

RP InfraPower Private Limited

July 07, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	32.00 (Enhanced from 4.50)	CARE BB+; Stable	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE B; Stable
Long Term / Short Term Bank Facilities	53.00 (Enhanced from 15.14)	CARE BB+; Stable / CARE A4+	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE B; Stable / CARE A4

Details of instruments/facilities in Annexure-1.

Ratings previously assigned to the bank facilities of RP InfraPower Private Limited (RIPL) were denoted as CARE B; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING; since, the company did not provide the requisite information for monitoring the ratings. Further, in line with the extant SEBI guidelines, CARE Ratings Limited (CARE Ratings) reviewed the ratings on the basis of the best available information. However, the company has now submitted the requisite information to monitor the ratings and CARE Ratings has carried out a full review of the ratings and the ratings stand at 'CARE BB+; Stable/ CARE A4+'.

Rationale and key rating drivers

The ratings assigned to the bank facilities of RIPL are constrained on account of modest scale of operations, geographical concentration risk, tender driven nature of operations, and presence in a highly competitive industry. However, these rating weaknesses are partially offset by healthy profitability margins, moderate financial risk profile marked by moderate overall gearing and healthy debt coverage indicators, moderate orderbook position and experienced promoters.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- The company's ability to increase scale of operations to over ₹175 crore while maintaining PBILDT Margin above 10% on sustained basis.
- Improvement in capital structure marked by overall gearing ratio below 1.50x on a sustained basis.

Negative factors

- Significant decline in scale of operations below ₹75 crore and dip in PBILDT margin below 6% on a sustained basis.
- Elongation of the operating cycle beyond 150 days affecting the company's liquidity

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes the company will sustain its operational performance in the medium term with revenue visibility from current order book position and benefit derived from vast experience of promoters.

Detailed description of key rating drivers:

Key weaknesses

Modest scale of operations

Total Operating Income (TOI) grew by ~150% to Rs.103.30 crore (PY: Rs.41.37 crore) in FY25 (refers to the period from April 01, 2024, to March 31, 2025). on account of execution of orders, largely due to a high inflow of government tenders on the back of higher spendings in the sector. Nevertheless, the scale remains modest and deprives the company of scale benefits.

Geographical concentration risk:

The orderbook of RIPL is skewed towards civil and electrical work awarded by government departments in Uttarakhand. As on May 31, 2025 RIPL had an outstanding orderbook of ~Rs. 150 crores (forming around 1.45 times of total operating income (TOI) for FY25) with Uttarakhand Power Corporation Limited contributing around 80-90. This exposes the company's revenue to the incremental development of roads in the respective states along with vulnerability to delays in receipts of payments from the government departments. However, to mitigate the risk company has also started bidding for tenders in Punjab and Haryana.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Presence in electrical EPC business segment and exposure to tender-driven process

RIPL operates in a highly competitive electrical contracting industry with low entry barriers and numerous small and medium sized players operating at the regional level. The company receives most of its electrification work orders from central and state government. All these are tender-based, and the revenues are dependent on the RIPL's ability to bid successfully for these tenders. The profitability margins of the company may come under pressure because of the competitive nature of the industry. There are numerous organized and unorganized players operating in the segment resulting to intense competition.

Key strengths

Moderate financial risk profile:

On account of improved profitability levels, the debt coverage indicators of the company as marked by interest coverage ratio and Total Debt to GCA stood healthy at 3.95x (PY: 2.54x) and 4.76x (PY: 6.88x) in FY25. Further, the capital structure of the company stood moderate marked by overall gearing of 1.89x as on March 31, 2025, as against 1.28x as on March 31, 2024.

Healthy profitability margins

The profitability margins of the company remained healthy as reflected by PBILDT and PAT margin of 11.09% (PY: 14.88%) and 6.65% (PY: 4.23%) in FY25. Majority of the projects executed by RPIL have inbuilt price escalation clause resulting in company maintaining a healthy profitability margin.

Highly experienced promoters in undertaking various electrification work

The overall operations of RIPL are looked after by the promoters – Mr. Amrish Tyagi and Mr. Munesh Tyagi, both graduated by qualification and having a total experience of over 23 years in the activities of undertaking various electrification works through their association with this company. Further, the promoters are supported by strong management team including civil and mechanical engineer having rich experience in various verticals.

Liquidity: Stretched

Liquidity of the company stood stretched marked by high average utilization of working capital borrowings which stood ~85% for trailing 12 months ended May 31, 2025. The company is expected to generate GCA of Rs.8.19 crore in FY26 against repayment obligations of Rs.0.40 crore. RIPL is not planning to incur any major capex in the near to medium term.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Electrical Equipment	Other Electrical Equipment

Incorporated in 2012 as a private limited company by Mr. Amrish Tyagi along with his friend Mr. Munesh Tyagi, RIPL is engaged in undertaking various electrification works at various substations as well as in other rural & urban areas. RIPL has also added a civil wing 2 years back. Today, company serves as an 'A' Class government contractor in Uttar Pradesh and Uttarakhand for various government projects.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	41.37	103.30
PBILDT	6.16	11.45
PAT	1.75	6.86

Overall gearing (times)	1.28	1.89
Interest coverage (times)	2.54	3.95

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	32.00	CARE BB+; Stable
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	53.00	CARE BB+; Stable / CARE A4+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Date(s) and Rating(s) assigned in 2025-2026	Rating History		
		Type	Amount Outstanding (₹ crore)	Rating		Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	32.00	CARE BB+; Stable	-	1)CARE B; Stable; ISSUER NOT COOPERATING * (22-Aug-24)	1)CARE B; Stable; ISSUER NOT COOPERATING * (11-Jul-23)	1)CARE B; Stable; ISSUER NOT COOPERATING * (21-Jun-22)
2	Non-fund-based - LT/ST-Bank Guarantee	LT/ST	53.00	CARE BB+; Stable / CARE A4+	-	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING * (22-Aug-24)	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING * (11-Jul-23)	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING * (21-Jun-22)

*Issuer did not cooperate; based on best available information.

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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