

Allgrace Developers Private Limited

April 02, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term / Short-term bank facilities	50.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable / CARE A3 and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Allgrace Developers Private Limited (ADPL) to monitor ratings, vide email communications dated January 05, 2026, January 30, 2026, February 25, 2026, March 03, 2026, and March 06, 2026, and numerous phone calls. However, despite repeated requests, the company has not provided the requisite information for monitoring rating. In line with the extant Securities and Exchange Board of India (SEBI) guidelines, CareEdge Ratings has reviewed the rating basis best available information, which however, in CareEdge Ratings' opinion, is not sufficient to arrive at a fair rating. Ratings on ADPL's bank facilities will now be denoted as CARE BB+; Stable/ CARE A4+; ISSUER NOT COOPERATING*.

Users of this rating (including investors, lenders and, public at large) are hence requested to exercise caution while using these rating(s).

Ratings have been downgraded considering non-availability of requisite information due to non-cooperation by ADPL with CareEdge Ratings efforts to undertake a review of ratings outstanding. CareEdge Ratings views information availability risk as a key factor in its assessment of credit risk. Ratings assigned to bank facilities of ADPL continues to remain constrained by its moderate capital structure, order book concentration leading to high dependence on few orders and fragmented nature of construction sector with tender-based nature of operations and execution challenges.

However, ratings continue to draw comfort from long-standing experience of its promoters in the construction industry, growing scale of operations with moderate profitability and the company's healthy order book position with reputed clientele.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on March 21, 2025, following were the rating weaknesses and strengths:

Key weaknesses

Moderate capital structure

The capital structure of the company improved however remains moderate as marked by overall gearing of 0.78x as on March 31, 2024 (1.08x as on March 31, 2023). The improvement was mainly on account of improvement in the net worth with accretion of profits along with subordination of USLs (i.e. Rs.7.05 crore) as per the lender (HDFC bank) stipulation for maintaining the tangible net worth amounting Rs.43.33 crore till the currency of loan. Further, the debt coverage indicators of the company also improved owing to increase in gross cash accruals with marginal increase in finance charges, marked by PBILDT interest coverage of 7.06x as on March 31, 2024 (PY: 5.27x) and TD/GCA of 2.61x (PY: 3.72x) as on March 31, 2024.

Order book concentration and high dependence on few orders

The order book is concentrated with majority of the orders from UP and Maharashtra. Further, there is client concentration also with 70% of the orders from two projects only against the total unexecuted order book. Though comfort can be derived from the ability of company to complete the projects within the time and cost estimates. However, in the long run the company needs to diversify its order book to reduce the dependence on any particular contract.

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

Fragmented nature of construction sector with tender-based nature of operations and execution challenges

The construction sector in India is highly fragmented with a large number of small and mid-sized players. This coupled with tendering process in order procurement results in intense competition within the industry, fluctuating revenues and restrictions in profitability. Additionally, continued increase in execution challenges including delays in land acquisition, regulatory clearances, aggressive bidding, interest rate risk and delays in project due to environmental clearance are other external factors that affect the credit profile of industry players. All these are tender-based and the revenues are dependent on the ability of the company to bid successfully for these tenders. Profitability margins come under pressure because of competitive nature of the industry and fluctuations in raw material prices. Also, there are numerous fragmented & unorganized players operating in the segment which makes the civil construction space highly competitive. However, the promoter's long industry experience of nearly three decades mitigates this risk to some extent.

Key strengths**Experienced promoters with established track record of operations**

ADPL was incorporated in 2005, promoted by Vinod Kumar and Manoj Kumar. The company is engaged in construction and execution of roads/ highways, integrated development of residential/ industrial projects and allied works. The promoter, Vinod Kumar and Manoj Kumar, have a vast experience of more than 2 decades in the same line of business. ADPL undertakes projects of construction and expansion of roads/highways and other related civil works at various locations all over India.

Growing scale of operations

The TOI of the company is growing in last 5 years from ₹55.86 crore in FY20 to 194.70 crore in FY24 reflecting CAGR of 28.37%. The scale of operations of the company is growing however stood moderate as marked by total operating income and gross cash accruals of ₹194.70 crore and ₹12.93 crore, respectively, during FY24 (Audited results: refers to the period April 01 to March 31). The company has witnessed growth of 35.99% in the scale of operations (PY: ₹143.18 crore) on account of increase in the execution of orders. Till Feb 24, 2024, the company has already booked a net revenue of ~₹200 crores. The tangible networth remained moderate at ₹43.33 crore (PY: ₹28.73 crore) as on March 31, 2024. The modest scale limits the company's financial flexibility in times of stress and deprives it from scale benefits.

Moderate Profitability Margins

The profitability margins of the company improved in FY24 however remains moderate i.e. PBILDT margins and PAT margins stood at 9.61% in FY24(A) (PY: 8.52) and 4.60% in FY24(A) (PY: 3.87%) respectively. Moreover, the contracts with tenor of more than 12 months have built-in escalation clauses for any fluctuations in the raw material prices and labour cost which allows it to pass on any abnormal increase in input prices. Therefore, the profit margins are likely to be less affected due to raw material price fluctuations.

Healthy orderbook position translating into medium term revenue visibility due to established relations with reputed clientele

As on November 30, 2024, ADPL has an outstanding orderbook of ₹827.38 crore which is 4.25x of TOI of FY24. Over the years, the company has built strong relationship with renowned agencies including Public work Department (PWD), Himachal Pradesh Housing and Urban Development Authority (Himuda), Shapoorji Pallonji & Co. Ltd., SAB Industries Ltd. etc and considering the satisfactory work, it has managed to get repeat orders from its clients. ADPL's current clientele include reputed clienteles consists of private companies/ state government departments having good credit profile such as Krishna Constructions, CDS Infra Projects Ltd, PWD and Executive Engineer, NH Division, Pune etc, which minimises counterparty risk to certain

Liquidity: Adequate

Liquidity position of the company is adequate as company has only repayment obligation of ₹7.13 crore in FY25 against the healthy envisaged gross cash accruals of approximately ₹17.00 crore. The current and quick ratio stood 1.15x and 0.99x as on 31 March 2024 (A). The average utilisation of the working capital limits remained comfortable at 23% against the sanctioned limit of ₹25 crore in the last twelve months ended Nov 2024, leading to a sufficient liquidity cushion.

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

Applicable criteria

- [Definition of Default](#)
- [Information Adequacy Risk and Issuer Non-Cooperation](#)
- [Liquidity Analysis of Non-financial sector entities](#)
- [Rating Outlook and Rating Watch](#)
- [Financial Ratios – Non financial Sector](#)
- [Construction Sector](#)
- [Infrastructure Sector Ratings](#)
- [Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

Incorporated in 2005, ADPL was directed by Vinod Kumar and Manoj Kumar. ADPL is engaged in construction and execution of roads/ highways, integrated development of residential/ industrial projects and allied works. ADPL secures all its contracts through open bidding process and sub-contracting, and its clients largely include Government and corporate sector.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	11MFY25 (UA)#
Total operating income	143.18	194.70	200.00
PBILDT*	12.19	18.71	NA
Profit after tax (PAT)	5.55	8.95	NA
Overall gearing (x)	1.08	0.78	NA
Interest coverage (x)	5.27	7.06	NA

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

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

#These numbers are till February 24, 2025

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Non-fund-based - LT/ST-Bank Guarantee	-	-	-	-	50.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*

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

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	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	50.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	-	1)CARE BBB-; Stable / CARE A3 (21-Mar-25)	-	-

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

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	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.

Contact us

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About us:

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