Rating Rationale
16 Sep 2026
Nitin Sai Constructions Pvt. Ltd.

SUMMARY OF RATING ACTION

Facilities**	Amount (Rs. Crs)		Tenure	Rating#		Name of the Regulator
	Previous	Present		Previous (19 June 2025)	Present Rating	
Fund Based						
Overdraft - Sanctioned	3.00	**3.55**	Long Term	BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	**BWR BB/Positive Reaffirmation**	RBI
Overdraft - Proposed	0.00	**0.50**	Long Term	-	**BWR BB/Positive Assignment**	RBI
Term Loan - Outstanding	0.10	**0.00**	Long Term	BWR BB /Stable Assignment	**Withdrawal**	RBI
Total Fund Based	**3.10**	**4.05**				
Non Fund Based						
Bank Guarantee - Sanctioned	25.00	**33.30**	Long Term	BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	**BWR BB/Positive Reaffirmation**	RBI
Bank Guarantee - Proposed	0.00	**6.90**	Long Term	-	**BWR BB/Positive Assignment**	RBI
Letter of Credit - Sanctioned	5.00	**5.00**	Short Term	BWR A4 + removal from ISSUER NOT COOPERATING* category/Upgraded	**BWR A4+ Reaffirmation**	RBI
Letter of Credit - Proposed	0.00	**7.00**	Short Term	-	**BWR A4+ Assignment**	RBI
Total Non Fund Based	30.00	**52.20**				
Grand Total	**33.10**	**56.25**	**Rupees Fifty Six Crores and Twenty Five Lakhs Only**			

Note:

1. Please refer to BWR website **www.brickworkratings.com** for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated

RATING ACTION / OUTLOOK

BWR reaffirms the rating of 'BWR BB/Positive/A4+' for the bank loan facilities of Rs 41.85 Crs and assign the long term rating of the 'BWR BB/Positive' to the bank loan facilities of Rs 7.40 Crs and the short term rating of 'BWR A4+' for the bank loan facilities of Rs 7.00 Crs and withdraw the bank loan ratings for long term facility of Rs 0.00 Crs of Nitin Sai Constructions Pvt. Ltd.

The rating derives strength from the promoter's two-decade industry experience, a proven track record in turnkey project execution, and an efficient asset-light operational model. These strengths are partially offset by the company's modest scale, high geographic and customer concentration, and tender-driven market risks.

OUTLOOK: STABLE to POSITIVE

The rating outlook has been revised from 'Stable' to 'Positive', reflecting the company's improved performance during FY26 performance during the current financial year, and the current order book position. Supported by experienced promoters and long-standing relationships with customers and suppliers, the company is expected to post an improvement in its business and financial risk profile, in line with strengthening financial performance and credit metrics.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The key covenants are the standard terms as stipulated in the sanction letters of the rated facilities.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• Approach to Financial Ratios • BWR Withdrawal Policy • General Criteria • Engineering Procurement and Construction • Short Term Debt
Parent/Group/Government Support	NA
Analytical Approach (Standalone)	To arrive at its ratings, BWR has considered a standalone approach. Reference may be made to the Rating Criteria hyperlinked below.

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths-:

- **Experienced Promoters And Proven Track Record:**
  The company benefits significantly from the exceptional leadership and extensive expertise of its promoter. Managing Director Mrs K Kamala Lakshmi brings nearly two decades of deep industry experience to the organization. Over the years, she has successfully guided the company in executing highly complex electrical and civil construction projects, particularly focusing on Extra High Tension power transmission lines and automation substations. This seasoned management employs robust operational methodologies and relies on highly qualified engineers who possess extensive expertise in executing projects on a total turnkey basis. Under her capable guidance, the company has erected nearly 200 kilometers of transmission lines across Andhra Pradesh and Telangana. This proven operational history establishes strong credibility with key government clients and state utility boards. Strong project management capabilities ensure timely project delivery and adherence to stringent statutory compliance guidelines, solidifying their competitive position in the infrastructure sector.
- **Strong Project Execution And Asset Model:**
  The company operates using an asset-light model, relying on leased machinery rather than maintaining ownership of infrastructure and operational resources. This structure limits capital expenditure requirements and mitigates asset depreciation risks, enabling the company to scale operations according to project demands. The management team implements operational methodologies and employs engineers with expertise in executing power transmission lines and civil infrastructure projects on a turnkey basis. These engineers are supported by labor gangs deployed to execute work across site conditions. The project management framework incorporates units designated for government liaison, documentation, and statutory compliance. These units monitor regulatory requirements, coordinate with state utility boards, and ensure adherence to project delivery schedules and government guidelines. By adopting an asset-light approach, the company sustains its market position within the infrastructure sector, optimizing capital allocation and minimizing the fixed costs associated with equipment ownership.

Credit Risks-:

- **Competitive Tender Market Risks:**
  The company's financial stability is fundamentally dependent on its ability to successfully navigate a tender-driven operational model. Because this market segment is characterized by exceptionally low barriers to entry, it attracts intense competition among players. To secure essential contracts in such a crowded landscape, the company is frequently forced to adopt aggressive bidding strategies, which inevitably compresses its operating profit margins. Compounding these challenges is the inherently cyclical nature of the construction and infrastructure industry, which exposes the company to periodic fluctuations in both top-line revenue and bottom-line profitability. To mitigate these significant external risks and maintain a stable financial footing, the organization must prioritize and consistently deliver exceptional operational efficiency. Maintaining strict control over project execution and costs is absolutely critical. Ultimately, this unwavering strategic focus on operational excellence remains the company's primary defense for preserving its margins and ensuring long-term financial viability amid unpredictable market pressures.

- **Modest Scale And Customer Concentration:**
  Despite a successful operational history, the overall scale of the company remains relatively modest within the broader engineering and construction landscape. This constrained scale makes the company highly susceptible to external shocks, such as the temporary pauses in government bidding processes observed during electoral periods, which directly impacts the continuous acquisition of new projects.

Furthermore, the company's order book heavily concentrates on state government projects localized entirely within the regions of Andhra Pradesh and Telangana. This intense geographic and client concentration means that any unfavorable shift in state level infrastructure policies, budget constraints, or administrative delays can severely impact the operational trajectory of the company. To achieve sustainable long term growth, expanding the operational scale and diversifying the customer base across different geographies will be critical challenges that the company must actively address.

RATING SENSITIVITY FACTORS

Going forward, the company's ability to expand its operational scale, boost profitability, enhance liquidity and credit profile, and effectively manage the working capital will be critical factors influencing its ratings.

Positive Factors:

- Any improvement in the company's scale of operations beyond Rs 110.00 Crores.
- Improvement in the working capital cycle.

Negative Factors:

- Any decline in the company's TOI falling below Rs 55.00 Crs.
- Deterioration in the working capital cycle.

LIQUIDITY POSITION - Adequate

Adequate liquidity characterized by sufficient cushion in accruals. The company does not have any active term loans currently. There is no capex envisaged for the near future. Its bank limits are utilized to the extent of 20% - 45% and it is supported by the above unity current ratio.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

The company demonstrates an **Evolving** ESG profile based on its environmental, social, and governance practices.

Environmental: Environmental risks in EPC projects are driven by construction site impacts, high resource consumption, waste generation, and operational emissions. The company maintains compliance with environmental and technical safety standards, with its key testing instruments inspected and certified by the Directorate of Electrical Safety. No past environmental violations or regulatory penalties are recorded against the company.

Social: Social considerations focus on workforce health and safety for both permanent and contractor staff, supported by dedicated internal teams for statutory compliance and project monitoring. The company maintains full adherence to labor laws (Compliant) and utilizes skilled labor gangs trained to execute projects under challenging field conditions.

Governance: Governance assessment emphasizes board structure, compliance programs, and operational risk management frameworks. Project level governance and risk mitigation are maintained through specialized teams responsible for statutory compliance, subcontractor oversight, documentation, and ongoing government liaison across execution sites.

COMPANY / FIRM PROFILE

Industry Classification			
Macro Economic Indicator	**Sector**	**Industry**	**Basic Industry**
Industrials	Construction	Construction	Civil Construction

Nitin Sai Constructions Pvt. Ltd. is a Hyderabad-based company established in 2006, specializing in extra high tension (EHT) line construction and civil works. Holding an A-Grade Electrical License and a Special Class Civil Works License, the company has completed around 200 km of EHT lines, substations, BT/CC roads, and bridges, primarily on a turnkey basis. Led by Managing Director Mrs. K Kamala Lakshmi, the company relies on proven methodologies and an experienced team for timely execution.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	Units	FY 24	FY 25	FY 26
Result Type		**Audited**	**Audited**	**Provisional**
Operating Revenue	Rs.Crs.	75.26	59.13	67.00
EBITDA	Rs.Crs.	5.52	4.67	5.67
PAT	Rs.Crs.	3.59	3.05	3.68
Tangible Net Worth	Rs.Crs	15.76	18.81	27.59
Total Debt / Tangible Net Worth	Times	0.45	0.27	0.36
Current Ratio	Times	1.38	1.36	1.36

* **A:**Audited **UA:**Unaudited **P:**Provisional **PROJ:**Projected

Note: These are latest available financial results. All ratios as per BWR's calculations; Amount in ₹ crore. Provisional *PBILDT: Profit before interest, lease rentals, depreciation and tax. All ratios as per BWR’s calculations; Amount in ₹ crore.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Facilities	Current Rating (2026)			2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	4.05	BWR BB/Positive Reaffirmation BWR BB/Positive Assignment	19 June 2025	BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded BWR BB /Stable Assignment	3 January 2024	BWR C - Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	NA	NA
Fund Based	LT	0.00	Withdrawal	17 January 2025	BWR C - Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	-	-	NA	NA
Non Fund Based	LT	40.20	BWR BB/Positve Reaffirmation BWR BB/Positive Assignment	19 June 2025	BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	-	-	NA	NA
Non Fund Based	ST	12.00	BWR A4+ Reaffirmation BWR A4+ Assignment	17 January 2025	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	3 January 2024	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	NA	NA
Non Fund Based	ST	0.00		19 June 2025	BWR A4 + removal from ISSUER NOT COOPERATING* category/Upgraded	-	-	NA	NA
Grand Total		**56.25**	**Rupees Fifty Six Crores and Twenty Five Lakhs Only**						

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument / Facility	Complexity Indicator
Fund Based	Simple
Non Fund Based	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 BWR's website Complexity Levels.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY

Not Applicable

ANY OTHER INFORMATION

Not Applicable

Hyperlink/Reference to applicable Criteria

Analytical Contacts	
Analyst Team Contact **Nagaraj K** **Director – Ratings** nagaraj.ks@brickworkratings.com **Varsha Jasmin** **Ratings Analyst** varsha.j@brickworkratings.com	**Relationship Contact** **Bhaskara Reddy G** **Director - BD** bhaskarareddy.g@brickworkratings.com **Client Support** clientsupport@brickworkratings.com

ANNEXURE I: Details of Bank Loan Facilities

Sl. No.	Name of the Bank	Facilities(Rs.Crs.)	Tenure	Amount (In Rs.Crs)	Regulator
1	Union Bank of India	Bank Guarantee - Sanctioned	Long-term	25.00	RBI
2		Term Loan- Outstanding	Long-term	00.00	RBI
3		Letter of Credit - Sanctioned	Short-term	5.00	RBI
4		Overdraft - Sanctioned	Long-term	3.00	RBI
5	ICICI Bank	Overdraft - Sanctioned	Long-term	0.45	RBI
7		Bank Guarantee - Sanctioned	Long-term	4.30	RBI
8		Overdraft - Sanctioned	Long-term	0.10	RBI
9		Bank Guarantee - Sanctioned	Long-term	4.00	RBI
10	Proposed	Bank Guarantee	Long-term	6.90	RBI
11		Letter of Credit	Short-term	7.00	RBI
12		Overdraft	Long-term	0.50	RBI
	TOTAL (Rupees Fifty Six Crores and Twenty Five Lakhs Only)			**56.25**	

***For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf**

ANNEXURE II: Details of Instruments / Facilities

Instrument	Issue Date	Amount [Rs.Crs.]	Coupon Rate	Maturity Date	ISIN Particulars	Complexity of the instrument

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation

ANNEXURE IV: List of Instruments and Names of Regulators of the Instruments

SL.No.	Instrument / Activity	Regulator
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.
~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.
^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.
@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B.	**Other Activities**	**Regulator of the Instruments**
1	**Monitoring Agencies**	**SEBI**
2	**Research activities incidental to rating such as research for Economy, Industries and Companies ***	**NA**

Grievance Management: For any grievances relating to rating of instruments regulated by SEBI, please contact **sebigrievance@brickworkratings.com**. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available

For any grievances relating to rating of instruments regulated by other FSR (Financial Sector Regulators), please contact **grievance@brickworkratings.com**.

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Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara bank is an institutional investor in Brickwork.

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