

**Press Release**  
**SRI SRINIVASA CONSTRUCTIONS INDIA PRIVATE LIMITED**  
**January 22, 2026**  
**Rating Assigned and Reaffirmed**



| Product                                   | Quantum (Rs. Cr) | Long Term Rating                | Short Term Rating       |
|---|------------------|---------------------------------|-------------------------|
| Bank Loan Ratings                         | 12.00            | ACUITE A-   Stable   Assigned   | -                       |
| Bank Loan Ratings                         | 53.00            | ACUITE A-   Stable   Reaffirmed | -                       |
| Bank Loan Ratings                         | 12.50            | -                               | ACUITE A2+   Assigned   |
| Bank Loan Ratings                         | 357.50           | -                               | ACUITE A2+   Reaffirmed |
| <b>Total Outstanding Quantum (Rs. Cr)</b> | <b>435.00</b>    | <b>-</b>                        | <b>-</b>                |
| <b>Total Withdrawn Quantum (Rs. Cr)</b>   | <b>0.00</b>      | <b>-</b>                        | <b>-</b>                |

**Rating Rationale**

Acuité has reaffirmed its long-term rating of 'ACUITE A-' (read as ACUITE A minus) and the short-term rating of 'ACUITE A2+' (read as ACUITE A two Plus) on the Rs.410.50 Cr. bank facilities of Sri Srinivasa Constructions India Private Limited (SSCIPL). The outlook is 'Stable'.

Acuite has assigned its long-term rating of 'ACUITE A-' (read as ACUITE A minus) and the short-term rating of 'ACUITE A2+' (read as ACUITE A two Plus) on the Rs.24.50 Cr. bank facilities of Sri Srinivasa Constructions India Private Limited (SSCIPL). The outlook is 'Stable'.

**Rationale for Rating**

The rating reaffirmation factors in the stability in the operating performance and improvement in the profitability margins. The rating also derives strength from healthy financial risk profile and extensive experience of the promoters in the industry. Further rating also factors in the strong liquidity position of the company. However, these strengths are offset by moderate working capital nature of operations, geographic concentration of projects, susceptibility of operating margin to volatility in input prices, labour charges in a highly competitive tender based nature of business.

**About the Company**

The Karnataka based, Sri Srinivasa Constructions (SSC) was established in 1992 as a partnership firm by Mr. Y. Pitcheswara Rao and Mr. Y.V.S. Rama Krishna. In the year 2009, Sri Srinivasa Constructions India Private Limited (SSCIPL) was incorporated to take over the running operations of SSC. The company undertakes civil construction works including water supply projects, buildings, irrigation projects, industrial projects, road projects and power transmission projects in Karnataka, Andhra Pradesh, Tamil Nadu, Meghalaya and Telangana.

SSCIPL is a registered Class 1 contractor for various departments including Public Work

Departments (PWD), Panchayat Raj Engineering Department (PRED), Public Health Engineering Department (PHED) among others. The present directors of the company are Mr.

### **Unsupported Rating**

Not Applicable

### **Analytical Approach**

Acuité has considered the standalone financials and risk profile of SSCIPL to arrive at the rating.

### **Key Rating Drivers**

#### **Strengths**

##### **Experienced promoters and established nature of operations**

The company promoted by Mr. Y. Pitcheswara Rao and Mr. Y.V.S. Rama Krishna with their work experience closer to three decades, are engaged in undertaking civil construction works including water supply projects, buildings, irrigation projects, industrial projects, road projects and power transmission projects in Karnataka, Andhra Pradesh, Tamil Nadu, Meghalaya and Telangana. SSCIPL is a registered Class 1 contractor for various departments including Public Work Departments (PWD), Panchayat Raj Engineering Department (PRED), Public Health Engineering Department (PHED) etc. The company is also a Category 1 contractor for various divisions of water authority of the state of Karnataka. The promoters experience helped the company in establishing long-term relations with its customers, contractors and suppliers.

##### **Stable operating performance backed by healthy order book position**

The revenue of the company stood in the similar range at Rs.767.66 crore in FY2025 as against Rs.755.64 crore in FY2024. Further as of December 2025 the company has booked a revenue of Rs.505 crore and are expecting to close the year in the range of, Rs.770-790 crore. The stability in the revenue is on the account to better execution of orders in hand and sufficient order book position. The operating profit margin stood at 7.29 per cent in FY2025 as against 7.71 per cent in FY2024, the moderation in the profitability is due to volatility in the raw materials cost since lower reliance on sub-contracting. However, the PAT margin of the company has shown a consistent improvement in last 3 years with PAT margin of 4.82 per cent in FY2025 as against 4.66 per cent in FY2024 and 4.64 per cent in FY2023. Further the PAT margins are going to improve on account of low interest cost due to almost no debt. Additionally, the company has an unexecuted order book of Rs.1763.29 crore as of Oct 2025 which gives a significant revenue visibility going ahead for the company. Out of the total order book, the company has obtained new orders worth Rs.306.33 crore in hand. Also, the company is the L1 bidder for orders worth Rs.305.92 crore. The company also has some tender participated orders worth Rs.1240.01 crore which are expected to win during FY27.

#### **Healthy Financial Risk Profile**

The financial risk profile of the company is healthy marked by comfortable net worth, healthy gearing and comfortable debt protection metrics. The tangible net worth of the company stood at Rs.194.89 crore as on March 31,2025 as against Rs.157.85 crore as on March 31, 2024. The total debt of the company also declined and stood at Rs.4.00 crore as on March 31, 2025 as against Rs.8.67 crore as on March 31, 2024. The gearing (debt to equity ratio) remained healthy at 0.02 times as on March 31,2024 as against 0.05 times as on March 31, 2024. The debt protection metrics also improved as debt service coverage ratio (DSCR) stood at 4.29 times in FY2025 as against 3.64 times in FY2024, while interest coverage ratio (ICR) stood at 6.28 times in FY2025 as against 4.94 times in FY2024. The NCA/TD also stood improved at 10.22 times in FY2025 as against 4.47 times in FY2024. Acuite believes, the financial risk profile would remain healthy on the back of absence of any major debt funded capex.

#### **Efficient Working Capital Management**

The working capital management of the company is efficient marked by gross current asset (GCA) of 78 days in FY2025 as against 82 days of FY2024. The debtor days stood low at 19

days in FY2025 and 17 days in FY2024. The low debtor days are due to improved billing in FY2025. The debtor days are expected to increase in near to medium terms. The creditor days stood at 117 days as on March 31, 2025, as against 120 days as on March 31, 2024. The inventory days stood at 6 days in FY2025 as against 33 days in FY2024. The fund based bank limits utilisation for 12 month ended September 2025 stood at 60% and non-fund based stood at 64 per cent for last 6 months ended September 2025.

## **Weaknesses**

### **Geographic concentration of projects**

Majority of the projects executed by the company are based out of Karnataka which is responsible for a large portion of the revenue in FY25 resulting in exposure to significant geographical and political risk. The company also have diversified to some extend picking up projects in Andhra Pradesh, Tamil Nadu, Meghalaya and Telangana.

### **Susceptibility of operating margin to volatility in input prices, labour charges in a highly competitive tender based nature of business**

The company's operating margin remains susceptible to volatility in key input materials and labour costs, especially given the tender-based nature of its business. Prices of major construction inputs such as steel, cement and aggregates are inherently volatile, though the presence of price-escalation clauses in most government contracts provides partial protection. Despite its longstanding industry presence, the company's revenue visibility depends on its ability to competitively secure tenders in a highly fragmented and competitive market.

## **Rating Sensitivities**

- Continuous Improvement in scale of operations while maintaining profitability
- Changes in working capital management
- Changes in financial risk profile

## **Liquidity Position**

### **Strong**

The liquidity position of SSCIPL is strong marked by sufficient net cash accruals against maturing debt obligations. The NCA of the company stood at Rs.40.88 crore in FY2025 as against its maturing debt obligation of Rs.1.65 crore during the same period. Further the NCA is expected to remain in the range of Rs.42-49 crore against maturing debt obligation of Rs.0.60-1.60 crore in FY2026-FY2027. The company maintains cash and bank balance of Rs.29.07 crore which includes an additional balance available in the OD/CC accounts of Rs.28.87 crore. The current ratio of the company stood at 2.20 times in FY25. The average fund-based bank limits utilisation for 12 month ended September 2025 stood at 60% and non-fund based stood at 64 per cent for last 6 months ended September 2025.

## **Outlook: Stable**

## **Other Factors affecting Rating**

None

## Key Financials

| Particulars                   | Unit    | FY 25 (Actual) | FY 24 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 767.66         | 755.64         |
| PAT                           | Rs. Cr. | 37.04          | 35.21          |
| PAT Margin                    | (%)     | 4.82           | 4.66           |
| Total Debt/Tangible Net Worth | Times   | 0.02           | 0.05           |
| PBDIT/Interest                | Times   | 6.28           | 4.94           |

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

| Date        | Name of Instruments/Facilities     | Term       | Amount (Rs. Cr) | Rating/Outlook   |
|-------------|------------------------------------|------------|-----------------|--|
| 27 Dec 2024 | Cash Credit                        | Long Term  | 10.00           | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Cash Credit                        | Long Term  | 5.00            | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Cash Credit                        | Long Term  | 10.00           | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Proposed Long Term Bank Facility   | Long Term  | 15.40           | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Working Capital Demand Loan (WCDL) | Long Term  | 20.00           | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Cash Credit                        | Long Term  | 8.00            | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Cash Credit                        | Long Term  | 20.00           | ACUITE A-   Stable (Upgraded from ACUITE BB+)                                |
|             | Bank Guarantee/Letter of Guarantee | Short Term | 80.00           | ACUITE A2+ (Upgraded from ACUITE A4+)  |
|             | Bank Guarantee (BLR)               | Short Term | 50.00           | ACUITE A2+ (Upgraded from ACUITE A4+)  |
|             | Bank Guarantee (BLR)               | Short Term | 62.10           | ACUITE A2+ (Upgraded from ACUITE A4+)  |
|             | Letter of Credit                   | Short Term | 30.00           | ACUITE A2+ (Upgraded from ACUITE A4+)  |
|             | Bank Guarantee (BLR)               | Short Term | 40.00           | ACUITE A2+ (Upgraded from ACUITE A4+)  |
|             | Bank Guarantee (BLR)               | Short Term | 60.00           | ACUITE A2+ (Upgraded from ACUITE A4+)  |
| 24 Oct 2024 | Bank Guarantee/Letter of Guarantee | Short Term | 50.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Bank Guarantee/Letter of Guarantee | Short Term | 60.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Bank Guarantee (BLR)               | Short Term | 30.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Bank Guarantee (BLR)               | Short Term | 20.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Bank Guarantee (BLR)               | Short Term | 71.60           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Letter of Credit                   | Short Term | 30.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Bank Guarantee (BLR)               | Short Term | 25.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Bank Guarantee (BLR)               | Short Term | 50.00           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Proposed Bank Guarantee            | Short Term | 13.40           | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2)            |
|             | Cash Credit                        | Long Term  | 20.00           | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable) |
|             | Cash Credit                        | Long Term  | 5.00            | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable) |
|             | Cash Credit                        | Long Term  | 5.00            | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable) |

|             |                                    |            |       |  |
|-------------|------------------------------------|------------|-------|--|
|             | Cash Credit                        | Long Term  | 10.00 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable) |
|             | Proposed Long Term Bank Facility   | Long Term  | 0.50  | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable) |
|             | Cash Credit                        | Long Term  | 20.00 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB+   Stable) |
| 04 Aug 2023 | Bank Guarantee/Letter of Guarantee | Short Term | 50.00 | ACUITE A2 (Upgraded from ACUITE A4+)   |
|             | Bank Guarantee/Letter of Guarantee | Short Term | 60.00 | ACUITE A2 (Upgraded from ACUITE A4+)   |
|             | Bank Guarantee (BLR)               | Short Term | 30.00 | ACUITE A2 (Upgraded from ACUITE A4+)   |
|             | Bank Guarantee (BLR)               | Short Term | 20.00 | ACUITE A2 (Assigned)   |
|             | Bank Guarantee (BLR)               | Short Term | 71.60 | ACUITE A2 (Assigned)   |
|             | Letter of Credit                   | Short Term | 30.00 | ACUITE A2 (Assigned)   |
|             | Bank Guarantee (BLR)               | Short Term | 25.00 | ACUITE A2 (Assigned)   |
|             | Bank Guarantee (BLR)               | Short Term | 50.00 | ACUITE A2 (Assigned)   |
|             | Proposed Bank Guarantee            | Short Term | 13.40 | ACUITE A2 (Assigned)   |
|             | Cash Credit                        | Long Term  | 20.00 | ACUITE BBB+   Stable (Upgraded from ACUITE BB+)                              |
|             | Cash Credit                        | Long Term  | 5.00  | ACUITE BBB+   Stable (Upgraded from ACUITE BB+)                              |
|             | Cash Credit                        | Long Term  | 5.00  | ACUITE BBB+   Stable (Upgraded from ACUITE BB+)                              |
|             | Cash Credit                        | Long Term  | 10.00 | ACUITE BBB+   Stable (Assigned)  |
| 30 May 2023 | Proposed Long Term Bank Facility   | Long Term  | 0.50  | ACUITE BBB+   Stable (Upgraded from ACUITE BB+)                              |
|             | Cash Credit                        | Long Term  | 20.00 | ACUITE BBB+   Stable (Assigned)  |
|             | Bank Guarantee/Letter of Guarantee | Short Term | 50.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+)           |
|             | Bank Guarantee/Letter of Guarantee | Short Term | 60.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+)           |
|             | Bank Guarantee (BLR)               | Short Term | 30.00 | ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A2+)           |
|             | Cash Credit                        | Long Term  | 20.00 | ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE A-   Stable)   |

**Annexure - Details of instruments rated**

| Lender's Name               | ISIN                 | Facilities                         | Date Of Issuance     | Coupon Rate          | Maturity Date        | Quantum (Rs. Cr.) | Complexity Level | Rating                          |
|-----------------------------|----------------------|------------------------------------|----------------------|----------------------|----------------------|-------------------|------------------|---------------------------------|
| H D F C Bank Limited        | Not avl. / Not appl. | Bank Guarantee (BLR)               | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 50.00             | Simple           | ACUITE A2+   Reaffirmed         |
| AXIS BANK LIMITED           | Not avl. / Not appl. | Bank Guarantee (BLR)               | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 40.00             | Simple           | ACUITE A2+   Reaffirmed         |
| KOTAK MAHINDRA BANK LIMITED | Not avl. / Not appl. | Bank Guarantee (BLR)               | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 50.00             | Simple           | ACUITE A2+   Reaffirmed         |
| INDUSIND BANK LIMITED       | Not avl. / Not appl. | Bank Guarantee (BLR)               | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 50.00             | Simple           | ACUITE A2+   Reaffirmed         |
| State Bank of India         | Not avl. / Not appl. | Bank Guarantee/Letter of Guarantee | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 167.50            | Simple           | ACUITE A2+   Reaffirmed         |
| State Bank of India         | Not avl. / Not appl. | Bank Guarantee/Letter of Guarantee | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 12.50             | Simple           | ACUITE A2+   Assigned           |
| H D F C Bank Limited        | Not avl. / Not appl. | Cash Credit                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00             | Simple           | ACUITE A-   Stable   Reaffirmed |
| State Bank of India         | Not avl. / Not appl. | Cash Credit                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 5.00              | Simple           | ACUITE A-   Stable   Reaffirmed |
| AXIS BANK LIMITED           | Not avl. / Not appl. | Cash Credit                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00             | Simple           | ACUITE A-   Stable   Reaffirmed |
| KOTAK MAHINDRA BANK LIMITED | Not avl. / Not appl. | Cash Credit                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 8.00              | Simple           | ACUITE A-   Stable   Reaffirmed |
| INDUSIND BANK LIMITED       | Not avl. / Not appl. | Cash Credit                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 20.00             | Simple           | ACUITE A-   Stable   Reaffirmed |
| KOTAK MAHINDRA BANK LIMITED | Not avl. / Not appl. | Cash Credit                        | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 12.00             | Simple           | ACUITE A-   Stable   Assigned   |

\* Note: Kotak Mahindra Bank has sanctioned a Cash Credit limit of Rs.20 crore and a Bank Guarantee limit of Rs.60 crore. However, the overall bank exposure is capped at Rs.70 crore.

## Contacts

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### About Acuité Ratings & Research

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