

S S Builders

December 23, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	25.00	CARE BB+; Stable	Assigned
Long-term / Short-term bank facilities	111.00	CARE BB+; Stable / CARE A4+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of S S Builders (SSB) consider its leveraged capital structure with high reliance on external debt including monthly repayment of term loans of ~₹3.00 crore and almost full utilisation of working capital limits and SSB's elongated operating cycle. Ratings are also constrained by constitution of the entity being a partnership firm where there is regular withdrawal of capital by the partners, project execution risk inherent in infrastructure projects and its presence in a highly competitive industry with presence of several unorganised players and risks associated with tender-based orders.

However, ratings derive comfort from experienced partners with a long track record of operations, healthy order book position, and the firm's growing scale of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained improvement in liquidity position with buffer of more than 20% in working capital limits and adequate liquid cash balances.
- Improvement in profitability margins as marked by PBILDT margin above 10.00% on a sustained basis while maintaining order book to operating income ratio of minimum 2.00x.
- Improvement in the firm's capital structure as marked by overall gearing ratio of below 1.20x.

Negative factors

- Large capital withdrawals, adversely impacting the net worth and liquidity of the firm with overall gearing ratio of above 1.75x on a sustained basis.
- Decline in profitability margins as marked by PBILDT margin below 8.00% on a sustained basis.
- Elongation in the operating cycle of the firm beyond 100 days on a sustained basis, with impact on liquidity position.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE Ratings Limited's (CareEdge Ratings') opinion that the firm is likely to sustain its operational performance, supported by the promoters' extensive experience and a healthy order book position.

Detailed description of key rating drivers:

Key weaknesses

Leveraged capital structure: The firm has leveraged capital structure with an overall gearing ratio of 1.40x as on March 31, 2025 compared to 1.36x as on March 31, 2024, due to high debt levels to fund working capital requirements of the business. Additionally, the firm has availed multiple construction equipment loans and long-term loans to execute engineering, procurement, and construction (EPC) orders, impacting the capital structure and debt coverage indicators.

Elongated operating cycle: The firm's operating cycle is elongated with gross current asset days at 166 days in FY25 (PY: 141 days), primarily due to extended receivables. Around 45% of these receivables comprise retention money held by the departments/clients which typically ranges from 5%-10% of the billed amount. Of this, ~50% is released upon contract completion, while the remaining 50% is refunded after the defect liability period (DLP), which generally spans 3-5 years. Additionally, the firm maintains significant inventory in the form of work in progress at project sites, resulting in high inventory

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

period of ~67 days in FY25. However, owing to its long-standing industry presence, the firm receives payable period of ~2-3 months from its suppliers.

Constitution of the entity being a partnership firm: SSB's constitution as a partnership firm carries inherent risks, including the possibility of capital withdrawal by partners and dissolution of the firm upon the death/retirement/insolvency of a partner. CareEdge notes that there were significant capital withdrawals by the partners (~₹14.00 crore in FY24 and ~₹7.00 crore in FY25). Moreover, partnership firms have restricted access to external borrowings as credit worthiness of partners would be the key factors affecting credit decision for the lenders. However, management is planning to convert the firm into a Private Limited entity in the coming months and has recently obtained the GST certificate of the company.

Project execution risk inherent in infrastructure projects: Given the nature of projects awarded, SSB faces inherent risk of delays in certain projects due to factors such as pending approvals and sanctions from regulatory bodies, such as design and structure clearances, and land acquisition issues, among others. These issues expose SSB to delay in project execution, revenue realisation, and high operating cycle. Timely execution of projects depends on the SSB's operational efficiency and timely receipt of stage payments from clients, which is crucial from a credit perspective.

Highly competitive industry and business risk associated with tender-based orders: SSB operates in a highly competitive construction industry, facing intense competition from organised and unorganised players due to low entry barriers. Numerous small and regional players cater to the same market, limiting the SSB's bargaining power and exerting pressure on margins. SSB receives majority work orders from government/ public sector undertakings. Any changes in the geo-political environment and policy matters can affect projects significantly. Changes in government policy spending on projects are likely to impact the firm's revenues and profits. The firm primarily undertakes government projects awarded through a tender-based system, exposing it to risks associated with intense competition and aggressive bidding. Business growth depends on the firm's ability to successfully bid for tenders and secure contracts by emerging as the lowest bidder.

Key strengths

Experienced partners with long track record of operations: SSB is a family-run business managed by Sukhvinder Singh and his sons, Jasmeet Singh and Dilpreet Singh. Sukhvinder Singh has overall around four decades of experience in the construction industry, while Jasmeet Singh and Dilpreet Singh have over a decade of experience and oversee the firm's day-to-day operations. SSB is further supported by a team of qualified engineers, supervisory staff, and technical professionals with relevant experience across multiple project sites. Additionally, SSB owns a large fleet of heavy machinery, equipment, and vehicles, enabling smooth and efficient execution of construction activities.

Healthy order book: SSB has a healthy unexecuted order book position of ₹1,700.13 crore as on November 30, 2025, equivalent to ~3.15x of its total operating income (TOI) in FY25. The construction contracts have tenors ranging from two to three years, depending on the type of project awarded, providing medium-term revenue visibility.

Growing scale of operations: The firm's scale of operations has grown over the three fiscals ending FY25, recording a compound annual growth rate (CAGR) of ~34.00%. SSB reported TOI of ₹539.51 crore in FY25 compared to ₹401.64 crore in FY24, supported by higher execution of contracts despite delays due to general and state elections. Considering the existing healthy order book position, with a major proportion of contracts to be executed by FY26, the firm expects to close FY26 with a turnover of ~₹600.00 crore.

Liquidity: Stretched

The liquidity position of the firm is stretched due to high gross current assets days, resulting in high utilisation of working capital limits, with average utilisation of fund-based limits at ~90%-95% in the last 12 months ended November 2025. The firm reported gross cash accruals (GCA) of ₹39.50 crore in FY25 and is expected to generate GCA of ~₹42.00 crore in FY26 against repayment obligations of ~₹36.00 crore in the same year, reflecting tightly matched accruals to debt servicing requirements. The firm does not have significant debt-funded capex plan in the near term. The firm's liquidity would remain exposed to the risk of capital withdrawal, given the partnership nature of the firm.

Applicable criteria

[Definition of Default](#)

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

[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

SSB was established as a partnership firm in 2009. The current partners are Sukhvinder Singh, Jasmeet Singh, and Dilpreet Singh, sharing profits and losses in the ratio of 50%, 25%, and 25%, respectively. The firm undertakes civil and structural engineering works, including construction of roads, highways, runways, road over bridge (ROB), road tunnels, and related works, such as steel structure erection, reinforced concrete structures and road construction in gravel, paving blocks, concrete, bitumen roads, and associated drainage structures among others, for government departments/ public sector undertakings and private entities, such as Central Public Works Department (CPWD), Public Works Department (PWD), National Highways and Infrastructure Development Corporation Limited (NHIDCL), National Highways Authority of India (NHAI), and Ministry of Road Transport and Highways, Government of India, (MoRTH), among others.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	8MFY26 (Prov.)*
Total operating income	401.64	539.51	300.00
PBILDT	41.41	48.45	NA
PAT	28.60	31.47	NA
Overall gearing (times)	1.36	1.40	NA
Interest coverage (times)	6.06	4.63	NA

A: Audited; Prov.: Provisional; NA: Not Available; Note: these are latest available financial results

*refers to April 1, 2025 to November 30, 2025.

Status of non-cooperation with previous CRA: CRISIL Ratings migrated ratings assigned to bank facilities of S S Builders to the "Issuer Not-Cooperating" category vide its press release dated October 09, 2025, due to its inability to conduct the rating exercise in the absence of requisite information i.e., No Default Statements (NDS) for the last three consecutive months.

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	-	-	-	-	25.00	CARE BB+; Stable
Non-fund-based - LT/ST-Bank Guarantee	-	-	-	-	111.00	CARE BB+; Stable / CARE A4+

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	25.00	CARE BB+; Stable	-	-	-	-
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	111.00	CARE BB+; Stable / CARE A4+	-	-	-	-

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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