

## Infants Travels Private Limited

March 30, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	440.59 (Enhanced from 301.00)	CARE BBB-; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Reaffirmation of the rating assigned to bank facilities of Infants Travels Private Limited (ITPL) factors in consistently improving scale of operation supported by medium- to long-term contracts entered with clients, providing revenue visibility and stability. The rating also factors in high customer retention, driven by ITPL's long-standing associations with reputed clientele and the continuous addition of new customers, which has strengthened its client base and ensured steady income generation.

The rating positively considers the company's large fleet size and its competitive position in the market. CARE Ratings Limited (CareEdge Ratings) expects the sustained improvement in the company's scale of operations to result in healthy cash accruals, which are anticipated to remain adequate to meet scheduled debt repayments, translating into a satisfactory debt service coverage ratio (DSCR). The company's buses are deployed at near-optimal levels and earn remunerative fares, translating into satisfactory coverage indicators.

These rating strengths are partially offset by the increase in debt levels arising from the asset-heavy business model adopted by the company, which requires the company to continuously purchase vehicles that are predominantly funded through debt. The company is continuously onboarding new clients, which requires incremental additions to its fleet, and accordingly, the capital structure is expected to remain at an elevated level in the near-to-medium term. The rating is also constrained by profitability margins susceptible to fuel price fluctuations and its presence in a highly fragmented and competitive industry. CareEdge Ratings notes that the company is taking steps to reduce its fuel and other operational expenses and thus improvement in profitability margins is expected in the medium term.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Sustainably improving scale of operations above ₹400 crore, net worth base of over ₹75 crore, while maintaining total debt/profit before depreciation, interest, and tax (PBDIT) less than 2.5x.

#### Negative factors

- Total debt/profit before interest, lease rentals, depreciation, and taxation (PBILDT) of over 3x on a sustained basis.

**Analytical approach:** Standalone

#### Outlook: Stable

CareEdge Ratings believes that ITPL will continue to sustain its performance aided by healthy demand from its large clientele base and will continue to benefit from its promoters' experience in the transportation industry.

### Detailed description of key rating drivers:

#### Key strengths

##### Robust increase in scale of operation

The company has been witnessing y-o-y revenue growth supported by strong client base and continuously increasing clients demands for ITPL services. It serves over 90 clients across three sectors, which includes corporate, manufacturing, and schools. With only few organised players in the industry, ITPL has dominant market position in Bengaluru. In FY25, the company witnessed growth of ~43% to ₹364.36 crore from ₹254.32 crore in FY24. In 9MFY26, the company has already reported revenue of ₹375.40 crore with earnings before interest, taxes, depreciation, and amortisation (EBIDTA) of ₹116.50 crore. CareEdge Ratings anticipates that the company will continue to grow its revenue levels at a compounded annual growth rate (CAGR) of ~25% supported by

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

continuously increasing its clientele base and acquisition of enterprise division of SRS Travels Private Limited. CareEdge Ratings also takes note that the company has been taking steps to reduce its fuel and other operational expenses, which is anticipated to keep EBIDTA margins above 30% in future.

**Reputed clientele base with long association**

With over two decades of experience, ITPL has established association with clients across sectors. Its client base includes 90+ companies and schools. Due to company's long-term association with clients and their operations of providing smooth fleet service, client retention is over 95%. The company has been growing its client base by entering agreements with clients around the Bengaluru city. The company is now expanding its geographical reach by entering Chennai market. The company is expected to receive orders from new clients based out of other cities, which will further increase its clientele base in the medium term.

**Large fleet base with almost entire fleet deployed**

ITPL has large fleet size of 3,100+ buses with almost entire fleet deployed except for 10-15 buses for standby purpose. The company operates 800+ vehicles for schools and transport over 20,000 students per day. They also cater to 55,000+ employee staff transportation per day. The fleet has global positioning system (GPS) tracker and 24\*7 security and tracking system CMS, which provides real-time tracking for vehicles for 95% logins, ensuring emergency arrangements. The company also offers value added services such as alert notification through SMS and email, speeding alerts, deviation analysis and route optimisation, among others. In CareEdge Ratings' opinion, services offered by the company would aid the company in maintaining its high client retention ratio.

**Key weaknesses****Leveraged capital structure owing to debt backed fleet financing**

The company operates on asset heavy model where it purchases vehicles which are predominantly funded with debt. The company has onboarded new client in FY25 and 9MFY26 for which the company has purchased debt-funded fleets, resulting in increase in debt levels thus moderating capital structure and coverage indicators. However, ITPL purchases vehicles once an agreement is signed between client and the company, which is generally for five years, translating into stable cashflows and satisfactory total debt/ PBDIT. While CareEdge Ratings expects that gearing will remain moderate in near-to-medium term owing to continuous expansion plans of the company, total debt/PBDIT is anticipated to remain less than 3x supported by healthy operational profitability.

**Highly fragmented and competitive industry**

The industry is highly fragmented and competitive owing to presence of unorganised private players in the market. With high pricing power and time taken to reach destination, services by private players can attract the passengers at competitive prices against the fares charged by ITPL, which are majorly fixed in nature. This and presence of some well-established cab service providers makes the industry highly competitive as owing to increasing purchasing power. However, in chartered bus service, the company owns majority market share in Bangalore against few established players. Moreover, competitors of ITPL operators in specific sector, that is, either in corporate, school, or hospitality, whereas ITPL is present in all the three sectors.

**Profitability vulnerable to fuel price fluctuation**

The company's major costs are fuel and employee cost. Fluctuations in fuel prices and revision in employee payments and benefits directly impact the company's profit margins. The same is expected to stay volatile considering nature of the commodity and market demand-supply scenario. The prices charged by the company are collected based on contracted terms which is fixed in nature for a year and are for the long term. Thus, the company is unable to immediately pass on increase in fuel prices to its customers. As such, the company factors such fluctuation while quoting for contracts. Fuel costs percentage of revenue contributed ~26% in FY25 (FY24: 27%).

**Liquidity: Adequate**

The liquidity position of the company is adequate considering growing scale of operations backed by increasing client base, which is anticipated to generate healthy cash accruals, which would sufficiently cover company's debt repayment obligations translating into satisfactory DSCR. Net cash flow from operations has been witnessing improvement and stood at ₹83.27 crore in FY25 when compared to ₹54.06 crore in FY24. The company's average month end CC utilisation for 12 months ending December 31, 2025, stood at ~56%.

## Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Services Sector](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport services	Road transport

ITPL was initially established as a proprietorship firm in 1993 but later converted to a private limited company in 2002. The company is engaged in providing fleet services to corporates, schools, and hospitality industry predominantly serving across entire Bengaluru city. The company is promoted by John Louis Joseph and is supported by his family. ITPL is holding a fleet of ~3,100+ buses with capacity ranging from 17-seater up to 60-seater.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	December 31, 2025 (UA)
Total operating income	254.32	364.36	375.40
PBILDT*	78.95	113.82	116.50
Profit after tax (PAT)	11.52	17.32	19.49
Overall gearing (x)	5.92	5.87	NA
Interest coverage (x)	4.45	4.38	3.99

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation, and tax

**Status of non-cooperation with previous CRA:** Acuite has continued to place the rating of ITPL under Issuer Not Cooperating vide PR dated November 06, 2025, as the company did not cooperate in sharing the 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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	48.00	CARE BBB-; Stable
Fund-based - LT-Term Loan	-	-	-	December 2028	392.59	CARE BBB-; Stable

**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-Term Loan	LT	392.59	CARE BBB-; Stable	-	1)CARE BBB-; Stable (27-Mar-25)	1)CARE BBB-; Stable (15-Mar-24)	-
2	Fund-based - LT-Cash Credit	LT	48.00	CARE BBB-; Stable	-	1)CARE BBB-; Stable (27-Mar-25)	1)CARE BBB-; Stable (15-Mar-24)	-

LT: Long 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	Fund-based - LT-Term Loan	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.

## Contact us

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