



Press Release

RITE WATER SOLUTIONS INDIA LIMITED (ERSTWHILE RITE WATER SOLUTIONS INDIA PRIVATE LIMITED)

October 31, 2025

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	41.05	ACUITE A+ Stable Assigned	-
Bank Loan Ratings	5.40	ACUITE A+ Stable Upgraded	-
Bank Loan Ratings	48.70	-	ACUITE A1+ Assigned
Bank Loan Ratings	72.50	-	ACUITE A1+ Upgraded
Total Outstanding Quantum (Rs. Cr)	167.65	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long-term rating to **'ACUITE A+' (read as ACUITE A plus)** from **'ACUITE A' (read as ACUITE A)** and the short-term rating to **'ACUITE A1+' (read as ACUITE A one plus)** from **'ACUITE A1' (read as ACUITE A one)** on the Rs. 77.90 Cr. bank facilities Rite Water Solutions India Limited (Erstwhile Rite Water Solutions India Private Limited) (RWSIL). The outlook is **'Stable'**.

Acuite has assigned its long-term rating of **'ACUITE A+' (read as ACUITE A plus)** and the short-term rating of **'ACUITE A1+' (read as ACUITE A one plus)** on the Rs. 89.75 Cr. bank facilities Rite Water Solutions India Limited (Erstwhile Rite Water Solutions India Private Limited) (RWSIL). The outlook is **'Stable'**.

Rationale for rating Upgrade

The rating upgrade considers the improvement in business risk profile of the group marked by substantial improvement in the operating income. The rating also draws comfort from the experience management, healthy financial risk profile marked by healthy net worth, low gearing and strong debt protection metrics, along with its strong liquidity position. The rating also takes note of the anticipated infusion of funds through the proposed IPO. The rating is however constrained by the intensive working capital nature of operations of the group, exposure to intense competition and inherent risks due to tender-based operations.

About the Company

Nagpur based, Rite Water Solutions India Limited (RWSIL) was incorporated in 2004 and is engaged in the business of setting up of safe drinking water plants by way of establishing Community Water Centers and Water ATMs. These water treatment plants are based on clean technologies and products developed for removal of chemical contaminants from ground water. The company has its manufacturing unit located in Nagpur (Maharashtra). RWSIL has established its base by setting up water treatment plants across ~21,807 villages in 12 states through associations with the concerned water departments of the state

governments. RWSIL has recently started with solar agriculture solutions, and IoT solutions. The company has been working in rural areas across several states, primarily in the water sector.

They decided to leverage their expertise to scale up their solutions, focusing on rural India and remote areas. This led them to enter the solar scheme, which is rural dominated. The company execute these contracts on EPC basis. The directors of the company are Mr. Vinayak Shankarrao Gan, Mr. Abhijeet Vinayak Gan, Ms. Khushboo Anish Pasari, Mr. Vinod Kumar Verma, Mr. Ashutosh Prabhakar Joshi and Ms. Aparna Krishnakant Pittie.

About the Group

Rite Water group (RWG) have been executing projects under Jal Jeevan Mission (JJM) which was launched by the Govt. of India in order to enable every household and public institutions, viz. Gram Panchayat (GP) building, school, Anganwadi centre, health centre, wellness centre etc. in the villages to have Functional Household Tap Connection (FHTC). It is envisaged that with FHTC, each household will have potable water supply in adequate quantity (i.e. 9131 installations with ~62.7 litres of purified water everyday) of prescribed quality (i.e. BIS 10500) on regular and on a long-term basis. As a part of JJM Maharashtra program, for ensuring regular and effective chlorination at sites it has been decided by SWSM Maharashtra to install electro-chlorination systems across existing as well as upcoming single villagewater supply schemes (SVS) under JJM. They have also stated executing projects Namami Gange, and have also installed 8736+ solar pumps under the Pradhan Mantri Kusun Yojna.

Rite Water Lake City LLP

Rite Water Lake City LLP is a Limited Liability Partnership firm established in the year 2018 in Maharashtra. The company is engaged in the business of setting up safe water drinking plants by way establishing community water plants, water treatment plants and water ATMs. This partnership is formed between RWSIL and Ms. Krupali Ganesh Wagh. RWSIL, as a corporate partner, is represented by Mr. Abhijeet Gan Sir.

Clintech Equipments and Solutions Private Limited

Maharashtra based, Clintech Equipments and Solutions Private Limited was incorporated in 2023. The directors of the company are Mr. Vinayak Shankarrao Gan, Mr. Abhijeet Vinayak Gan and Ms. Khushboo Anish Pasari. The company is engaged in the business of manufacturing /assembling equipments in Clean Tech space.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has considered the consolidated business and financial risk profiles of three entities including Rite Water Solutions India Limited (RWSIL) (holding company), Rite Water Lake City LLP (controlled entity) and Clintech Equipments and Solutions Private Limited (wholly owned subsidiary) to arrive at the rating due to common management and similar business profile.

Key Rating Drivers

Strengths

Established presence in the industry with extensive promoter's experience

RWSI enjoys the leadership position in the Indian market on account of specialized technology in potable water and water quality improvement solutions. RWSIPL has recently started with solar agriculture solutions and IoT solutions. The company has been working in rural areas across several states, primarily in the water sector since many years. It plans to leverage this expertise to scale up their solar and IOT solutions in these areas. The company is promoted by Mr. Vinayak Gan and Mr. Abhijeet Gan, with Mr. Abhijeet Gan serving as Managing Director & Chief Executive Officer (MD & CEO) and Mr. Vinayak Gan as Whole-Time Director with over three decades of experience in entrepreneurship and business

management. In the past, he has been associated with Candy Filters (I) Private Limited as a project engineer for design and erection of water treatment plants and Steel Authority of India Limited for seven years. Mr. Vinayak Gan is supported by his son, Mr. Abhijeet Gan (CEO). Acuité believes with its leadership position through specialized technology in potable water and water quality improvement solution will aid the group in scaling up in its new segments and establish new centres in various states.

Improvement in scale of operations along with healthy profitability margins

The revenue of the group improved to Rs. 506.48 Cr. in FY25 as compared to Rs. 202.93 Cr. in FY24 and Rs. 119.43 Cr. in FY23 reflecting a growth of 149.58 per cent and 69.91 per cent respectively during the period. Furthermore, the group has witnessed considerably higher revenue in H1FY26 compared to H1FY25.. The growth was majorly on account of higher execution of orders during the period. The group has an unexecuted order book position of ~Rs. 1723.13 Cr. as on 31st December 2024, and its order book position had remained strong going. The group has expanded into IOT and solar agriculture solutions over the near to medium term. Out of total outstanding orderbook, around Rs. 754.58 Cr. comprises of solar agriculture solutions, Rs. 487.07 Cr. of other water solutions and Rs. 481.48 Cr IOT orders.

The operating profit of the group improved and stood at Rs.135.01 Cr. in FY25 as against Rs. 70.87 Cr. in FY24 and Rs. 35.99 Cr. in FY23. Furthermore, the operating profit margin stood at 26.66% in FY25 as compared against 34.92% in FY24 and 30.13% in FY23. The decline in operating margin is due to foray into Solar project, wherein the Raw Material Cost is higher. The PAT improved to Rs. 98.73 Cr. in FY25 against Rs.49.48 Cr. in FY24 and Rs. 26.78 Cr. in FY23. The PAT margins of the group stood at 19.49% in FY25 as compared to 24.38% in FY24 and 22.42% in FY23. Acuité believes that RWSIL will continue to benefit from extensive experience of the promoters and healthy order book position of the group over the medium term.

Healthy Financial Risk Profile

The group has a healthy financial risk profile marked by healthy net worth, low gearing and strong debt protection metrics. The tangible net worth of the group rose to Rs. 338.88 Cr. in FY25 as compared to Rs. 239.96 Cr. in FY24 due to accretion of profits to reserves. The group has filed DRHP wherein the primary raise is Rs. 300 cr. If it fructifies, it is likely to support the group's working capital requirements and further improve its financial risk profile. This investment will reduce the group's reliance on fund based working capital facilities availed from the bank. The gearing of the group remained low at 0.14 times in FY25 as compared to 0.08 times in FY24. The total debt of the group stood at Rs. 45.77 Cr. as on 31st March 2025 as against Rs. 18.65 Cr. as on 31st March 2024. The TOL/TNW also stood at 0.37 times as on 31st March 2025 as against 0.24 times as on 31st March 2024. The debt protection metrics improved with debt service coverage ratio of 25.87 times and interest coverage ratio stood at 41.95 times in FY25 as against 20.45 times and 35.50 times in FY24 respectively. Acuité believes that the financial risk profile of RWSIPL is expected to remain healthy on account of steady accruals and conservative leverage policy.

Weaknesses

Intensive working capital operations

The group has intensive working capital nature of operations marked by gross current assets (GCA) of 270 days for FY25 as compared against 343 days for FY24. The high GCA days is majorly on account of high receivable days of 124 days for FY25 as against 65 days in FY24. The inventory levels of the group at 51 days in FY25 due to high level of inventory of solar pumps compared against 57 days for FY24. The creditor days of the group stood at 94 days for FY25 as against 144 days for FY24. Further, the average utilization of fund-based limits moderate at ~67.26% in last twelve months ended June' 2025. Acuité believes that the operations of the group will continue to remain moderately intensive on account of high receivable days over the medium term.

Susceptibility of profitability to tender-based operations

Revenue and profitability depend entirely on the ability to win tenders. Entities in this segment face intense competition, thus requiring them to bid aggressively to procure contracts; this restricts the operating margin to a moderate level. Also, given the cyclicity inherent in water treatment industry, the ability to maintain profitability margin through operating efficiency

becomes critical. Acuité believes that the company's business profile and financial profile can be adversely impacted on account of presence of stiff competition and has inherent risk of susceptibility to tender based operations.

Rating Sensitivities

Substantial improvement in scale of operations
Change in financial risk profile
Elongation of the working capital cycle

Liquidity Position

Strong

The liquidity position of the group is strong marked by adequate net cash accruals against its repayment debt obligations. The group generated the NCA of Rs. 101.61 Cr. in FY25 against the negligible debt repayment obligation during the same period. Also, the group maintains a cash balance of Rs. 58.74 Cr. as on 31st March 2025. The current ratio of the group stood at 2.95 times as on 31st March 2025. Further, the liquidity position is expected to strengthen in view of infusion of funds through IPO. Acuité believes the group's liquidity position shall remain strong due to its comfortable net accruals against its repayment obligations. Further, the average utilization of fund-based limits moderate at ~67.26% in last twelve months ended June' 2025.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	506.48	202.93
PAT	Rs. Cr.	98.73	49.48
PAT Margin	(%)	19.49	24.38
Total Debt/Tangible Net Worth	Times	0.14	0.08
PBDIT/Interest	Times	41.95	35.50

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Aug 2024	Cash Credit	Long Term	5.40	ACUITE A Stable (Upgraded from ACUITE A- Stable)
	Cash Credit	Long Term	2.50	ACUITE A Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	16.00	ACUITE A1 (Upgraded from ACUITE A2+)
	Bank Guarantee/Letter of Guarantee	Short Term	9.00	ACUITE A1 (Assigned)
	Letter of Credit	Short Term	4.00	ACUITE A1 (Upgraded from ACUITE A2+)
	Letter of Credit	Short Term	16.00	ACUITE A1 (Assigned)
	Bank Guarantee (BLR)	Short Term	25.00	ACUITE A1 (Assigned)
05 May 2023	Cash Credit	Long Term	1.00	ACUITE A- Stable (Reaffirmed)
	Cash Credit	Long Term	4.40	ACUITE A- Stable (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	16.00	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	4.00	ACUITE A2+ (Reaffirmed)
01 Aug 2022	Cash Credit	Long Term	5.00	ACUITE A- Negative (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	11.00	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A2+ (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
H D F C Bank Limited	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A1+ Upgraded (from ACUITE A1)
ICICI BANK LIMITED	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	27.50	Simple	ACUITE A1+ Upgraded (from ACUITE A1)
ICICI BANK LIMITED	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.50	Simple	ACUITE A1+ Assigned
H D F C Bank Limited	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.20	Simple	ACUITE A1+ Assigned
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.40	Simple	ACUITE A+ Stable Upgraded (from ACUITE A)
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.05	Simple	ACUITE A+ Stable Assigned
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE A+ Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A1+ Upgraded (from ACUITE A1)
H D F C Bank Limited	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.00	Simple	ACUITE A1+ Assigned
ICICI BANK LIMITED	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A1+ Assigned
H D F C Bank Limited	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A+ Stable Assigned

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

Sr.No.	Company Name
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1	Rite water solutions India Limited
2	Rite water lake city LLP
3	Clintech Equipments and Solutions Private Limited

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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