 2025 (prov.). Acuite believes that the company is expected to have better top-line in near to medium term supported by stable margins as compared to previous years on account of strong order book.

Healthy Financial Risk Profile

The financial risk profile of the company is healthy marked by net-worth of Rs. 132.22 cr. as on 31st March 2025 (prov.) against Rs. 100.50 Crore as on 31st March 2024. The improvement in net worth is mainly due to accretion of profits into reserves. The gearing ratio of the company improved & stood at 0.60 times in FY 25 (prov.) against 0.82 times for FY 24. The TOL/TNW ratio of the company stood at 1.60 times as on 31st March 2025 (prov.) against 1.94 times as on 31st March 2024. Debt-EBITDA & ROCE stood at 1.24 times & 27.88% for FY 25 (prov.). Further, the debt protection metrices i.e. (ISCR & DSCR) stood at 5.48 & 4.15 times for FY 25 (prov.) against 4.99 & 4.16 times as on 31st March 2024 respectively. Acuite believes that financial risk profile of the company will remain healthy in near to medium term with no major debt funded capex.

Healthy Order Book

GSEPL has an unexecuted order book of approximately Rs. 2,222.92 Cr. as on 31st May 2025 which is 4.76 times operating revenue for FY 25 (prov.). The company has a total of 20 orders in hand and the top 5 in terms of contract value contributes approximately 52.75% of unexecuted order book. Additionally, the company has diversified its order book portfolio by securing orders in the railway department as well as road & civil work from PWD. Currently the company is having orders from reputed clientele i.e. NHAI, Land Port Authority of India Limited, PWD, Ministry of Railways, PMGSY (Pradhan Mantri Gram Sadak Yojana), etc. Acuite believes that the company stands to gain significantly in the near to medium term from the government's heightened focus on infrastructure development. Going forward, the ability of the company to bag new orders and timely execution of the existing orders will remain a key rating monitorable.

Weaknesses

Intensive Working Capital Operations

The working capital operations of the company is intensively marked by GCA days which stood similar at 199 days in FY 25 (prov.) against 192 days as on 31st March 2024. The intensiveness is mainly due to high other current asset which includes balance held with govt. departments and lien marked fixed deposits held for BG margin. The inventory & debtor days stood comfortable at 52 & 53 days for FY 25 (prov.) against 39 & 56 days for FY 24 respectively. Acuite believes that working capital operations will remain intensive at same level in near to medium term on the account of nature of operations.

Highly competitive industry marked by tender based nature of business

The company's performance is susceptible to the tender based nature of business, where the business depends on the ability to bid for contracts successfully. Risk become more pronounced as tendering is based on minimum amount of bidding of contracts.

Rating Sensitivities

- Movement in scale of operations & profitability margins.
- Timely execution of its order book.
- Movement in Working Capital Operation

Liquidity Position

Strong

The liquidity profile of the company is strong marked by net cash accruals of company stood at Rs. 40.96 cr. in FY 2025 (prov.) against the current maturities of debt obligation of Rs. 1.02 Cr. for the same period indicating sufficient cushion for any future endeavours. The company has cash & bank position of Rs. 2.10 Cr. and current ratio stood at 1.43 times for FY 25 (prov.). The average fund-based bank limit utilization stood high at 88.62% for

the last seven months' period ending July 2025. Acuite believes that the company will be able to maintain strong liquidity with steady accruals and low repaying obligation.

Outlook - Positive

Other Factors affecting Rating

None.

Key Financials

| Particulars | Unit | FY 25 (Provisional) | FY 24 (Actual) |
|-------------------------------|---------|---------------------|----------------|
| Operating Income | Rs. Cr. | 466.37 | 420.39 |
| PAT | Rs. Cr. | 31.72 | 24.05 |
| PAT Margin | (%) | 6.80 | 5.72 |
| Total Debt/Tangible Net Worth | Times | 0.60 | 0.82 |
| PBDIT/Interest | Times | 5.48 | 4.99 |

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, 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 |
|-------------|----------------------------------|------------|-----------------|---------------------------------|
| 23 Dec 2024 | Bank Guarantee (BLR) | Short Term | 43.00 | ACUITE A2 (Assigned) |
| | Bank Guarantee (BLR) | Short Term | 15.00 | ACUITE A2 (Assigned) |
| | Bank Guarantee (BLR) | Short Term | 20.00 | ACUITE A2 (Assigned) |
| | Cash Credit | Long Term | 30.00 | ACUITE BBB+ Stable (Assigned) |
| | Cash Credit | Long Term | 10.00 | ACUITE BBB+ Stable (Assigned) |
| | Cash Credit | Long Term | 5.00 | ACUITE BBB+ Stable (Assigned) |
| | Proposed Long Term Bank Facility | Long Term | 77.00 | 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 India | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 45.00 | Simple | ACUITE A2 Reaffirmed |
| Bank of Baroda | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 15.00 | Simple | ACUITE A2 Reaffirmed |
| Union Bank of India | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 22.00 | Simple | ACUITE A2 Reaffirmed |
| Bank of Baroda | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00 | Simple | ACUITE A2 Assigned |
| Bank of India | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00 | Simple | ACUITE A2 Assigned |
| UCO Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 18.00 | Simple | ACUITE A2 Assigned |
| Bank of India | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 30.00 | Simple | ACUITE BBB+ Positive Reaffirmed Stable to Positive |
| Bank of Baroda | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00 | Simple | ACUITE BBB+ Positive Reaffirmed Stable to Positive |
| Union Bank of India | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 3.00 | Simple | ACUITE BBB+ Positive Reaffirmed Stable to Positive |
| UCO Bank | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 2.00 | Simple | ACUITE BBB+ Positive Assigned |
| Not Applicable | Not avl. / Not appl. | Proposed Long Term Bank Facility | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 75.00 | Simple | ACUITE BBB+ Positive Reaffirmed Stable to Positive |

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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