

Royal Techno Projects (India) Private Limited

December 18, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	4.50	CARE BB; Stable	Upgraded from CARE BB-; Stable
Long Term / Short Term Bank Facilities	10.50	CARE BB; Stable / CARE A4	LT rating upgraded from CARE BB-; Stable and ST rating reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in the ratings assigned to the bank facilities of Royal Techno Projects (India) Private Limited (RTPIPL) consider growth in scale of operations during FY25 while maintaining comfortable financial risk profile.

Ratings continue to remain constrained on account of its moderate profitability, low orderbook position and stretched liquidity. Ratings, further, continued to remain constrained on account of geographical concentration of its operations and presence in an intensely competitive and fragmented construction industry.

Ratings, however, continued to derive strength from experience of promoters along with established track record of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale of operations marked by total operating income (TOI) of ₹90 crore or more coupled with profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of 8% or more on sustained basis.
- Sustaining comfortable capital structure along with improved debt coverage indicators marked by Total debt to gross cash accruals (TDGCA) of 5 years or below.

Negative factors

- De-growth in scale of operations marked by TOI of ₹ 30 crore or below along with PBILDT margin of 5% or below
- Deterioration in debt coverage indicators marked by TDGCA of 12x or above
- Elongation in operating cycle to more than 210 days impacting liquidity of the company.

Analytical approach: Standalone

Outlook: Stable

Stable outlook assigned to long-term facilities reflects entity would continue to benefit from the established track record of the promoters in construction industry.

Detailed description of key rating drivers:

Key weaknesses

Moderate profitability along with low orderbook position

Profitability margins remained moderate as marked by PBILDT margins of 5.90% (FY24: 6.82%) and profit after tax (PAT) margins of 1.50% (FY24: 2.79%) respectively in FY25. Subsequently, GCA to remain moderate at ₹1.09 crore in FY25 (₹0.77 crore).

Company has comparatively low order book of ₹12.11 crore as on December 01, 2025 (as against order book of ₹46 crore as on November 26, 2024). However, RTPIPL has been declared L1 bidder for a project of ₹23.33 crore. Apart from this, the company also undertake and executes small orders (repair works) of up to ₹2 crore during the year, which are not part of the order book. The order book to TOI ratio declined to 0.26x owing to increase in scale during FY25 and decline in existing order book position. However, considering the L1 order, its order book position stood modest at 0.76x of the TOI for FY25.

Geographical concentration of its revenue and presence in an intensely competitive and fragmented construction industry

RTPIPL is engaged in the construction of small stretches of new roads and widening, repair & maintenance of existing roads in the vicinity of few cities in the state of Gujarat which leads to geographical concentration of its revenue stream. Further, RTPIPL

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

is a relatively small-sized player operating in the intensely competitive and fragmented construction industry with many small and medium players. The increase in the competition and entry of new players exerts pressure on the margins for the new projects.

Key strengths

Experienced promoters with established track record of operations

RTPIPL's key promoter, Mr. Jitendra Patel, has more than three decades of experience in civil construction business. RTPIPL has established track record of operations of over 3 decades in civil construction and has developed long-standing relationship with various government departments in Gujarat which is reflected in continuous receipt of orders on y-o-y basis. The company has experience in execution of construction of Highways, Airport-runways, Railway Bridge, Irrigation, and civil work. RTPIPL secures all the contracts through bidding process and sub-contracts part of its work.

Comfortable capital structure and moderate debt coverage indicators

Capital structure marked by overall gearing continued to remain comfortable at 0.45x as on March 31, 2025 (P.Y.: 0.36x). Its debt profile largely comprises working capital borrowing and unsecured loans from promoters. The total outside liabilities to net worth stood moderate at 1.1x as on March 31, 2025 (improved from 0.63x as on March 31, 2024). Debt coverage indicators marked by PBILD interest coverage ratio remained moderate at 3.79x in FY25 as against 2.26x in FY24. TDGCA improved from 8.37x as on March 31, 2024 to 7.95x as on March 31, 2025.

Growing scale of operations

TOI of RTPIPL almost doubled from ₹20.88 crore in FY24 to ₹46.4 crore in FY25 on account of satisfactory orderbook execution. Further, RTPIPL has reported sales of ₹21.36 crore in 8MFY26 (₹15.21 crore till November 27, 2024).

Liquidity: Stretched

Liquidity position remained stretched as marked by modest GCA, low cash and bank balance. RTPIPL has modest cash and bank balance at ₹4.49 (including lien marked FD) crore as on March 31, 2025. However, cash flow from operations (CFO) improved remained positive at ₹5.13 crore in FY25 as against CFO of ₹2.16 crore in FY24. Average utilization of its fund based working capital limit remained at 87% as on March 31, 2025 (73% as on March 31, 2024).

The operating cycle improved during FY25 to 73 days as against 189 days in FY24 owing to improvement in scale of operations. The current ratio and quick ratio remained at 1.6x and 0.87x as on March 31, 2025. RTPIPL is envisaged to generate Gross cash accruals (GCA) of ₹1 crore-₹2 crore during FY26-FY28 vis-à-vis repayment of ₹0.40 crore-₹0.50 crore during the same period.

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](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

Royal Techno Projects (India) Private Limited (RTPIPL), initially known as Royal Construction Company founded back in 1980, got converted into Private Limited Company on August 19, 2009 promoted by Mr. Jitendrakumar M Patel and Mr. Jiten T Engineer. Since inception, the company is engaged in the business of civil construction includes construction of buildings, roads, airport construction of various Government departments and also with private companies. RTPIPL is registered as a 'class AA' contractor and special category 'I' with road & building (R&B) department, Government of Gujarat which enables it to bid for any size of project floated by government of various states and central government and private organizations as well.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	8MFY26 (UA)
Total operating income	20.88	46.40	21.36
PBILDT	1.42	2.74	1.73
PAT	0.58	0.70	0.75
Overall gearing (times)	0.36	0.45	0.45
Interest coverage (times)	2.26	3.79	6.09

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

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	4.50	CARE BB; Stable
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	10.50	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	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	10.50	CARE BB; Stable / CARE A4	-	1)CARE BB-; Stable / CARE A4 (06-Dec-24)	1)CARE BB-; Stable / CARE A4 (05-Jan-24)	1)CARE BB-; Stable / CARE A4 (07-Feb-23)
2	Fund-based - LT-Cash Credit	LT	4.50	CARE BB; Stable	-	1)CARE BB-; Stable (06-Dec-24)	1)CARE BB-; Stable (05-Jan-24)	1)CARE BB-; Stable (07-Feb-23)

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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