Rating Rationale

05 November 2026

PatlIputra Equipments Private Limited

SUMMARY OF RATING ACTION

Facilities / Instrument	Tenure	Amount (₹ crore)		Rating Assigned & Outlook		Regulator
		Previous	Present	Previous (17-October-2025)	Present	
Fund-Based	Long Term	0.00	12.50	-	**BWR BB+/Stable/ Assignment**	RBI
		0.00	3.57			
		0.00	6.59	-	**BWR BB+/Stable/ Assignment**	RBI
		0.00	1.88	-	**BWR BB+/Stable/ Assignment**	RBI
		0.00	3.56	-	**BWR BB+/Stable/ Assignment**	RBI
		5.00	0.00	**BWR B+/ Stable/Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed**	**Withdrawal**	RBI
	Short Term	12.00	18.00	BWR B+/ Stable/Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	**BWR A4/removal from ISSUER NOT COOPERATING* category/ Reaffirmed.**	RBI
		0.00	3.50	-	**BWR A4 (Assignment)**	RBI
			10.00	-	**BWR A4 (Assignment)**	RBI
			12.50	-	**BWR A4 (Assignment)**	RBI
			1.00	-	**BWR A4 (Assignment)**	RBI
			13.00	-	**BWR A4 (Assignment)**	RBI
Total		**17.00**	**86.10**	**Rupees Eighty Six Crores and Ten 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 / WITHDRAWAL

The company was previously rated by BWR for the Bank loan facilities of Rs. 17.00 Cr. on 17 October 2025 by reaffirming the long-term ratings at "BWR B+/Stable" with continuation of ratings under the "Issuer Not Cooperating" category. From the rated facility of Rs 17.00 Cr, Rs 5.00 Cr. facilities availed from Axis Bank were subsequently closed. The company has submitted the closure letter issued by Axis Bank which is held on record. In accordance with extant regulatory guidelines and as per BWR Rating Withdrawal Policy, the rating of the said instruments has been withdrawn with immediate effect.

RATING ACTION / OUTLOOK

Brickwork Ratings has assigned the long-term and short-term ratings of "BWR BB+/Stable/BWR A4" for the bank loan facilities of Rs. 86.10 Cr.

The Rating has factored, inter alia, Extensive Experience Of Promoters With Long-Standing Market Presence of The Company, Reputed Clientele, Comfortable Debt Protection Metrics, Growth In Scale Of Operations And Revenue Visibility. The Rating Is Constrained by Geographic Concentration and Competition In The Market.

Going forward, the ability of the company to improve its scale of operations, profitability and improved liquidity profile will remain the key rating sensitivities.

The rating outlook has been assigned as "Stable" as BWR believes that Patliputra Equipments Pvt Ltd. business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenue and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile shows a deteriorating trend.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to financial ratios • BWR Withdrawal Policy • Trading Entities • Short Term Debt • Policy On Issuer Non -Cooperation
Parent/Group/Government Support	NA
Analytical Approach (Consolidation/Standalone)	BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale). BWR has adopted a Standalone approach while arriving at its ratings.

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Diversified Product Portfolio**: The company earns revenue from a balanced mix of products and services. It sells different types of JCB machines, such as Backhoe Loaders (BHL), Heavy Line (HL), and Material Handling (MH) units, as well as generator sets, spare parts, lubricants, and repair services.

- **Authorized Dealership of Market Leading OEMs**: The company benefits from its direct commercial association with industry leaders, notably JCB for heavy earthmoving machinery. Representing established brands provides strong brand equity, steady customer demand, and continuous technological backing.

- **Extensive Distribution and Service Network**: The company has built a substantial operational footprint spanning more than 20 districts in Bihar. Supported by two flagship showrooms in Patna and Muzaffarpur, an administrative office in Patna, and roughly 22 branch outlets and Rural Growth Centres in locations such as Darbhanga and East Champaran. The firm maintains strong local market access and customer proximity.

Credit Risks:

- **Supplier Concentration Risks**: Supplier concentration risk is high as 100% of inventory has always been derived from a single supplier in two domains of business i.e. JCB & Castrol India Ltd in construction equipment and oil & lubricant respectively. Any slowdown in demand for JCB or change in its procurement policy may impact the company's scale of operation.

- **Geographic Concentration Risk**: Revenue generation and physical assets are situated entirely within Bihar. This total dependence on a single state exposes the enterprise to localized socioeconomic disruptions, changes in state capital expenditure budgets, regional policy shifts, and annual monsoon-induced halts in construction activity.

- **Limited Pricing Power and Thinner Margins**: Vehicle prices and dealer profit margins are set directly by the manufacturers. Because of this, the company has little control over pricing and struggles to protect its profits against rising operating costs, customer discounts, and tough competition from rival brands like Tata Hitachi, Caterpillar, Mahindra, Komatsu, Volvo and Hyundai.

RATING SENSITIVITY FACTORS

The company's ability to improve its scale of operations, liquidity profile, efficient working capital management, and satisfactory gearing levels will remain the key rating sensitivities.

Upward:

1. Company achieving projected revenue of Rs 379.84 Cr. for FY-27 while maintaining operating profit margin above 3.00% and net profit margin in excess of 1.00%
2. Total Debt/TNW to not exceed 1.35x

Downward:

1. Revenue from operations going below 10% as reported in the actuals of previous year

financials.

2. DSCR below 1.15x and ISCR below 1.40x. (As per BWR calculations)

LIQUIDITY POSITION - Adequate

The company has adequately covered its interest and CPLTD obligations with sufficient EBITDA and Internal Cash Accruals in the recent years. It has also maintained a comfortable level of debt protection metrics, with an ISCR of 1.45 times and a DSCR of 1.59 times in FY2026 (P). The current ratio stood at 1.26 times in FY2026 (P). As per the projected financials, the company is expected to report an EBITDA of Rs. 6.80 Crs. in FY2027 and Rs. 7.08 Crs. in FY2028 against the interest expenses of Rs. 4.90 Cr. in FY2027 and Rs. 5.60 Cr. in FY2028. Net cash accruals are expected to be in the range of Rs. 3.37 Cr. in FY2027 and Rs. 3.65 Cr. in FY2028 which would be sufficient to cover the CPLTD obligations of Rs. 1.19 Cr. in FY2027 and Rs. 2.72 Cr. in FY2028. The average utilization of working capital limits remains below 85% and the unutilized portion of working capital limit will serve as an additional buffer and help to cover any short-term cash flow mismatches. Considering all these factors, the company's liquidity position is assessed as "Adequate" .

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES - NA

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COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Industrials	Capital Goods	Agricultural, Commercial & Construction Vehicles	Dealers–Commercial Vehicles, Tractors, Construction Vehicles

Patliputra Equipments Pvt Ltd (PEPL) was incorporated on 25 September 2006 with its registered office at NH-30, Simli Murarpur, Near Didarganj Check Post Chowk, Patna City, Patna - 800 008, Bihar. The company is engaged in trading of JCB Machines, Genset, Spare Parts and Oil & Lubricants. The company has its showrooms and workshop spread across the state of Bihar in major cities / towns like Muzaffarpur, Siwan, Sasaram, Motihari, Biharsharif, Bihta, Hajipur, Gaya, Hathidah, Aurangabad, Motihari etc. Currently, the directors of the company are Ms. Shiwani Raj, Mr. Harsh Raj, Mrs. Sushma Raj, and Mr. Akshay Kumar Singh.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	Units	FY 23 - 24 (A)	FY 24 - 25 (A)	FY 25 - 26 (P)
Operating Revenue	Rs.Crs	295.13	309.17	345.46
EBITDA	Rs.Crs	7.08	5.80	7.03
PAT	Rs.Crs	2.62	1.76	1.54
Tangible Net worth	Rs.Crs	44.07	45.82	48.06
Total Debt/ Tangible Net worth	Rs.Crs	0.74	1.21	1.02
Current Ratio	Rs.Crs	1.47	1.36	1.26

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

	Current Rating (2026)			Rating History					
				2025		2024		2023	
Instrument	Tenor	Amount (₹. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	5.00	Withdrawn	17 October 2025	BWR B+/Stable Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmed)	26 July 2023	BWR B+ Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	28 July 2023	BWR BB- Stable (Continues to be in ISSUER NOT COOPERATING* category/ Downgraded)
Fund Based	LT	28.10	BWR BB+/Stable/ Assignment	-	-	-	-	-	-
Fund Based	ST	18.00	BWR A4/removal from ISSUER NOT COOPERATING*category/ Reaffirmed.	-	-	-	-	-	-
Fund Based	ST	40.00	BWR A4 Assignment	-	-	-	-	-	-
Grand Total		**86.10**	**(Rupees Eighty Six Crores and Ten Lakhs Only)**						

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
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 www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):

Creadit Rating Agency	Status and Reason for Non-Cooperation	Date of Press Release
CARE	Continues to be in ISSUER NOT COOPERATING*/Downgraded, CARE B; Stable; ISSUER NOT COOPERATING* Reason The Company had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement.	26 August 2026
CARE	Continues to be in ISSUER NOT COOPERATING* category/Downgraded, CARE B+; Stable; ISSUER NOT COOPERATING* Reason The Company had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement.	04-August-2025
CARE	Rating continues to remain under ISSUER NOT COOPERATING category . CARE BB-; Stable; ISSUER NOT COOPERATING* Reason The Company had failed to provide information for monitoring of the rating as agreed to in its Rating Agreement.	09-July-2024

ANY OTHER INFORMATION: Nil

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Short Term Annexure I: Details of Bank Loan Facilities *(Amount in Rupees Crore)*

SL No	Name of Bank	Facilities	Tenor	Amount (₹ Crore)	Regulator
1	HDFC Bank	GECL 5.0 - Outstanding	Long Term	6.59	RBI
2	HDFC Bank	Cash Credit Spares Floating - Sanctioned	Long Term	12.50	RBI
3	HDFC Bank	Construction Equipment - Sanctioned	Short Term	10.00	RBI
4	HDFC Bank	Construction Equipment Inventory Funding - Sanctioned	Short Term	13.00	RBI
5	HDFC Bank	Construction Equipment Inventory Funding Floating - Sanctioned	Short Term	1.00	RBI
6	HDFC Bank	Construction Equipment Spares Floating - Sanctioned	Short Term	12.50	RBI
7.	SBI Bank	EDFS (BHL) - Sanctioned	Short Term	18.00	RBI
8	SBI Bank	Adhoc (BHL) - Sanctioned	Short Term	3.50	RBI
9	SBI Bank	ECLGS 5.0 WCTL - Outstanding	Long Term	3.57	RBI
10	ICICI Bank	LAP - Outstanding	Long Term	1.88	RBI
11	ICICI Bank	LAP - Outstanding	Long Term	3.56	RBI
12	Axis Bank	Cash Credit	Long Term	0.00	RBI
Total				**86.10**	

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue	Rating Assigned and Rating Outlook	Regulator
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil-

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Nil

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

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

A.	Rating activities	
Sr. No.	Instrument / activity Name	Regulator of the instruments
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), Brick Work 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 Services Regulators), please contact grievance@brickworkratings.com

Disclosure of Conflict of Interest

BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

About Brickwork Ratings

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 its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. Canara Bank is an institutional investor in Brickwork.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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