July 20, 2026

Everest Infra Ventures India Private Limited: [ICRA]BBB(Stable)/[ICRA]A3+; assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term - Fund-based - Cash credit	23.00	[ICRA]BBB(Stable); assigned	RBI
Long-term - Fund-based - Others	100.00	[ICRA]BBB(Stable); assigned	RBI
Long-term - Fund-based - Overdraft	10.00	[ICRA]BBB(Stable); assigned	RBI
Long-term/Short-term - Non-fund based facilities	153.00	[ICRA]BBB(Stable)/[ICRA]A3+; assigned	RBI
Total	**286.00**		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments, which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

The ratings assigned to Everest Infra Ventures India Private Limited (EIVIPL) factor in its healthy order book position of Rs. 1,298 crore as on March 31, 2026, translating into an order book-to-operating income (OB/OI) ratio of 8.6 times FY2026 operating income, thereby providing medium-term revenue visibility. The order book primarily comprises water supply and building construction projects, which is expected to support its scale of operations over the medium term. The ratings favourably factor in the company's established track record of operations of over a decade in executing infrastructure EPC projects, particularly in the water supply and power distribution segments, demonstrated through the successful execution of projects under the Mission Bhagiratha programme in Telangana and various Central Government schemes in Jammu & Kashmir and Uttar Pradesh. The order book is currently spread across the states of Telangana, Kerala and Uttar Pradesh.

The credit profile of EIVIPL also benefits from financial flexibility of being part of Apollo Hospitals' promoter family in terms of improved access to funding and competitive pricing. The promoter group has extended timely support to the company in the past through unsecured loans, quasi-equity instruments (optionally convertible debentures (OCDs) and compulsory convertible debentures (CCDs)), providing financial flexibility during periods of subdued business performance. The promoters have outstanding unsecured loans of Rs. 88.0 crore and OCDs of Rs. 58.7 crore as on March 31, 2026. ICRA takes note of the pledge of Apollo Hospitals Enterprise Limited (AHEL, rated [ICRA]AAA (Stable)/[ICRA]A1+) shares by the promoter group against EIVIPL's borrowings, showcasing the commitment of the sponsors towards the company.

The ratings are, however, constrained by the company's modest scale of operations, with an operating income of Rs. 150 crore in FY2026, notwithstanding the healthy growth witnessed in recent years. Further, the company is expected to witness significant growth in operating revenues in FY2027 backed by a healthy order book position. The company reported a healthy operating margin of 19.0% in FY2026, supported by the execution of relatively higher-margin water supply projects and O&M works. Nevertheless, the company is exposed to the cyclicality inherent in the construction industry and intense competition in the tender-based contract award system, resulting in the risk of volatility in order inflows, revenues and pressure on profit margins, as witnessed during FY2022-FY2023 amid limited order additions, highlighting its dependence on timely accretion of profitable orders and its successful execution. Hence, the sustenance of healthy operating margins remains a key rating monitorable factor.

The ratings are further constrained by the concentrated nature of the order book across geographies, clients and segments. As on March 31, 2026, the top three states (Telangana, Kerala and Uttar Pradesh) accounted for 100% of the unexecuted order book, while the top three clients contributed 97.5% and the top two segments accounted for 90.4% of the outstanding order book. The order book is also exposed to execution risks, given that 78.7% of the projects are at a nascent stage of execution (less than 10% completed as on March 31, 2026). Nevertheless, the execution risk is partially mitigated by the company's established track record in executing similar projects. The rating also takes note of the moderate client profile of the company.

The ratings also consider the company's working capital-intensive nature of operations and modest debt protection metrics. The working capital intensity remains high, driven by sizeable receivables of Rs. 94.71 crore as on March 31, 2026, translating into debtor days of 230. Although the receivables ageing profile remains relatively comfortable, the debtor profile is highly concentrated, with the top three customers accounting for majority of the outstanding receivables. Moreover, the working capital intensity remained high with NWC/OI of 122% as on March 31, 2026, largely on account of higher receivables and inventory position. Further, the company's average fund-based working capital utilisation remained moderate at 61.4% during the 12-month period from June 2025 to May 2026, indicating a sustained reliance on bank limits for funding working capital requirements. The company's debt protection metrics and leverage remain modest, with interest coverage ratio of 1.80 times in FY2026 and Total Debt/OPBDITA of 3.03 times as on March 31, 2026.

The Stable outlook on the rating reflects ICRA's opinion that EIVIPL will continue to benefit from its healthy order book position, established execution track record of operations and the strong promoter profile.

Key rating drivers and their description

Credit strengths

Healthy order book position provides medium-term revenue visibility – EIVIPL had an unexecuted order book of Rs. 1,298 crore as on March 31, 2026, translating into OB/OI ratio of 8.6 times FY2026 operating income. The order book primarily comprises water supply and building construction projects from various state government agencies, providing healthy revenue visibility and, thus, expected to support its scale of operations over the medium term.

Established track record of operations in infrastructure EPC segment – EIVIPL has an established track record of over a decade in executing infrastructure EPC projects, primarily in the water supply and power distribution segments. The company has successfully executed water supply projects under Mission Bhagiratha project in Telangana and power distribution projects in Jammu & Kashmir and Uttar Pradesh under various Central Government schemes.

Strong promoter profile and demonstrated financial support – EIVIPL is promoted by members of the Apollo Hospitals' promoter family and benefitted from their demonstrated financial support in the past. The credit profile of EIVIPL also benefits from the financial flexibility arising from the promoter group in terms of improved access to funding and competitive pricing. The promoter group has extended timely support to the company through unsecured loans and quasi-equity instruments, providing financial flexibility during periods of subdued business performance. The promoters have outstanding unsecured loans of Rs. 88.0 crore and OCDs of Rs. 58.7 crore as on March 31, 2026. ICRA also takes note of the pledge of AHEL shares by the promoter group against EIVIPL's borrowings, showcasing the commitment of the sponsors towards the company.

Credit challenges

Modest scale of operations and exposure to volatility in order inflows – EIVIPL's scale of operations remains modest, as reflected in operating income of Rs. 150 crore in FY2026, despite healthy growth in recent years supported by improved order execution. The company reported a healthy operating margin of 19.0% in FY2026, aided by the execution of relatively higher-margin water supply projects and O&M works. Nevertheless, the company is exposed to the cyclicality inherent in the construction industry and intense competition in the tender-based contract award system, resulting in the risk of volatility in order inflows, revenues and pressure on profit margins, as witnessed during FY2022-FY2023 amid limited order additions, highlighting its dependence on timely accretion of profitable orders and its successful execution. While the improved order book position provides healthy revenue visibility, the company's growth prospects remain dependent on the timely receipt and execution of fresh orders on a sustained basis. Further, sustenance of healthy operating margins remains a key rating monitorable.

Order book exposed to concentration and execution risks – The order book is concentrated across geography, clients and segments, with the top three states (Telangana, Kerala and Uttar Pradesh) accounting for 100% of the unexecuted order book as on March 31, 2026. Further, the top three clients (Telangana Education & Welfare Infrastructure Development Corporation, Kerala Water Authority and UP Jal Nigam (Rural)) contributed 97.5%, while the top two segments (building construction and water supply) accounted for 90.4% of the unexecuted order book as on March 31, 2026. Moreover, the order book is exposed to execution risks, with 78.7% of the projects at a nascent stage of execution (less than 10% completed as on March 31, 2026). Consequently, timely mobilisation of resources and execution of projects within stipulated timelines will remain critical for achieving the envisaged growth in revenues and profitability. Nevertheless, the execution risk is partially mitigated by the company's established track record in executing similar projects. The rating also takes note of the moderate client profile of the company.

Working capital-intensive operations and modest debt protection metrics – The company's operations remain working-capital intensive, primarily due to sizeable receivables of Rs. 94.71 crore as on March 31, 2026, translating into debtor days of 230. Although the receivables ageing profile remains relatively comfortable, the debtor profile is highly concentrated, with the top three customers accounting for majority of the outstanding receivables. Nevertheless, receivables moderated to Rs. 64.6 crore as of May 2026, indicating collections during the period. Moreover, the working capital intensity remained high with NWC/OI of 122% as on March 31, 2026, largely on account of higher receivables and inventory position. Further, the company's average fund-based working capital utilisation remained moderate at 61.4% during the 12-month period from June 2025 to May 2026, indicating a sustained reliance on bank limits for funding working capital requirements.

The company's debt protection metrics remain modest with an interest coverage ratio of 1.8 times in FY2026. The capital structure remained leveraged, reflected in Total Debt/OPBDITA of 3.03 times as on March 31, 2026. Consequently, the company's credit profile remains sensitive to any elongation in the working capital cycle, delays in receivable realisations, or debt-funded expansion plans.

Liquidity position: Adequate

EIVIPL's liquidity position is adequate, with free cash and bank balances of Rs. 0.18 crore as on March 31, 2026 and adequate cushion in fund-based working capital facilities. The average utilisation of the fund-based and non-fund-based working capital limits remained at 61.4% and 59.0%, respectively, during the 12-month period ending May 2026. The liquidity profile is also supported by the promoters' demonstrated track record of extending timely financial support, whenever required.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if EIVIPL witnesses a significant increase in its scale of operations, supported by timely execution of the existing order book and healthy order accretion, while maintaining its profitability levels. Sustained improvement in leverage, debt coverage metrics and liquidity position, coupled with material improvement in working capital intensity and greater diversification of the order book across clients, geographies and segments, could also lead to a rating upgrade.

Negative factors – Pressure on the ratings could arise if there are significant delays in the execution of the order book, resulting in a decline in revenues and earnings. The ratings could also face downward pressure in case of deterioration in the working capital cycle, leading to higher reliance on borrowings, or any substantial debt-funded capex/investments that adversely impact the leverage, debt coverage metrics and liquidity position on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Construction
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

EIVIPL, incorporated in 2014 and headquartered in Hyderabad, is promoted by Mr. Anindith Reddy and is part of the promoter group associated with Apollo Hospitals Enterprise Limited (AHEL). The company executes turnkey civil and infrastructure projects across segments such as water, power, roads, buildings and urban infrastructure, with an operational presence across Telangana, Kerala, Maharashtra, Uttar Pradesh and Jammu & Kashmir.

Key financial indicators (audited)

EIVIPL	FY2025	FY2026*
Operating income	130.85	150.34
PAT	10.94	10.54
OPBDIT/OI	21.2%	19.0%
PAT/OI	8.4%	7.0%
Total outside liabilities/Tangible net worth (times)	0.75	0.69
Total debt/OPBDIT (times)	3.75	3.03
Interest coverage (times)	1.62	1.80

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; * Provisional numbers*
PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA:

IND BBB-/Negative (ISSUER NOT COOPERATING)/IND A3+(ISSUER NOT COOPERATING); Outlook Revised to Negative and Migrated to non-cooperating category; Jun 15, 2026

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
	Type	Amount rated (Rs. crore)	July 20, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based-Cash credit	Long-term	23.00	[ICRA]BBB (Stable)	-	-	-	-	-	-
Fund-based-Others	Long-term	100.00	[ICRA]BBB (Stable)	-	-	-	-	-	-
Fund-based-Overdraft	Long-term	10.00	[ICRA]BBB (Stable)	-	-	-	-	-	-
Non-fund based facilities	Long-term/ short-term	153.00	[ICRA]BBB (Stable)/ [ICRA]A3+	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term-Fund-based-Others	Simple
Long-term-Fund-based-Overdraft	Simple
Long-term/Short-term-Non-fund based facilities	Simple
Long-term-Fund-based-Cash credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	**Fund-based-Cash credit**	NA	NA	NA	23.00	[ICRA]BBB (Stable)	RBI
NA	**Fund-based-Others**	NA	NA	NA	100.00	[ICRA]BBB (Stable)	RBI
NA	**Fund-based-Overdraft**	NA	NA	NA	10.00	[ICRA]BBB (Stable)	RBI
NA	**Non-fund based facilities**	NA	NA	NA	153.00	[ICRA]BBB (Stable)/[ICRA]A3+	RBI

Source: Company

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments, which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not applicable

ANALYST CONTACTS

Ashish Modani
+91 22 6169 3358
ashish.modani@icraindia.com

Suprio Banerjee
+91 22 6114 3443
supriob@icraindia.com

M Rajashekar Reddy
+91 40 6939 6423
m.rajashekarreddy@icraindia.com

M V Tarun Raju
+91 40 6939 6413
tarun.raju@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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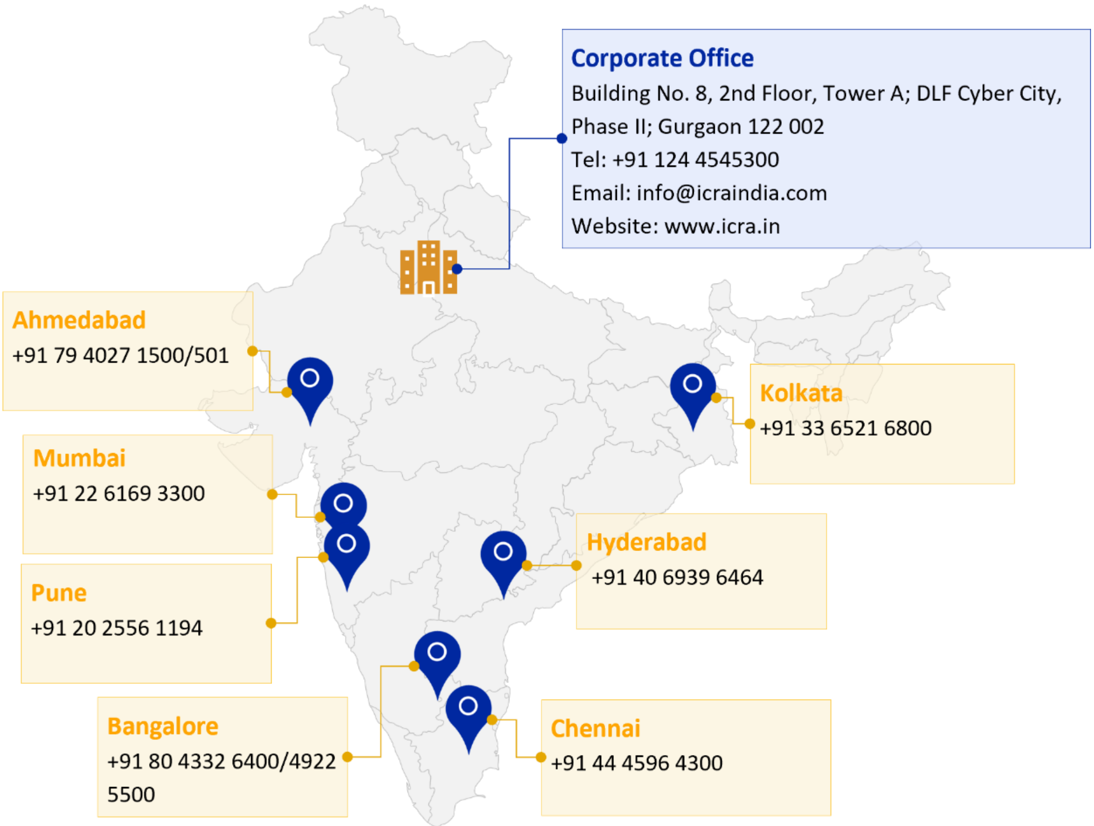
ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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