RATING RATIONALE

20 Aug 2026

Sree Sai Ram Enterprises

Brickwork Ratings withdraws the existing long-term and short-term rating for the Bank Loan Facilities of Rs. 12 crores and assigns the long-term rating of BWR BB-/Stable and short-term rating of BWR A4 for the bank loan facilities of Rs.24 crores, respectively, for Sree Sai Ram Enterprises.

Particulars:

Facilities**	Amount (Rs. Crs.)		Tenure	Rating*		Regulator
	Previous	Present		Previous (04 December 2025)	Present	
Fund based	0.50	**0.00**	**Long Term**	BWR C Continues to be in ISSUER NOT COOPERATING* category	**Withdrawal**	**RBI**
	0.00	**4.00**		-	**BWR BB-/ Stable/ Assignment**	**RBI**
Non Fund Based	11.50	**0.00**	**Short Term**	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirm	**Withdrawal**	**RBI**
	0.00	**20.00**		-	**BWR A4 Assignment**	
Total	12.00	**24.00**	**(Rupees Twenty-Four Crores Only)**			

Note:

*Please refer to BWR website **www.brickworkratings.com** for the definition of the ratings
** Details of Bank Loan facilities is provided in Annexure-I

RATING ACTION / OUTLOOK

Brickwork Ratings has assigned the long-term and short-term ratings of BWR BB- (Stable) and BWR A4 for the bank loan facilities of Rs. 24.00 Crores of Sree Sai Ram Enterprises & simultaneously withdrawn the previous limit of Rs. 12.00 Crores from Union Bank of India because the company has submitted the No Dues Certificate from the bank.

For assigning the ratings, BWR has relied on the audited financials of the company up to FY25, provisional financials for FY26, projected financials for FY27-FY28, clarification provided by the company, and publicly available information.

Brickwork Ratings (BWR) has assigned the ratings of Sree Sai Ram Enterprises, considering factors such as the extensive experience of the promoters and financial profile.

The rating outlook is "Stable," reflecting BWR's expectation that Sree Sai Ram Enterprises will sustain its business risk profile over the medium term. This outlook suggests a minimal probability of rating revision within the foreseeable future. Upward revision to "Positive" may be considered should revenue and profitability demonstrate sustained growth, while a "Negative" revision could be triggered by a deterioration in the financial risk profile.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED
There are standard covenants as per the sanction letter.

KEY RATING DRIVERS

Credit Strengths-:

1. Experienced Management: The firm has three experienced partners with combined experience of 60 years. The key person of the firm has over 30 years of experience and knowledge of the industry.

2. Order Book: The total unexecuted order book stood at Rs. 146.78 Crs, indicating medium-term revenue visibility, and the present order book is skewed towards the civil construction activities.

3. Net worth: The net worth of the firm keeps increasing on a year-on-year basis. The partner's individual net worth remains comfortable.

4. Firm's Existence: The firm has been in business for 30 years since 1996 and has completed business cycles.

5. Moderate Financial Profile: The firm has a moderate financial profile. The firm has an ISCR of 3.41x and a DSCR of 1.62x.

Credit Risks-:

1. Constitution of the firm being a partnership firm: The firm being a partnership firm is exposed to the inherent risk of the capital being withdrawn at the time of personal contingency, which will affect its capital structure.

2. Presence in a highly competitive industry and tender-based contracts nature of the business: The construction industry is highly fragmented with the presence of many organized and unorganized players. Further, the tender-based contracts nature of business places pressure on the profitability of the firm.

ANALYTICAL APPROACH- Standalone
BWR has considered the standalone approach

APPLICABLE RATING CRITERIA

- General Criteria
- Approach to Financial Ratios
- Short Term Debt
- BWR Withdrawal Policy
- Engineering Procurement and Construction

RATING SENSITIVITIES

Going forward, the firm's ability to manage the working capital efficiently, improve the scale of operations, and improve and maintain profitability will be key rating sensitivities.

Positive:

● Revenue improves to and remains above ₹60.00 crores consistently, accompanied by healthy operating performance.

●PAT margin improves to above 4.50% with sustained net profits over the term.

Negative:

● Revenue declines below ₹30.00 crores or continues to remain significantly below historic levels, indicating further weakening in business operations.

● PAT deteriorates, and PAT margin reduces below 3.00%.

LIQUIDITY INDICATORS- Stretched

The utilization of Cash Credit facility for HDFC averaged at 84.63% during the past 12 months ended July 2026. Net cash accruals are Rs. 3.10 crores. The firm reported cash and bank balances of ₹1.59 Crores in FY26. The current ratio stood at 2.71 times in FY26. The firm's debt protection metrics remained moderate as ISCR and DSCR in FY26 were 3.41 and 1.62, respectively. Considering the above factors, the company's liquidity position is assessed as Stretched.

COMPANY's / FIRM's PROFILE

Macro Economic Indicator	*Sector*	*Industry*	*Basic Industry*
Industrial	Construction	Construction	Civil Construction

Established in July 1996, Sree Sai Ram Enterprises is a partnership firm is engaged in road and bridge construction projects for various government departments. The firm is a Special Class Contractor. The firm is managed by three partners, Mr. B. Sugunakar Rao (Managing Partner), Mrs. B. Anjali (Partner), and Mr. B. Anurag (Managing Partner), each having defined roles and responsibilities in business operations. The partners' experience in project execution, tendering, client handling, and financial outlook plays a key role in sustaining the business operations. Each partner has infused capital into the business over the years.

ESG Profile
The firm's ESG profile demonstrates an evolving profile across environmental, social, and governance dimensions.

Environmental: The firm has reported compliance with local environmental norms and focuses on waste reduction and controlled use of resources.

Social: The firm has confirmed that it is adhering to labour laws and maintaining labour standards, wages, and welfare.

Governance: Governance assessment focuses on adherence to all regulations and robustness of compliance systems, audit mechanisms, and risk-management practices.

KEY FINANCIAL INDICATORS

Key Parameters	Unit	FY 23-24	FY 24-25	FY 25-26
Result Type		**Audited**	**Audited**	**Provisional**
Operating Income	Rs. Crs	115.75	39.03	32.52
EBITDA	Rs. Crs	11.11	6.25	5.08
PAT	Rs. Crs	4.82	1.65	1.42
Tangible Net Worth	Rs. Crs	28.50	33.37	34.93
Total Debt/Tangible Net Worth (Adjusted)	Times	0.37	0.35	0.28
Current Ratio	Times	1.99	2.40	2.71

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY-

Credit Rating Agency	Status and Reason for Non-Cooperation	Date of Press Release
CRISIL	CRISIL Ratings, vide its press release dated 29 July 2025, has reaffirmed the long- term rating at “CRISIL B+/Stable” and short-term rating at “CRISIL A4” for the bank loan facilities of Rs.16.00 Crs and continued the ratings under the ‘Issuer Not Cooperating category as the company continues to be non-cooperative.	29 July 2025

ANY OTHER INFORMATION- Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Facilities	Current Rating (2026)			2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	Long-term	0.50	Withdrawal	04Dec2025	BWR C Continues to be in ISSUER NOT COOPERATING* category/Downgraded	10 Dec 2024	BWR B- /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	13Sep2023	BWR B - /Stable Continues to be in ISSUER NOT COOPERATING* category/Downgraded
	Long-term	4	BWR BB-/Stable (Assignment)	-	-	-	-	-	-
Non-Fund Based	Short-term	11.50	Withdrawal	04Dec2025	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	10 Dec 2024	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	13Sep2023	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed
	Short-term	20.00	BWR A4 (Assignment)	-	-	-	-	-	-
Grand Total		24	(Rupees Twenty-Four Crores Only)						

Analytical Contacts	
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Sree Sai Ram Enterprises

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

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*
1	HDFC Bank	Cash Credit - Sanctioned	4.00	-	4.00	Simple
2	HDFC Bank	Bank Guarantee - Sanctioned	-	20.00	20.00	Simple
	Total		**4.00**	**20.00**	**24.00**	**Simple**

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

ANNEXURE II

INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

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

Annexure IV : List of instruments and names of regulators of the instruments

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), Brickwork Ratings India Private Limited 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

***permitted by SEBI vide SEBI Master Circular for CRAs**

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.

DISCLOSURE ON CONFLICT OF INTEREST
BWR Board of Directors has no influence over rating decisions, nor do they sit on the rating committee or review, discuss or evaluate any credit rating 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 is in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner.

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 also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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