

RSA Infraproject Private Limited

November 07, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	38.00	CARE BB+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	175.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB; Stable / CARE A3 and moved to 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 Ltd. has been seeking information from RSA Infraproject Private Limited to monitor the rating(s) vide e-mail communications/letters dated October 29, 2025; October 31, 2025 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on RSA Infraproject Private Limited's bank facilities will now be denoted as **CARE BB+; Stable/CARE A4+; ISSUER NOT COOPERATING***.

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

The ratings have been revised on account of non-submission of adequate information leading to uncertainty around company's credit risk.

The rating is constrained by moderate capital structure and debt potential metrics, working capital intensive nature of operation, profitability susceptible to volatility in input prices and fragmented nature of industry leading to intense competition.

The rating derive strength from experienced promoters in construction industry, comfortable order book position indicating revenue visibility, moderate financial performance in FY25 (refers to the period April 01 to March 31), proven project execution capabilities, business segment diversification and lower counterparty risk.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on October 01, 2024 the following were the rating strengths and weaknesses (updated for the information available from the company).

Key weaknesses

Moderate capital structure and debt potential metrics: Overall gearing improved to 0.68x as on Mar 31, 2025, as against 1.07x as on Mar 31, 2024, owing to repayment of instalments towards equipment loan and accumulation of profit into reserves. Total Debt/GCA and interest coverage ratio stood at 2.48x and 3.86x in FY25 as against 3.09x and 4.27x respectively in FY24.

Working Capital Intensive nature of operation: The operations of the company are working capital intensive in nature due to the tender-based and long-term nature of contracts. The company needs to furnish earnest money deposits (EMD) during the bidding process which leads to funds getting blocked even before the project is awarded. Further, a part of the sales proceeds is also withheld in the form of retention money which necessitates requirement of working capital. However, the collection from the two new projects from MCL (Mahanandi Coal Limited) has better payment terms with ~5% being deducted as retention and the rest being paid in 10-15 days post raising of bills. The collection period of company stood at 62 days in FY25 as against 49 days in FY24. On an absolute basis total debtor value (including retention money) stood at Rs 69.04 crores as on March 31, 2025, as against Rs 59.20 crores as on March 31, 2024. The creditor's period has increased from 35 days in FY24 to 52 days in FY25. Overall, the work capital cycle moderated to 77 days in FY25 as against 58 days in FY24.

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

Fragmented nature of industry leading to intense competition: RSA is a mid-sized player operating in the intensely competitive construction industry wherein contracts are awarded based on relevant experience of the bidder, financial capability, and most attractive bid price. The highly competitive intensity is on account of the presence of large number of contractors resulting in aggressive bidding which exerts pressure on the margins. Furthermore, aggressive bidding, interest rate risk and delays in project due to environmental clearance are other external factors that affect the credit profile of industry players. However, RSA has policy to bid for selected projects while factoring additional contingency at the time of bidding.

Key strengths

Experienced Promoters: RSA (Erstwhile 'Radheyshyam Agrawal') was promoted in 1975 by Raipur-based Mr. Radheyshyam Agrawal. He has more than four decades of experience in the business of civil and road construction. Later in 1993 his sons Mr. Sanjay Agrawal (Civil Engineer) and Mr Bajrang Agrawal (Graduate) joined the company, both of whom currently have more than two decades of experience in the civil construction industry. The day-to-day operation of the firm is looked after by Mr. Sanjay Kumar Agrawal along with the support from Mr. Bajrang Lal Agrawal and a team of experienced professional and engineers.

Comfortable orderbook position indicating revenue visibility in medium term: The company has o/s order worth Rs. 1,366.19 crores as on July 01, 2025 (as against orderbook of Rs. 1,730.82 crores as on July 31, 2024) which is equivalent to 4.31x of total revenue of FY25. This gives medium term revenue visibility. Since bagging the 2 overburden removal projects (Kaniha & Lakhanpur) pertaining to Mahandi Coalfields Ltd (MCL), the company has made significant additions to its fixed assets in FY22. Ramp up of production in Kaniha project has happened according to schedule (billing of Rs. 103.38 crore in FY25) while execution of orders pertaining to barrage works in Odisha has been slower.

Moderate financial performance in FY25: The TOI of the company stood at Rs. 316.58 crore with PBILDT margin of 16.54% in FY25 as compared to Rs. 348.10 crore with PBILDT margin of 16.46% in FY24. The moderation in financial performance is due to slower progress on execution of Barrage works in Odisha.

Proven project execution capabilities: RSA has a satisfactory contract completion track record. The group has more than 50 engineers who are highly experienced. Furthermore, repetitive orders received from its existing clients corroborate group's proven project execution capability. The company is registered as a Class-A contractor with PWD and WRD and has executed various projects for PWD and WRD.

Business Segment Diversification: The company generally used to undertake road and barrage projects from WRD and PWD department of the state government of Chhattisgarh and Odisha where majority of the order book consisted of projects from the government of Odisha. However, in FY22, RSA has diversified its business and has bagged overburden work orders for the mines of Mahanadi Coalfields Limited (a subsidiary of Coal India Limited) for Kaniha and Lakhanpur mines located in Odisha, execution of which is under progress. Out of total outstanding orderbook 62% of order is related to irrigation work, 27% of order is related to mining work and 11% of order is related to railway and construction work.

Lower Counter party risk: The company generally participates in the government tenders from whom they have got repetitive orders. Further, being associated as a Class A contractor with Public works department (PWD) and Water resources department (WRD) of the state government of Chhattisgarh and Odisha the probability of converting the tender is high for the firm. Also, company has diversified to coal mines under Mahanadi Coalfields Limited. The payment from parties is received within 10-15 days from date of billing. Till date there isn't any retention money which has become overdue. For the coal projects retention money is approximately 5% and for Barrage works 2% is towards Performance Guarantee and around 4-6% towards retention money. In some cases, the company has given Advanced performance Guarantee too where the bid value is less than the tender floated and the same varies between 12 to 15% between projects.

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

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

RSA Infraproject Private Limited (RSA) was incorporated in 1975 as a proprietorship concern, by Raipur based Mr. Radheyshyam Agrawal. Later in 1988, it was converted into a partnership firm. The firm has been converted in a Private Limited company in July 2021. The company is engaged in civil construction and undertakes contract of development of roads, bridges, tunnels, dams, canal irrigation and other structures. RSA generally bags contract through participation in government tenders and operates in the state of Chhattisgarh, Odisha, Jharkhand, and Bihar. Further, the company is registered as a Class A contractor with the Water Resources Department (WRD) and Public Works Department (PWD), Government of Chhattisgarh and Odisha. RSA has diversified its business and has bagged overburden removal work orders for the mines of Mahanadi Coalfields Limited (a subsidiary of Coal India Limited) for Kaniha and Lakhanpur mines located in Odisha.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (P)
Total operating income	348.10	316.58
PBILDT	57.31	52.38
PAT	18.80	17.51
Overall gearing (times)	1.07	0.68
Interest coverage (times)	4.27	3.86

A: Audited P: Provisional; 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	-	-	-	-	38.00	CARE BB+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee	-	-	-	-	175.00	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	38.00	CARE BB+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BBB; Stable (01-Oct-24)	1)CARE BBB; Stable (20-Oct-23) 2)CARE BBB; Stable (06-Oct-23)	1)CARE BBB; Stable (07-Feb-23) 2)CARE BBB; Stable (07-Dec-22)
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	175.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	-	1)CARE BBB; Stable / CARE A3 (01-Oct-24)	1)CARE BBB; Stable / CARE A3 (20-Oct-23) 2)CARE BBB; Stable / CARE A3 (06-Oct-23)	1)CARE BBB; Stable / CARE A3+ (07-Feb-23) 2)CARE BBB; Stable / CARE A3+ (07-Dec-22)

*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/ ST-Bank Guarantee	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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