

## Bridge & Roof Company (India) Limited

July 28, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	2,258.70	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Long-term / Short-term bank facilities	46.30	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) had, vide its press release dated November 03, 2021, placed ratings of Bridge & Roof Company (India) Limited (BRCL) under the 'issuer non-cooperating' category, as BRCL failed to provide information for monitoring of ratings as agreed to in its Rating Agreement. BRCL continues to be non-cooperative, despite repeated requests for submission of information through calls and e-mails. In line with the extant of Securities and Exchange Board of India (SEBI) guidelines, CareEdge Ratings reviewed ratings based on best available information, which however, in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating.

**Users of these ratings (including investors, lenders, and the public at large) are hence requested to exercise caution while using above rating(s).**

### Analytical approach: Standalone

Standalone financials of BRCL factored in the analysis.

### Outlook: Stable

### Detailed description of key rating drivers:

At the time of the last rating on April 30, 2024, following were rating strengths and weaknesses (updated with information available from the Registrar of Companies).

### Key weaknesses

#### Moderation in capital structure

The company's overall gearing remained steady at 0.03x as on March 31, 2024, against on March 31, 2023. However total debt to earnings before interest, taxes, depreciation, and amortisation (EBITDA) increased from 0.11x in FY23 to 0.86x in FY24. Total operating liabilities to total net worth (TOL/TNW) remained high at 7.48x as on March 31, 2024 (PY: 8.42x), considering the company is resorting majorly to creditors and advances for funding its increase in scale of operations. Total debt to gross cash accruals (TD/GCA) also remained stable at 0.06x as on March 31, 2024, against 0.04x on March 31, 2023.

#### Working capital intensive business

BRCL's business is working capital intensive considering high collection period, as payments are received on achieving certain milestones and blocking retention money due to long duration of construction projects, which gets released after successfully completing the performance guarantee test period. The company needs to maintain inventory mainly of steel and cement for timely project execution. The company has back-to-back arrangement with its sub-contractors. High working capital intensity is evident from elevated GCA days of 326 as on March 31, 2024 (PY: 414 days) and a negative operating cycle of 172 days (PY: 201 days), driven by extended creditor periods used to finance working capital requirements.

#### Profitability susceptible to volatile input prices

Steel and cement are the major inputs for construction, prices of which are volatile. About 40%-45% of the company's contracts have an escalation clause linked to the wholesale price index (WPI – for variation in raw material prices and labour rate), which

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

mitigates the risk to an extent. However, the balance contracts are fixed price. If the price movement of cement and steel exceeds WPI, the company is unable to pass on the price escalation over WPI entirely. BRCL sub-contracts ~50% of the contract it receives.

### Intense competition in the construction business

The company is operating in the construction industry, which requires bidding for projects based on tenders. Accordingly, the company is exposed to intense competition and margins remain impacted.

### Key strengths

#### Central Public Sector Unit and Mini Ratna Category-I status of the company

BRCL is a Central Public Sector Unit (PSU) and was granted Mini-Ratna Category-I status by GoI in September 2010. GoI holds 99.35% stake in the company and the rest is with Balmer Lawrie and Co. Ltd. However, the government has announced plans for strategic disinvestment of its entire stake in BRCL and change in ownership is a key rating sensitivity.

#### Long and satisfactory track record with proven project execution capabilities

BRCL is a medium-sized, Kolkata-based engineering construction company, engaged in executing civil and mechanical construction, including executing projects on a turnkey basis. The company has completed a good number of small and medium-sized projects in road and railways, metal, power, fertiliser, oil and gas, and petro-chemical sectors. BRCL has a satisfactory contract completion track record and receives repeat orders from clients, indicating BRCL's satisfactory project execution capabilities.

#### Stable financial performance in FY24

The company reported operating income of ~₹4,004.57 crore in FY24 (PY: ₹3,315 crore in FY23) with y-o-y improvement of ~21% in FY24. PBILDT margin marginally improved from 3.53% to 4.53% from FY23 to FY24. Profit after taxes (PAT) margin improved from 1.23% to 1.87% in FY23 to FY24. The profitability gradually improved overall considering improvement in the order book and subsequent execution.

#### Liquidity: Adequate

As on March 31, 2024, BRCL held unencumbered cash and cash equivalents of ₹149.35 crore (FY23: ₹57.16 crore). Average monthly utilisation of fund-based working capital limits stood at 36%, while non-fund-based limits averaged 88% for the 12 months ended June 2024.

#### Assumptions/Covenants: Not applicable

#### Environment, social, and governance (ESG) risks: Not applicable

#### Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

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#### About the company and industry

##### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

Incorporated in 1920, BRCL is a Mini Ratna Category-I public sector enterprise under the Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises, GoI. BRCL is a medium-sized engineering construction company, engaged in civil and mechanical construction and execution of turnkey projects. It also has a manufacturing facility for producing bailey type unit bridges, bunk houses, railway wagon, and steel fabrication.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	3,315.38	4,004.57
PBILDT	117.31	181.70
PAT	40.90	74.92
Overall gearing (times)	0.03	0.32
Interest coverage (times)	1.91	2.32

A: Audited; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Brickwork Ratings continues to keep the company's rating under "ISSUER NOT COOPERATING" category and downgrade from BWR BB+; Stable/ BWR A4+ to BWR BB; Stable/ BWR A4 per Press Release dated May 27, 2025, based on best available information, as the Issuer did not cooperate to share the minimum required information to conduct the rating exercise.

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	225.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee	-	-	-	-	2033.70	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-BG/LC	-	-	-	-	46.30	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	225.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (30-Apr-24)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Feb-23)
2	Non-fund-based - LT-Bank Guarantee	LT	2033.70	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (30-Apr-24)	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (02-Feb-23)
3	Non-fund-based - LT/ ST-BG/LC	LT/ST	46.30	CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (30-Apr-24)	-	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (02-Feb-23)

\*Issuer did not cooperate; based on best available information.

LT: Long term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT-Bank Guarantee	Simple
3	Non-fund-based - LT/ ST-BG/LC	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

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