Press Release

SURAJ SIM TECHNO WORKS PRIVATE LIMITED
September 26, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE BB | Stable | Assigned	-
Total Outstanding Quantum (Rs. Cr)	15.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has assigned its long term rating of **'ACUITE BB' (read as ACUITE Double B)**on the Rs 15.00 crore bank facilities of Suraj Sim Techno Works Private Limited (SSTWPL). The outlook is '**Stable**'.

Rationale for Rating
The rating assigned considers the established track record of the management and the year-on-year improvement in operating income. The rating favourably factors in moderate working capital management and an adequate liquidity position of the company, with moderate utilisation of fund-based limits. However, the aforementioned strengths are constrained by the average financial risk profile, marked by modest net worth and moderate gearing, susceptibility to risks associated with the tender-based nature of operations, and vulnerability to fluctuations in raw material prices.

About the Company

Incorporated in 2018, SSTWPL based in Aurangabad. The company is engaged in manufacturing of Pre-Engineered Building (PEB), Heavy Industrial Fabrication and Rolling Shutters. It has a production capacity of 2500 Metric Ton Per Month. The company is well equipped with latest technological advanced machineries spreaded over 11 Acre of plant area and covered production area of more than 1.5 Lakhs Square Feet. The company is promoted by Mr. Deepak Shivprasad Toshniwal and Mr. Amolkumar Shyamsundar Sarda.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of SSTWPL to arrive at the rating.

Key Rating Drivers

Strengths

Extensive Experience of the management
The company is managed by Mr. Deepak Shivprasad Toshniwal and Mr. Amolkumar Shyamsundar Sarda and a team of experienced personnel. The directors possess over 20 years of experience in this line of business. The long-standing experience of the promoters has helped the company to establish comfortable relationships with key suppliers and customers.

Improved Revenue and Profitability Margins
In the financial year 2025 (Prov.), the revenue of the company improved and stood at Rs. 57.50 crore as against Rs. 52.88 crore in FY24. This improvement was primarily driven by a higher number of project executions. The operating margin for FY25 (Prov.) stood at 6.74 per cent against 5.60 per cent in FY24. The company's operating profitability margin also improved due to lower raw material costs during the year. The Profit After Tax (PAT) margin stood at 2.05 per cent in FY25 (Prov.) as against 1.92 per cent in FY24. Additionally, SSTWPL reported a revenue of Rs. 18.69 crore in Q1FY26 compared to Rs. 15.94 crore in Q1FY25. Further, the company has an

unexecuted orderbook of Rs. 42.00 crore, which would be executable by Q4FY26. Acuite believes, the operating performance of the company will improve steadily in line with growth in end user industry,

Moderate Working Capital Management
The working capital operations of the company are moderate in nature, marked by gross current assets (GCA) of 85 days in FY2025(Prov.) against 66 days in FY2024. The inventory days for the company stood at 46 days in FY2025(Prov.) as against 40 days in FY2024. The debtor's collection period stood at 27 days in FY2025(Prov.) as against 23 days in FY2024. The average collection period is around 30 days. The creditor days stood at 33 days in FY2025(Prov.) as against 31 days in the previous year. The average credit period for major raw materials is around 30–45 days. Furthermore, the average utilisation for fund-based limits remained moderate, averaging around ~44.89 per cent over the last 6 months ending June 2025.

Weaknesses

Average Financial Risk Profile
The financial risk profile of the company stood average, marked by moderate gearing, moderate debt protection metrics, and modest net worth. The net worth of the company stood at Rs. 8.59 crore in FY25(Prov.) as compared to Rs. 4.79 crore in FY24. This improvement in net worth is mainly due to the accretion of profits to reserves and increase in USL from promoters which are subordinated to bank debts. The company's total debt amounted to Rs. 11.93 crore as of March 31, 2025(Prov.), comprising Rs. 9.86 crore of long-term debt, Rs. 0.37 crore of short-term debt and Rs. 1.70 crore of CPLTD. The gearing of the company stood moderate at 1.39 times in FY25(Prov.) as compared to 1.51 times in FY24. The TOL/TNW of the company stood at 2.27 times in FY2(5Prov.) as against 3.09 times in FY24. Further, debt protection metrics stood moderate, with Interest Coverage Ratio (ICR) at 3.91 times in FY2025(Prov.) as against 5.23 times in FY2024. The Debt Service Coverage Ratio (DSCR) of the company stood at 1.43 times in FY2025(Prov.) as compared to 2.29 times in the previous year. The Debt-EBITDA of the company stood at 3.08 times in FY2025(Prov.) as against 2.43 times in FY2024. The net cash accruals to total debt (NCA/TD) stood at 0.21 times in FY2025(Prov.) as compared to 0.28 times in the previous year. Acuite believes, the financial risk profile of the company would remain average on the back of modest net worth base.

Susceptibility of profitability to raw material prices in an intensely competitive industry
The profitability margins of the company remain vulnerable to any fluctuations in the raw material prices. The major raw material for this industry is steel and fluctuation in the prices of same may put pressure on profitability levels. The susceptibility of the margins to changes in the raw materials price is inherent in this industry. The civil construction sector is characterized by the presence of several mid- to large-sized players, creating a highly competitive environment. The company faces intense competition in securing orders through bidding, with the pressure to win bids often leading to aggressive pricing strategies. This intense competition for Purchase Orders (POs) results in reduced margins. The company competes not only with larger industry players but also with numerous smaller, local and unorganised competitors.

Rating Sensitivities

- Consistent improvement in scale of operations and profitability
- Changes in the financial risk profile
- Elongation in working capital cycle thereby impacting liquidity

Liquidity Position
Adequate

The company's liquidity position is adequate, marked by sufficient net cash accruals of Rs. 2.47 crore in FY2025(Prov.) as against its maturing debt obligations of Rs. 1.43 crore for the same period. The current ratio stands at 1.38 times as on 31st March 2025(Prov.) as against 1.07 times as on 31st March 2024. In addition, the company is expected to generate sufficient cash accruals in the range of Rs. 3.00–3.60 crore as against maturing repayment obligations of Rs. 1.10–1.70 crore over the medium term. The reliance on fund-based working capital limits is moderate, with average utilisation of ~44.89 per cent over the past 6 months ending June 2025. Going ahead, the liquidity is expected to remain adequate on the back of steady accruals generation in the near term. The cash and bank balances of the company stood at Rs. 0.17 crore as on March 31, 2025 (Prov.).

Outlook: Stable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	57.50	52.88
PAT	Rs. Cr.	1.18	1.01
PAT Margin	(%)	2.05	1.92
Total Debt/Tangible Net Worth	Times	1.39	1.51
PBDIT/Interest	Times	3.91	5.23

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

None

Any other information

None

Applicable Criteria

- Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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.

Rating History :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.14	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	25 Oct 2019	Not avl. / Not appl.	26 Oct 2026	0.46	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	25 Mar 2021	Not avl. / Not appl.	25 Mar 2028	0.09	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	22 Dec 2021	Not avl. / Not appl.	22 Dec 2026	0.46	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	14 Jul 2022	Not avl. / Not appl.	14 Jul 2029	0.52	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	14 Jul 2022	Not avl. / Not appl.	14 Jul 2029	0.29	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	27 Jul 2022	Not avl. / Not appl.	27 Jul 2029	0.44	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	10 Oct 2023	Not avl. / Not appl.	10 Oct 2030	0.91	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	20 Oct 2023	Not avl. / Not appl.	20 Oct 2030	0.70	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	20 Oct 2023	Not avl. / Not appl.	20 Oct 2030	0.27	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	30 Oct 2023	Not avl. / Not appl.	30 Oct 2030	0.08	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	21 Mar 2024	Not avl. / Not appl.	21 Mar 2031	1.24	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	21 Aug 2024	Not avl. / Not appl.	23 Aug 2032	2.55	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	21 Aug 2024	Not avl. / Not appl.	23 Aug 2032	2.25	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	21 Aug 2024	Not avl. / Not appl.	23 Aug 2032	0.40	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	25 Sep 2024	Not avl. / Not appl.	25 Sep 2032	0.08	Simple	ACUITE BB | Stable | Assigned
Saraswat Bank	Not avl. / Not appl.	Term Loan	25 Oct 2019	Not avl. / Not appl.	26 Oct 2026	0.12	Simple	ACUITE BB | Stable | Assigned

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations Dheeraj Salian Associate Analyst-Rating Operations	**Contact details exclusively for investors and lenders** Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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