

NP Infraprojects India Private Limited

September 22, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	33.00	CARE BB+; Stable	Assigned
Long Term / Short Term Bank Facilities	55.00	CARE BB+; Stable / CARE A4+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to NP Infraprojects India Private Limited (NIPL) are constrained by its stretched liquidity profile, high working capital intensity, and a concentrated order book with limited progress on recently awarded projects.

The ratings, however, derive comfort from the company's moderate scale of operations with consistent revenue growth, improvement in profitability margins, and a moderate capital structure along with satisfactory debt coverage indicators.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained growth in scale of operations with TOI above ₹350 crore while maintaining PBILDT margins above 12%.
- Significant movement in the order book marked by meaningful progress in the projects awarded post FY23.
- Improvement in working capital cycle with gross current asset days below 250 on a sustained basis.

Negative factors

- Any significant delay in execution of the existing order book leading to further stretch of liquidity and deterioration of debt coverage indicators.
- Decline in total operating income below Rs. 175 crore and/or PBILDT margins below 8% on a sustained basis.
- Any debt funded capex or stretch in working capital leading to deterioration of capital structure above 1.75x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CareEdge Ratings expectations that NIPL shall benefit from strong order book on hand of Rs. 1367 crore as on July 2025.

Detailed description of key rating drivers:

Key weaknesses

Concentrated and Slow-Moving Order Book

As on July 2025, NPIIPL had an order book of ₹1,367 crore, translating into an Order Book to TOI ratio of 5.65x (based on FY25 revenue), which provides medium-term revenue visibility. However, the order book is concentrated in a limited number of projects and geographies. Historically, the company's revenues were largely supported by projects awarded prior to the COVID-19 period. Further, execution progress on newly secured orders worth ~₹1,000 crore post FY23 has been limited. Timely ramp-up of these projects will remain critical, as delays could materially impact revenue recognition and cash flow generation.

Working capital intensive nature of business

NPIIPL's operations remain inherently working capital intensive, with gross current asset (GCA) days rising to 282 in FY25, primarily on account of margin money requirements, security deposits, and retention amounts locked with clients. Although the reported operating cycle is moderate at 42 days, a significant portion of funds remains structurally blocked in non-moving current assets. This places pressure on liquidity and results in continued reliance on external borrowings. Sustained high working capital requirements are expected to remain a key credit monitorable.

Key Strengths

Moderate scale of operations and improved profitability

NPIIPL's scale of operations remains moderate with total operating income of ₹242.39 crore in FY25, although it has grown at a CAGR of ~24% over FY21–FY25 (from ₹102.62 crore in FY21). The growth was driven by execution of subcontracted projects.

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

Going forward, the company's ability to further scale up will depend on timely execution of its current order book and securing new projects. Profitability has improved with PBILDT margins rising to 14.57% in FY25 from 11.36% in FY24, aided by a favourable project mix and execution in less complex terrains, which reduced operating costs. However, margins remain exposed to changes in project mix, subcontracting model, and execution-related challenges.

Moderate capital structure and debt coverage indicators

NPIIPL's capital structure remains moderate, with overall gearing of 1.57x as on March 31, 2025, an improvement from 1.92x in FY24. The gearing continues to be constrained by a modest net worth base of ₹57.46 crore. Debt coverage indicators are, however, comfortable, supported by improved profitability. In FY25, PBILDT interest coverage stood at 5.20x, total debt/PBILDT at 2.31x, and total debt/GCA at 2.55x.

Liquidity: Stretched

Liquidity of NIPL remained adequate marked by free cash and bank balances of Rs. 11.54 crore and investment in mutual funds of Rs. ~2.00 crore. Also, as against the estimated GCA of Rs. 31.97 crore, NIPL has principal repayments around Rs. 14-16 crore in FY26.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

NP Infraprojects India Private Limited (NPIIPL), incorporated in November 2018 and headquartered in Aurangabad, Maharashtra, is a mid-sized civil construction company engaged in road and highway development, industrial infrastructure, structural fabrication, electrical works, and pipeline laying services.

Despite its relatively recent establishment, the company has executed projects for reputed public sector and private clients, including Rail Vikas Nigam Limited (RVNL), National Highways Authority of India (NHAI), and KEC International Limited. The company typically undertakes EPC and subcontract works, with operations concentrated in Maharashtra and adjoining regions.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	220.63	242.39
PBILDT	25.07	35.32
PAT	7.98	15.93
Overall gearing (times)	1.92	1.57
Interest coverage (times)	4.34	5.20

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

Status of non-cooperation with previous CRA: India ratings has placed ratings assigned to the bank facilities of NIPL in "Issuer Not co-operating" category vide press release dated August 08, 2025, on account of its inability to carry out a review in absence of requisite information.

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Working Capital Limits		-	-	-	33.00	CARE BB+; Stable
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	55.00	CARE BB+; Stable / CARE A4+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	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-Working Capital Limits	LT	33.00	CARE BB+; Stable				
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	55.00	CARE BB+; Stable / CARE A4+				

LT: Long term; ST: Short 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-Working Capital Limits	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CareEdge 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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About us:

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