Rating Rationale
05 November 2026

Sitaram Infraproject Private Limited

SUMMARY OF RATING ACTION

Facilities / Instrument	Tenure	Amount		Rating Assigned and Outlook		Regulator
		Previous (21st September 2026) (₹ Crs.)	Present (₹ Crs.)	Previous (21st September 2026) (₹ Crs.)	Present (₹ Crs.)	
Fund-Based	Long Term	14.00	14.00	BWR BBB-/Stable/Issuer Not Cooperating*/Reaffirmation	BWR BBB-/Stable/Removal from Issuer Not Cooperating /Reaffirmation	RBI
		-	15.00	-	BWR BBB-/Stable /Assignment	RBI
		5.00	0.00	BWR BBB-/Stable/Issuer Not Cooperating*/Reaffirmation	Withdrawal	RBI
Non-Fund-Based	Short Term	10.50	10.50	BWR A3/Issuer Not Cooperating* /Reaffirmation	BWR A3/Removal from Issuer Not Cooperating/ Reaffirmation	RBI
		-	10.00		BWR A3/Assignment	RBI
		-	(5.00)		BWR A3/Assignment	RBI
		20.00	0.00	BWR A3/Issuer Not Cooperating* /Reaffirmation	Withdrawal	RBI
Total		**49.50**	**49.50**	**(Rupees Forty Nine Crores and Fifty Lakhs Only)**		

Note:
1. Please refer to the 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.
3. *Issuer did not cooperate; based on best available information

RATING ACTION/OUTLOOK

Brickwork Ratings has reaffirmed the long-term and short-term rating of BWR BBB-/Stable/BWRA3 for the existing debt facilities aggregating Rs.24.50 crore of Sitaram Infraprojects Private Limited (SIPL). Further, the rating agency has assigned ratings to the new debt facilities of Rs.25.00 crore (Rs.15cr fund-based and Rs.10 cr non-fund-based), including a sublimit of Rs.5.00 crore. The long-term and short-term rating for the proposed limit of Rs.25.00 crore has been withdrawn on the basis of an undertaking from the company that the said limits were not availed. The same is as per BWR withdrawal policy

The rating factors in the company's experienced management, established client relationships, robust unexecuted order book of Rs. 412 cr as of 1st April 2026 providing medium-term revenue visibility, moderate scale of operation, and a healthy financial risk profile characterized by a comfortable capital structure and adequate debt coverage metrics. However, these rating strengths are partially offset by high customer and geographic concentration risks, with the Tourism Corporation of Gujarat Ltd. accounting for nearly 68% of the unexecuted order book, and the inherent working-capital intensity associated with the civil construction sector.

The "Stable" outlook reflects the expectation that the company will sustain its steady revenue and profitability, supported by a robust order

book and experienced leadership

KEY COVENANTS OF THE INSTRUMENT/FACILITY The terms of sanction 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 Rating Criteria for Engineering, Procurement and Construction Companies Rating Criteria for Short Term Debt
Parent/Group/ Government Support	NA
Analytical Approach (Consolidation/Standalone)	For arriving at its ratings, BWR has considered the standalone approach for the Company. BWR has applied its rating methodology as detailed in the rating criteria, with the detailed link mentioned above.

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Healthy Revenue Growth and Order Book Visibility:**
  The revenue of the company increased from Rs.60.35cr in FY'24 to Rs.137.94cr in FY'26, registering a CAGR of 51.1%. Near-to-medium-term revenue visibility is supported by an unexecuted order book of Rs. 412.00 crores as of 1st April 2026, further bolstered by a new order of Rs. 107.00 crores in September 2026 (translating to ~3.5x FY'26 revenues). Margins ranged between 11.33% and 7.78% over FY24 to FY26. After a marginal dip in FY25, margins have improved to 7.78% in FY26 and are likely to range between 8-8.5% going forward, underpinned by a higher proportion of beautification projects in the order book, which promise higher margins compared to road projects. Scale of operation and disciplined bidding.

- **Experienced Management and Execution Capabilities:**
  The company is managed by Mr. Babubhai Patel, who has over 25 years of experience in the civil infrastructure sector. The company has completed a variety of projects and primarily executes work across Gujarat, Maharashtra, and Goa, including contracts for the NHAI and the Tourism Corporation of Gujarat Ltd**.**

- **Comfortable credit profile**
  The company maintains a comfortable credit profile. The capital structure is stable in FY26 as reflected in a gearing ratio (Total Debt/TNW) of 1.13x (FY25:0.67x) and a TOL/TNW ratio of 2.10x (FY25:1.84x). Debt coverage metrics are adequate, reflected by an Interest Coverage Ratio (ISCR) of 3.82x (FY25: 3.78) and a Debt Service Coverage Ratio (DSCR) of 2.02x in FY26 (FY25: 1.79). The DSCR and ISCR are expected to moderate in FY27 due to higher scheduled term loan repayments; however, they are expected to remain at comfortable levels.

Credit Risks

- **High Geographic and Customer Concentration Risks:**
  93.8% of the unexecuted order book of Rs. 412.00 crores as of 1st April 2026 is concentrated in Gujarat, with the remaining 6.20% in Maharashtra. Furthermore, a single client, the Tourism Corporation of Gujarat Limited, accounts for 67.80% of the order book. The remaining orders are divided between State Rural Road and Bridge Divisions (26.00%) and the NHAI (6.20%). This heavy reliance on a single state and a few key government entities exposes the business to risks associated with regional policy shifts, delayed budget allocations, and changes in project priorities.

- **Inherent Execution Risks attributable to the civil construction sector:**
  Operating in the civil construction sector inherently involves high working capital requirements. Furthermore, the company remains exposed to external execution challenges, where delays in land acquisition, pending administrative clearances, or seasonal monsoon disruptions can adversely affect project timelines and constrain overall cash flows.

- **Vulnerability to Government Spending and Tendering Cycles:**
  The company's project pipeline and revenue trajectory are closely tied to state and central government infrastructure initiatives. Consequently, any slowdowns in policy decisions, delays in the tendering process, or reductions in budgetary allocations could negatively impact future order inflows and financial performance.

RATING SENSITIVITY FACTORS

Positive Sensitivities:

- Significant scale-up in operations driven by the timely execution of its current order book, along with an improvement in the capital structure reflected by TOL/TNW improving to below 1.20x, while maintaining healthy profitability and liquidity metrics.

Negative Sensitivities:

- Deterioration in the financial risk profile, as indicated by TOL/TNW sustaining above 2.20x, or a decline in operational scale due to project execution delays or further stretching of the working capital cycle, may trigger a negative rating action.

LIQUIDITY POSITION -Adequate

SIPL's liquidity is expected to remain adequate; BWR expects the company to earn cash accruals of around Rs. 8 crore during FY'27, against its debt repayment obligations of Rs. 6.22 crore in FY'27. As on March 31, 2026, the company maintained unencumbered cash and cash equivalents of Rs. 3.74 crore. The average working capital utilization over the 12 months ended September 2026 remained moderate at approximately 75%. Brickwork Ratings expects that a combination of internal accruals, available cash balances, and unutilized bank limits will be sufficient to meet the company's near-term debt servicing and operational requirements.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

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

Environmental:
The company manages site pollution, dust mitigation, and construction waste disposal as per the applicable environmental guidelines in the regions where the company operates.

Social:
The company endeavors to maintain occupational health, site safety standards, and basic workforce welfare in accordance with the applicable guidelines of its respective project locations.

Governance :
Operations are conducted with an aim to comply with the applicable statutory frameworks and transparent government tendering protocols governing the regions in which the company works.

COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Industrials	Construction	Construction	Civil Construction

Sitaram Infraproject Pvt. Ltd. (SIPL) is a civil construction company incorporated on December 4, 2016, with its registered office in Nashik, Maharashtra. The company originated from Sitaram Builders, a proprietary firm established in 1991, and has over 25 years of experience in civil engineering projects. SIPL holds ISO 9001:2015 certification. The company is engaged in civil construction work for projects in roads, bridges, smart city beautification, tourism project development, and institutional & residential buildings in and around Gujarat, Goa & Maharashtra. The company also works on smart city beautification, tourism development, and urban infrastructure projects.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY'24 (A)	FY'25 (A)	FY'26 (A)
Operating Revenue*	60.35	117.69	137.94
EBITDA	6.84	7.50	10.73
PAT	2.26	3.59	5.05
Tangible Net Worth	23.09	26.68	31.73
Total Debt/Tangible Net Worth	0.63	0.67	1.13
Current Ratio	1.38	1.30	1.13

A: Audited; UA: Unaudited; P: Provisional; NA: Not Available. All ratios as per BWR's calculations; Amount in Rs. crore

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Instrument	Tenur	Current Rating		Previous Rated Amount (₹ crore)	Rating History	Rating History					
		FY'26			FY'26 (21 September 2026)	FY25		FY 24		FY 23	
		Amount (₹ crore)	Rating		Rating	Date	Rating	Date	Rating	Date	Rating
Fund- Based	Long Term	14.00 15.00 0.00	BWR BBB-/Stable/Removal from Issuer Not Cooperating /Reaffirmation. BWR BBB-/Stable/Assignment Withdrawal	19.00	BWR BBB-/Stable (ISSUER NOT COOPERATING* /Reaffirmation)	10 July 2025	BWR BBB-Stable (Assignment)	NA	NA	NA	NA
Non-Fund-Based	Short Term	10.50 10.00 (5.00) 0.00	BWR A3/Removal from Issuer Not Cooperating/Reaffirmation BWR A3/Assignment BWR A3/Assignment Withdrawal	30.50	BWR A3 (ISSUER NOT COOPERATING* /Reaffirmation)	10 July 2025	BWR A3 (Assignment)	NA	NA	NA	NA
Grand Total		**49.50**		**49.50**	**(Rupees Forty-Nine Crores and Fifty Lakhs Only)**						

*The borrower did not cooperate; based on the best available information

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

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

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): Not applicable

ANY OTHER INFORMATION: None

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ANNEXURE I: Details of Bank Loan Facilities

Sl No.	Name of the Bank/Lender	Type of Facilities	Long Term (Rs. Crs.)	Short Term (Rs. Crs.)	Total (Rs. Crs.)	Complexity of the Instrument	Regulator
1	Punjab National Bank	Cash Credit	14.00	-	14.00	Simple	RBI
2	Punjab National Bank	Bank Guarantee	-	10.50	10.50	Simple	
3	Union Bank of India	Cash Credit	15.00	-	15.00	Simple	
4	Union Bank of India	Bank Guarantee	-	10.00	10.00	Simple	
5	Union Bank of India	Bank Guarantee	-	(5.00)	(5.00)	Simple	
Total			**29.00**	**20.50**	**49.50**		
Total(Rupees Forty Nine Crores and Fifty Lakhs Only)							

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 (₹ Crore)	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:

No.	Instrument/Activity Name	Regulator of the Instruments
1	Listed/Proposed to be listed bonds/debentures/preference shares (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 shares (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 the regulatory regime prior to the introduction of the 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 FSRs (Financial Services Regulators), please contact **grievance@brickworkratings.com**

Disclosure of Conflict of Interest
BWR Board of Directors has 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.

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Brickwork offers credit ratings of Bank Loans, 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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