



## Press Release

**Kamal & Associates Pvt.Ltd**

**August 08, 2025**

### **Ratings**

Instrument Facility	Amount (Rs. Crore)	Current Ratings	Previous Rating	Rating Action	<a href="#">Complexity Indicator</a>
Long term Bank Facilities	19.50	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	Rating re-affirmed	Simple
Short Term bank Facilities	45.50 (Includes Proposed amount of Rs. 1.50 Crore)	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Rating re-affirmed	Simple
<b>Total</b>	<b>65.00</b>	<b>Rupees Sixty Five Crores Only.</b>			

**Details of Facilities/Instrument are in Annexure 1**

**Facility wise lender details are at Annexure 2**

**Detailed explanation of covenants is at Annexure 3**

### **Detailed Rationale**

Infomerics Valuation and Rating Limited (IVR) has re-affirmed the long/Short Term rating to Triple B Minus with a Stable outlook & IVR A Three for the bank loan facilities of Kamal & associates Private Limited (KAPL).

The reaffirmation of ratings to the bank facilities of Kamal & associates Private Limited continues to factor in the rich experience of the management driving the growth of business, healthy order book position, project execution capability and constant scale of operations & range bound profitability margin. The ratings, however, are constrained by tender based nature of business and presence in fragmented industry with intense competition, client and geographical concentration risk.

The stable outlook indicates a low likelihood of rating change in the medium term. IVR believes that the KAPL business & financials risk profile will be maintained over the over the medium term.



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IVR has principally relied on the standalone audited financial results of KAPL up to FY24(A) & FY25 Provisional results and three years projected financials till FY28, and publicly available information/ clarifications provided by the company's management.

### **Key Rating Sensitivities:**

#### **Upward Factors**

- Substantial improvement in the scale of operations with TOI over Rs 300 crores and improved EBITDA margins.
- Improvement in debt protection metrics supporting the financial position of the company.
- Substantial increase in order books leading to improvement in revenue visibility of the company.

#### **Downward Factors**

- Any substantial decline in scale of operations and/or decline in profitability impacting the financial position of the company.
- Any debt funded capex leading to deterioration in the debt protection parameters and/or the liquidity position of the company.
- Any material fluctuation in raw material / commodity impacting the profitability of the company substantially.

### **List of Key Rating Drivers with Detailed Description**

#### **Key Rating Strengths**

- **Experienced Board with established track record of operations:**

KAPL is promoted by Mr. Kamal Singh and Mr. Prateek Singh. The promoters of the company have an experience of more than a decade in construction industry and are actively engaged in day-to-day operations of the company. The promoters are well assisted by effectively qualified second-tier management in day-to-day operations.

- **Healthy profitability margins**



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KAPL EBITDA margins have remained healthy at 9.73% in FY25 (Prov.) (period refers from April 01st, 2024 to March 31st, 2025) (FY24: 8.17%), due to better operating leverage and execution of higher margins orders. Infomerics expect the profitability of KAPL remains at current level due to having better margins orders.

- **Comfortable capital structure and debt protection metrics**

The capital structure marked by overall gearing has remained comfortable at 0.19x in FY25 (FY24: 0.26x) and TOL/TNW at 0.76x in FY25 (FY24: 0.98x) due to lower utilization of working capital limits and stable accretion of profits to reserves. KAPL debt protection metrics remain strong marked by ISCR and total Debt/NCA at 6.40x and 0.91 years in FY25 (FY24: 7.87x and 1.17 years) respectively. Infomerics expect the debt protection metrics of KAPL will remain at current financial level due to relatively lower debt and healthy profitability margins.

- **Comfortable Capital Structure and debt protection metrics:**

The capital structure of the company stood comfortable marked by overall gearing at 0.21x in FY2025 as against 0.26x in FY2024. The indebtedness of the society marked by TOL/TNW stood at 0.75x in FY2025 as compared to 0.75x in FY2024. The adjusted tangible net worth stood moderate at Rs. 68.49 crore in FY2025 as against Rs. 57.73 crore in FY2024. The debt protection metrics are comfortable and above unity, with ISCR of 6.18x in FY2025, DSCR also improved to 3.88x in FY2025. The total debt to GCA stood comfortable at 1.09 in FY2025 as against 1.09 in FY2024.

- **Moderate order book position**

KAPL's total unexecuted order book worth Rs. 280.62 crore (1.30x of FY25 Prov. revenue), indicating moderate revenue visibility in the medium term. The order book is geographically diversified, with ~38% from ESIC Haridwar (Uttarakhand), 25.80% from the rivulet (Greater Noida), 17.10% from the Brook (Greater Noida), ~10.81% from Reserve Bank of India in Goa and remaining 8% is from Indian Institute of technology (Indore). In every contract there is inbuilt price escalation clause which insulate the KAPL from any adverse price movement of raw material prices. KAPL has an established track record of completion of contracts on timely basis.



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- **Long standing association with reputed government authorities**

KAPL has long standing operational track record of more than a decade which has enabled it to establish and strengthen its relations with customers which majorly includes government and reputed clientele i.e. ESIC (Haridwar), Reserve Bank of India (Goa) having sound credit profile.

### Key Rating Weaknesses

- **Lower revenue growth in FY25 likely to pick up from FY26 onwards**

KAPL has witnessed marginal decline in revenue to Rs.216.70 crore in FY25 (FY24: Rs.238.42 crore), due to lower execution of order due to delay in land acquisition. However, Infomerics expects the revenue growth is likely to pick up from FY26 onwards with diversification into other segments as well as moderate order book.

- **Inherent risk in nature of business**

Economic vulnerability and regulatory risks in developing markets, delay in payments from the Government, project execution risk and fluctuating input costs are the key business risk faced by the entity in the sector.

- **Susceptibility of its profitability to fluctuation in raw material prices.**

Major raw materials used in civil construction activities are steel & cement and in road construction activities are stone, steel, cement, and sand. The raw material & labour costs form the major portion of the total cost of production. The profitability of the company is susceptible to fluctuation in raw material prices & labour costs due to its volatile nature. However, the contracts executed by the company contain escalation clauses to mitigate the volatile input material prices.

**Analytical Approach:** Standalone

**Applicable Criteria :**

[Rating Methodology for Manufacturing entities](#)  
[Financial Ratios & Interpretation Non- Financial Sector](#)  
[Criteria for assigning rating outlook](#)



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[Policy on Default Recognition](#)

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

### **Liquidity – Adequate**

The liquidity profile of KAPL is expected to remain adequate as the company is expected to generate adequate gross cash accruals in the range of Rs.15.78- Rs.18.79 crore to serve its debt obligations in the range of Rs.0.98-1.08 crore during FY25-FY28. However, the average fund-based utilization of the company remained moderate at ~27.91% during the past 12 months ended in March 2025 indicating adequate liquidity buffer for the company.

### **About the Company**

New Delhi based Kamal & Associates Pvt. Ltd. was incorporated in the year 1999 by Mr. Kamal Singh. The company is engaged into infrastructure and civil construction related works for various government and private clients. KAPL has its expertise in the field of piling, diaphragm-wall, well sinking and other structural works. It's also executed manufacturing, mixing, supply, transportation of ready-mix concrete.

The operations of the company are majorly handled by Mr. Kamal Singh (Managing Director) having an experience of around two decades in the construction sector. The directors are supported by a team of experienced and qualified professional.

KAPL procures order through tender participation and mostly participates in contracts with short duration.

### **Financials (Standalone):**

	(Rs. crore)	
For the year ended* As on	31-03-2024	31-03-2025
	Audited	Prov.
Total Operating Income	238.42	216.70



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For the year ended* As on	31-03-2024	31-03-2025
EBITDA	19.49	21.09
PAT	9.19	10.77
Total Debt	14.99	13.01
Tangible Net worth*	57.73	68.49
EBITDA Margin (%)	8.17	9.73
PAT Margin (%)	3.85	4.97
Overall Gearing Ratio (x)	0.26	0.19
ISCR (x)	7.87	6.40

\*as per Infomerics standards

**Status of non-cooperation with previous CRA :** Crisil Ratings in its press Release dated on Oct 11, 2024 has continued the case under Issuer Not Cooperating status on account of non-submission of relevant information.

**Any other information:** : Nil

**Rating History for last three years:**

Sl. No.	Name of Instrument/Facilities	Current Rating (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 Dated : May 31, 2024	Date(s) & Rating(s) assigned in 2023-24 Dated: April 07, 2023	Date(s) & Rating(s) assigned in 2022-23
1	Cash Credit	Long Term	19.50	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	-
2	Bank Guarantee	Short Term	45.50*	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	-

\*Includes Proposed Amount of Rs. 1.50 Crore.

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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 visit [www.infomerics.com](http://www.infomerics.com)

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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook



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Long Term Bank Facilities – Cash Credit			-	19.50	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)
Short Term Bank Facilities – Bank Guarantee			-	45.50*	IVR A3 (IVR A Three)

\*Includes Proposed Amount of Rs. 1.50 Crore.

**Annexure 2: Facility wise lender details:**

<https://www.infomerics.com/admin/prfiles/len-Kamal-Associates-aug25.pdf>

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

**Annexure 4: List of companies considered for consolidated 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](http://www.infomerics.com)