Brahmaputra Infrastructure Limited

September 11, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	125.98	CARE BBB-; Stable	Assigned
Long-term / Short-term bank facilities	108.89	CARE BBB-; Stable / CARE A3	Assigned
Long-term instruments	165.13	CARE BBB-; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to the long-term instruments and bank facilities of Brahmaputra Infrastructure Limited (BIL) factor in extensive experience of BIL's promoters and its long track record of operations in the construction industry. Ratings also take comfort from BIL's improving financial risk profile, moderate scale of operations and diversified unexecuted order book position (OB) of ₹975.4 crore as of July 2025, translating into OB/OI of 4.01x based on FY25 (FY refers to April 01 to March 31) revenue, which provides near-term revenue visibility. CARE Ratings Limited (CareEdge Ratings) notes that BIL had entered corporate debt restructuring (CDR) in August 2023, post which its financial position and operational performance has improved with regular orders execution and new orders addition, enabling it to comfortably meet its debt obligations going forward. Surplus and stable cash flows from its real estate segment and presence of debt service reserve account (DSRA) amounting ₹10 crore (equivalent to next six months of debt servicing in FY26) provide support in a timely debt servicing. Ratings are also supported by BIL's established relationships with a reputed customer base, which includes National Highways Authority of India (NHAI), and North East Frontier Railway (NFR) among others.

However, ratings are constrained by BIL's high debt level and high gross current asset days (GCA days) of 342 due to high inventory level, and elongated receivables, with low buffer in overall working capital limits. Any major delay or a dispute related to the unbilled revenue could adversely impact the company's revenue and working capital cycle. Ratings are further constrained by BIL's presence in a highly competitive and fragmented industry. Given the expected increase in scale of operations over the medium term, the company's ability to judiciously manage its working capital cycle remains crucial from the credit perspective. Also, BIL's ability to enhance its working capital lines, especially non-fund-based limits, remains crucial to bid for new orders.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant scale up in revenues while maintaining profitability, adequate liquidity, and buffer in working capital limits.
- Higher-than-envisaged reduction in debt levels leading to improvement in overall gearing below 1.50x and adequate buffer in non-fund-based limits on a sustained basis.
- Improvement in the operating cycle below 70 days on a sustained basis with improvement in liquidity position.

Negative factors

- Any slowdown in order execution or weakening of earnings with adverse impact on liquidity profile/ debt protection metrics.
- Decline in unexecuted order book to less than ₹600 crore.
- Any significant debt-funded capex or advances to group companies impacting capital structure and liquidity position of the company, on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CareEdge Ratings' opinion that the company would likely maintain its financial risk profile over the near-to-medium term, considering its revenue visibility with moderate order book position and experienced promoters with long execution track record.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Detailed description of key rating drivers:

Key strengths

Experienced management with established track record of operations

The promoters of the company have over three decades of experience in the engineering, procurement, and construction (EPC) business. Manoj Kumar Prithani and Sanjeev Kumar Prithani (brothers) ventured into the EPC business in 1987 through a proprietorship firm and later incorporated Brahmaputra Consortium Limited in 1998. The name was changed to the present one, in 2008. Over the years, BIL has developed project expertise, primarily in transportation engineering projects, including roads, bridges, flyovers, airport runways, and tunnels. It is also involved in mining, building construction, land development, embankment, and flood protection works, among others.

Improvement in liquidity profile after implementation of CDR

The company has witnessed improvement in liquidity position with growth in business operations and profitability, satisfactory cashflow from operations, and implementation of CDR. The restructuring has provided medium-term relief by deferring principal repayments and converting outstanding dues into optionally convertible cumulative preference shares (OCCPs), where repayment is scheduled to commence from June 2027. This has reduced immediate debt servicing obligations and supported better alignment of cash flows with operational requirements. Nonetheless, the company’s ability to sustain this improvement will remain contingent on timely recovery of receivables and prudent working capital management.

Surplus and stable cash flows from real estate segment supporting in timely debt servicing

Over the last five years, BIL’s total operating income (TOI) includes income generated from real-estate segment. BIL has one flagship commercial property, Central Mall, in Guwahati commercial properties, spanning over 4 lakh sq. ft. with a mix of national and international brands, a PVR multiplex, and anchor tenants, such as Shoppers Stop. BIL generated lease rental income amounting ₹12.41 crore in FY25, which would increase in FY26 per escalation clause. This recurring and surplus cash flow from the mall provides crucial financial support to the company in timely debt servicing, reducing dependency on EPC-segment revenues, and contributing to overall financial stability.

Improvement in financial performance

The company’s TOI improved in FY25 and stood at ₹243.49 crore (₹219.90 crore in FY24) with Y-o-Y growth rate of ~10.73%. Post implementation of CDR in FY24, the company’s business performance has gradually picked up with regular orders execution and new orders addition. With the support of higher profit margins in real estate segment, BIL’s operating margin has remained healthy above 20% in the last three fiscals.

In Q1FY26, the company’s TOI also improved to ₹92.14 crore (₹78.43 crore in Q1FY25). Profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of the company improved to 24.14% in Q1FY26 (16.63% in Q1FY25) and profit after tax (PAT) margin also improved to 16.32% in Q1FY26 (8.89% in Q1FY25). The improvement in financial performance is led by management’s focus on lower operational expenses, completion of legacy projects and execution of high margin projects along with regular income from lease rental of commercial mall in Guwahati.

Moderate order book position of the company providing medium-term revenue visibility

BIL’s total order book position remained moderate at ₹975.39 crore as of July 2025, which is ~4.1x of the TOI of FY25, providing medium-term revenue visibility. The order book is geographically well diversified with orders spread across seven states, including Assam (44%), Rajasthan (21%), Orissa (15%), Arunachal Pradesh (9%), and others (11%). The company has added orders to the tune of ~₹108 crore in the last one year ending on March 31, 2025. Continued addition of new work orders, and regular cashflows from operation is important from credit perspective. However, availability of free BG facility (currently utilised at ~95%) for participating in new orders and Performance Bank Guarantee requirement, remains crucial for BIL to increase its scale in the near-to-medium term.

Key weaknesses

High debt levels

BIL’s debt level remains high at ₹380.66 crore as on March 31, 2025. Post implementation of CDR, BIL’s debt level reduced, though, remained high due to almost full utilisation of fund-based working capital limits and presence of OCCPs of ₹165.13 crore as reflected by debt equity ratio and overall gearing of 1.73x and 2.61x, respectively, as on March 31, 2025 (PY: 2.76x and 3.89x, respectively). There is a low buffer in BG limits (currently utilised at ~89% as on June 30, 2025), which may hinder the company in procuring new orders.

BIL's overall debt was restructured in FY24 in a way that the principal amount including interest dues was converted partially to OCCPs amounting to ₹191.66 crore (5.7 crore shares at ₹33.63 each). Repayment of the same would commence from June 30, 2027. However, the company has significant debt repayment obligations from FY28 onwards (~₹23.59 crore per year). With successful implementation of CDR in FY24, regular orders execution and new orders, BIL is expected to gradually reduce its debt level from its cash flow from operations.

Elongated working capital cycle with low buffer in working capital limits
The company's working capital cycle improved in FY25, however, still remains elongated (marked by 109 days), as BIL majorly undertakes EPC projects in the north-east region, where execution risk remains high due to a challenging operating environment. Due to the same, execution period of BIL is longer with elongated working capital cycle and healthy profit margins. The debtor collection period improved and stood at 76 days in FY25 (PY: 89 days) and inventory days also improved and stood at 193 days in FY25 (PY: 326 days). Creditors' days of the company increased in FY25 and stood at 160 days (PY: 139 days).

BIL has elevated GCA days of 342 days as on March 31, 2025, which is primarily driven by other current assets including amount due from high unbilled revenue, disputed debtors under arbitration and retention proceeds, related parties, group companies and advances to suppliers and sub-contractors. BIL has completed some of the projects for which there have been unapproved cost escalations, resulting in built up of other assets.

CareEdge Ratings expects the working capital cycle to remain elongated considering the nature of its business over the near-to-medium term.

Exposed to execution risk given
BIL is exposed to execution risks due to a significant portion of its order book being concentrated in the north-east region of India. This geographic concentration presents multiple challenges that can affect project timelines and operational efficiency. The north-east region is characterised by geopolitical instability, including occasional socio-political unrest and border sensitivities, which can disrupt construction activities, delay approvals, and complicate logistics. Additionally, the area experiences intense monsoon seasons, leading to heavy rainfall that often results in flooding, landslides, and difficult working conditions, further hampering project progress. These factors, combined with infrastructural limitations and regulatory complexities, increase the risk of delays and cost overruns, impacting the company's ability to complete projects on schedule and maintain financial performance.

Presence in a highly fragmented and competitive construction industry
BIL operates in the intensely competitive construction industry where projects are awarded based on relevant experience of the bidder, financial capability, and most attractive bid price. The high competition in the construction industry is due to the presence of large number of small and medium players resulting in aggressive bidding, which exerts pressure on the margins. However, BIL's vast experience in handling complex projects and its long-standing track record in the construction industry helps it to mitigate the risk to some extent.

Liquidity: Adequate
The company's liquidity position remains adequate, supported by adequate cash accruals against its scheduled debt obligations. In FY25, the company reported gross cash accruals of ₹32.23 crore, which is expected to improve to ~₹37 crore in FY26, backed by a moderate order book of ₹975.39 crore as of July 2025. This is expected to comfortably meet the debt repayment obligations of ~₹6.70 crore in FY26, ₹14.15 crore in FY27, and ₹23.59 crore in FY28.

Additionally, BIL holds a DSRA of ₹10 crore with the lead bank (equivalent to next six months of debt servicing in FY26). All cash inflows of BIL are routed through a Trust and Retention Account (TRA), which ensures disciplined cash flow management and timely debt servicing.

However, the company exhibits high reliance on working capital borrowings, reflected in full utilisation of its fund-based working capital limits and an average utilisation of ~89% of non-fund-based limits in the last 12 months period ended June 2025. Also, conversion option to equity on OCCPS has already lapsed in March 31, 2025, and same is to be repaid from June 2027 in 28 equal quarterly instalments.

Assumptions/Covenants: Not applicable

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

Applicable criteria

[Definition of Default]
[Liquidity Analysis of Non-financial sector entities]
[Rating Outlook and Rating Watch]
[Financial Ratios – Non financial Sector]
[Construction Sector]
[Infrastructure Sector Ratings]
[Short Term Instruments]

About the company and industry

Industry classification

Macro-economic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

M/s Brahmaputra Consortium, a proprietorship firm was founded in 1987 by Suresh Kumar Prithani, a first-generation entrepreneur, to carry out construction business. Subsequently it was converted into a partnership firm on April 1, 1991. The firm was then converted into a Public Limited Company on September 2, 1998 and changed its name to Brahmaputra Infrastructure Limited in 2008. It is engaged primarily in EPC works, focusing on infrastructure development projects on PAN India basis and have a strong presence in Northern India, such as Delhi-NCR, Punjab, Rajasthan, and north-east parts such as Assam, Meghalaya, and Mizoram among others, and engages in projects such as roads, bridges, airports, tunnels, buildings, and other miscellaneous works. The company also undertakes real estate development activities, including commercial and industrial projects, including shopping malls and industrial parks. Through its subsidiaries, it is involved in ready-mix concrete supply and other construction-related services, catering to both government and private sector clients.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	219.9	243.49	92.14
PBILDT	61.73	54.29	22.24
PAT	17.18	29.87	15.04
Overall gearing (times)	3.89	2.61	NA
Interest coverage (times)	2.73	2.70	4.98

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

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	-	-	-	-	106.79	CARE BBB-; Stable
Fund-based - LT-Term Loan	-	-	-	March 31, 2027	19.19	CARE BBB-; Stable
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	108.89	CARE BBB-; Stable / CARE A3
Preference Shares-Optionally Convertible Cumulative Preference shares*	INE320I03013	29-09-2023	0.01	31-03-2034	165.13	CARE BBB-; Stable

*OCCPS were optionally convertible into equity within 18 months (by 28 March 2025). However, this conversion option has now lapsed. Consequently, the OCCPS are redeemable in four equal quarterly instalments annually, spanning from FY28 to FY34.

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-Term Loan	LT	19.19	CARE BBB-; Stable	-	-	-	-
2	Fund-based - LT-Cash Credit	LT	106.79	CARE BBB-; Stable	-	-	-	-
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	108.89	CARE BBB-; Stable / CARE A3	-	-	-	-
4	Preference Shares-Optionally Convertible Cumulative Preference shares	LT	165.13	CARE BBB-; Stable	-	-	-	-

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	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple
4	Preference Shares-Optionally Convertible Cumulative Preference shares	Complex

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 for clarifications.

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About us:
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