



Press Release

Ajeenkya D.Y. Patil Infra Private Limited

April 02, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	264.97 (Increased from Rs. 258.55 crore)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Reaffirmed	Simple
Total	264.97	(Rupees Two Hundred and Sixty-Four Crore and Ninety-Seven Lakh Only)			

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed its rating to the bank facilities of Ajeenkya D.Y. Patil Infra Private Limited (ADYPIPL). The ratings continue to derive strength from the established track record of group and promoters, revenue visibility from lease rentals and healthy operating margins. However, these rating strengths are partially offset by moderate capital structure and debt protection metrics, revenue concentration and stretched working capital cycle and project implementation risk.

The outlook is Stable due to support from Ajeenkya D.Y Patil group and healthy operating margins.

Key Rating Sensitivities:

Upward Factors

- Substantial and sustained growth in operating income and improvement in profitability
- Project completion within envisaged cost and time

Downward Factors

- Significant decline in operating profitability.
- Delay in implementation of project or cost overruns.

List of Key Rating Drivers with Detailed Description



Press Release

Key Rating Strengths

Established track record of group and promoters

ADYPIPL develops and owns assets utilized by the educational institutions of Ajeenkya D.Y. Patil (ADYP) Group. ADYPIPL also provides other services such as bus transportation, catering, security and supervisory services to the group companies. The company managed by ADYP group are well established in education and healthcare sector and have stable financial position which ensures stable revenue stream for ADYPIPL in the form of lease rentals and revenue for the other services.

Revenue visibility from lease rentals

In FY24 (refers to period from April 01, 2023, to March 31, 2024), the company generated 47.31% of its revenue from lease rentals. These long-term lease agreements, primarily with group entities, are expected to persist in the coming years, ensuring consistent revenue stability. Additionally, the company earns a significant portion of its revenue from other activities, such as managing school operations.

Healthy operating margins

Operating cost of the company is low as the company provides infrastructure on lease basis to the educational institutes operated by the ADYP group. This has led to consistently strong operating margin of over 50%-60% in past three years. The company is expected to continue to generate strong operating margin driven by steady revenue streams and low operating costs.

Key Rating Weaknesses

Moderate capital structure and debt protection metrics

Overall gearing has deteriorated from 1.90x as on March 31, 2023, to 2.37x as on March 31, 2024, due to increase in total debt to Rs. 197.76 crore March 31, 2024. Further, the company has given the corporate guarantee to a total debt of Rs. 96.00 crore results further impacting to the financial risk profile of the company. TOL/TNW has also deteriorated from 3.13x as on March 31, 2023, to 3.67x as on March 31, 2024. Interest coverage and DSCR has moderated from 2.53x and 2.19x respectively in FY24.



Press Release

Revenue concentration and stretched working capital cycle

Even though the ADYP Group's educational institutions are projected to provide steady sources of income for the company, the company is nevertheless heavily dependent on the group entities' performance, which exposes it to concentration risk. Although the company invoices the group entities monthly and offers services to them, it gives these entities flexibility in paying according to collections. The operating cycle of the company reduced from last year which is 114 days in FY24 compared to 154 days in FY23.

Project implementation risk

ADYPIPL continues to be exposed to project implementation risk. ADYPIPL to set-up a new 300 bedded multispecialty hospital, at charholi bk. Via Lohegaon, Pune, Maharashtra. This is a semi-urban region in Pune and is devoid of medical facilities. The rural areas in the vicinity of Charholi Budruk are under development and population is on the rise. The estimated project cost is Rs. 161.02 crore. The proposed project is scheduled to get completed by April-2026 as per bank sanction letter. As per latest L.I.E. report, there is no delay in the implementation of project or cost overruns As on February 14, 2025, the total expenditure incurred is Rs. 105.94 crore. The physical progress of 52.18% and financial progress of 65.79% has been completed.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Service Sector Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria on assigning rating outlook](#)

[Criteria on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The liquidity of the company is expected to remain adequate in FY25-27 marked by sufficient accruals vis-à-vis its debt repayment obligations during the period. Further, the company has



Press Release

limited gearing headroom due to its capex plan in FY25-FY27. Income from lease rentals support liquidity for debt payments. The free cash balance as on March 31, 2024, remained at Rs. 14.33 crore.

About the Company

Ajeenkya D. Y. Patil Infra Private Limited (ADYPIPL) formerly known as Dr. D.Y. Patil Educational Enterprises Private Limited is a private limited company incorporated on June 25, 2002. Further it changed the name as Ajeenkya D. Y. Patil Infra Private Limited (ADYPIPL) on August 24, 2015. ADYPIPL is a part of Ajeenkya DY Patil group.

The company is engaged in the business of developing education and related infrastructure and make available the assets for utilisation by the educational institutions of ADYP Group. It also provides other services such as hostel, bus transportation, catering, security and supervisory services to the group companies. The ADYP group entities are well established in education sector which ensures stable revenue stream for the company in the form of lease rentals and revenue for the other services. Currently ADYPIPL is managed by three directors, Dr. Ajinkya D Y Patil, Mr. Rohit Mhaskar and Dr. Lingaraj Shigli Anand.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	32.52	38.40
EBITDA	17.36	22.50
PAT	12.90	8.87
Total Debt	142.13	197.76
Tangible Net Worth	74.65	83.52
EBITDA Margin (%)	53.40	58.61
PAT Margin (%)	39.46	19.80
Overall Gearing Ratio (x)	1.90	2.37
Interest Coverage (x)	1.90	2.53

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



Press Release

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date (Month XX, 20XX)	Date (March 27, 2024)	Date (Month XX, 20XX)
1.	Long Term Fund Based Bank Facilities	Long Term	264.97 (Increased from Rs. 258.55 crore)	IVR BB+/Stable	-	IVR BB+/Stable	-

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.



Press Release

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
GECL	-	-	-	December 2027	1.92	IVR BB+/Stable
Term Loan	-	-	-	March 2029	6.26	IVR BB+/Stable
Term Loan (LRD Facilities)	-	-	-	Septembe r 2034	39.77	IVR BB+/Stable
Term Loan	-	-	-	December 2033	4.67	IVR BB+/Stable
Term Loan (LRD Facilities)	-	-	-	June 2038	74.76	IVR BB+/Stable
Term Loan	-	-	-	October 2033	100.00	IVR BB+/Stable
Dropline Overdraft	-	-	-	-	17.75	IVR BB+/Stable
Overdraft	-	-	-	-	20.00	IVR BB+/Stable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-AjeenkyaDYInfra-apr25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable



Press Release

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.