

Satyam Infra

October 07, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	20.00	CARE BB-; Stable	Upgraded from CARE B+; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in the rating assigned to the bank facilities of Satyam Infra (SI) considers improvement in sales momentum and satisfactory project progress.

Rating continues to remain constrained on account of high reliance on customer advances for fund its on-going project which has moderate booking status, constitution as a partnership firm and exposure to inherent risks associated with the real estate sector. Rating, however, continues to derive comfort from established track record of partners in the real estate market, favourable location of the project, receipt of all requisite approvals and achievement of financial closure along with satisfactory project progress.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Timely booking of unsold units and receipt of customer advance.
- Timely completion of the project.

Negative factors

- Cost overrun by more than 20% in completion of on-going project.
- Time overrun in execution of project by more than 6 months from scheduled date of completion.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects SI would continue benefit from the experience of its partners and established presence in the Rajkot real estate market along with favourable location of the project.

Detailed description of key rating drivers:

Key weaknesses

High reliance on customer advances and moderate booking status

SI is developing a commercial project, "The Accord", having a total built-up area of 1.22 lakh square feet (Isf) and total carpet area of 1.06 Isf. The Accord's total estimated cost is ₹62.30 crore is being funded through partner's contribution: debt: customer advances in the ratio of 26:32:42 respectively.

As on August 31, 2025, the sales momentum has improved, however, remained moderate with firm having received 35 bookings (10 shop and 25 offices) (June 30, 2024: 2 bookings a shop and an office) and booking advance of ₹9.72 crore (June 30, 2024: ₹0.49 crore), out of estimated sales value of around ₹15.66 crore (June 30, 2024: ₹0.99 crore). Considering the high reliance on the customers advances for funding the project, the firm is exposed to the project execution risk.

Constitution as a Partnership firm

The credit risk profile of SI is constrained by its partnership constitution wherein there is an inherent risk of withdrawal of the capital by partners which may affect its financial flexibility in the eventuality of occurrence of such event.

Inherent risk associated with cyclical nature of real estate sector

The real estate sector in India is highly fragmented with many regional players, who have significant presence in their respective local markets which in turn leads to intense competition within the industry. This sector is also sensitive to the macroeconomic cycle and interest rates. Adverse movement in interest rate affects the real estate players in both ways – by hampering demand as well as increasing the cost of construction.

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

Key strengths

Satisfactory Project progress

As on August 31, 2025, SI has incurred total cost of ₹45.65 crore (73% of the project cost) as against ₹ 30.20 crore as on June 30, 2024 (48% of the total cost). The same was funded through partners capital: term loan: advance from customers: unsecured loans: creditor funding in the ratio of 28:31:21:17:43 respectively.

Established track record of partners in execution of real estate projects in Rajkot

SI is promoted by 15 partners who have well established track record in the Rajkot real estate market. The partners have developed 6 other projects in Rajkot (Gujarat) including residential and commercial schemes with total constructed area of around 12.24 Isf. The partners are supported by team of project managers, consultants, engineers for execution of the project.

Favourable location of the project and receipt of majority of requisite permissions/ approvals

The project is situated on "Nana Mava Road" which is one of the prime locations in Rajkot. The project has received all requisite approvals i.e. height clearance from Airport Authority of India (AAI), environment clearance, NOC from fire department regarding design and drawings of project, building plan approvals and all other clearances from RERA. SI has also achieved financial closure for the project debt of ₹ 20 crore in April 2024 and has availed term loan of ₹ 14.3 crore till August 31,2025.

Liquidity: Stretched

The liquidity of the firm is stretched as reflected by moderate customer collection and sales velocity as against construction progress. Customer advances receivable as a percentage of total outstanding debt and balance cost as on August 31,2025 stood moderate at around 19%. Timely receipt of support from promoters in case of any cash flow mismatch due to delays in receipt of customer advances remains a key monitorable.

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](#)

[Rating methodology for Real estate sector](#)

About the firm and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Satyam Infra (SI) was incorporated on 2nd January 2023 by the 15 partners to construct a commercial real estate project "The Accord" (PR/GJ/RAJKOT/RAJKOT/OTHERS/CAA12717/161123) which is located on Nana Mava Road, Rajkot, Gujarat. The project consists of 152 commercial units (44 shops and 108 offices) with a total carpet area of 1.06 lakh square feet. The partners have developed 6 other projects in Rajkot including residential and commercial schemes with total constructed area of around 12.24 Isf till date.

Brief Financials: Not applicable since it's a project phase entity.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Term Loan-Long Term	-	-	-	01/09/2028	20.00	CARE BB-; Stable

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	Term Loan-Long Term	LT	20.00	CARE BB-; Stable	-	1)CARE B+; Stable (23-Jul-24)	-	-

LT: Long 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	Term Loan-Long Term	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 for clarifications.

Contact us

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