RIC Projects Private Limited

January 07, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term/ Short-term bank facilities	30.00	CARE BB+; Negative / CARE A4+	Reaffirmed; Outlook revised from Stable
Short-term bank facilities	9.00 (Reduced from 15.00)	CARE A4+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation in ratings and revision in outlook from "Stable" to "Negative" assigned to bank facilities of RIC Projects Private Limited (RPPL) considers a weaker-than-expected performance in FY25, with significant decline in scale of operations by 32.37% and elongated operating cycle. Ratings continue to factor RPPL's low and concentrated order book position with slow pace of execution, which does not provide near-term visibility of improvement in scale. Ratings also factor project execution risk inherent in infrastructure projects followed by intense competition and business risk associated with tender based orders.
However, rating weaknesses are partially offset by RPPL's experienced promoters, long track record of operations, comfortable capital structure and moderate debt coverage indicators.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations as marked by total operating income of above ₹100.00 crore and improvement in unexecuted order book to over 1.50x of previous year turnover.
- Improvement in operating cycle below 120 days on a sustained basis.

Negative factors

- Significant deterioration in capital structure of the company as marked by overall gearing ratio of above 1.00x.
- Decline in scale of operations by over 30% from envisaged level and decline in profitability margins as marked by PBILDT below 4.00% on a sustained basis.
- Deterioration in the liquidity profile of the company considering delay in receipt of receivables from customers and increase in collection period of above 150 days.

Analytical approach:

Standalone

Outlook: Negative

CARE Ratings Limited (CareEdge Ratings) has revised the outlook to 'Negative' from 'Stable' considering weaker-than-expected performance in FY25, with significant decline in scale of operations and elongated operating cycle. With limited unexecuted order book of ₹90.61 crore as on October 31, 2025, and increase in inventory days, CareEdge Ratings expects continued pressure on the company's scale and liquidity position. The outlook may be revised to 'Stable' if the company is able to improve its scale and operating cycle with adequate liquidity position.

Detailed description of key rating drivers:

Key weaknesses

Modest and fluctuating scale of operations

RPPL's scale of operations continue to remain modest with decline in total operating income (TOI) by 32.37% in FY25 (FY refers to April 01 to March 31) to ₹58.27 crore considering lower order book, lower execution and billing of contracts due to delays in regulatory approvals, high rainfall and certifications required for the contract's execution. The company achieved TOI of ₹27.00 crore in 8MFY26 (refers to April 01, 2025, to November 30, 2025; based on provisional numbers) and is projecting to achieve revenue of ~₹65.00–70.00 crore in FY26.

Low and concentrated order book position

RPPL's unexecuted order book remains low at ~₹90.61 crore as on October 31, 2025, compared to ₹96.39 crore as on September 30, 2024). Tenor of construction contracts vary up to a maximum of 2-3 years, depending on the type of contract awarded. RPPL's revenue comprises construction and maintenance work. However, unexecuted order book is concentrated with ~79.76%

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

of work orders from Chief Construction Engineer (R&D) West, The Defence Research and Development Organisation (DRDO) and NTPC Limited. The company did not participate much in new tenders in FY25, as its main focus was on completion of legacy orders related to COVID period. The company is now nearing completion of these legacy orders and focusing on higher execution.

Elongated operating cycle
The company's operating cycle further elongated to 238 days in FY25 (PY: 135 days) with majority funds blocked in work in progress (WIP) inventory owing to stocking of steel because of the price fluctuations and it forms a major raw material. The inventory is in the form of raw materials and WIP at different sites, considering procedural delays involved in the certifications/validation of invoices for contracts executed, resulting in inventory holding period of 164 days in FY25 (PY:66 days). To fund its working capital requirements, the company receives mobilisation advance from customers, which are adjusted against bills raised. The company raises bills on a milestone basis, on completion of a certain percentage of work, which gets acknowledge by the client after inspection by respective departments. Post inspection, the department clears payment within a maximum of 2-3 months after deducting 5-10% of the bill amount as retention money, which is refunded after submission of a bank guarantee or completion of the defect liability period of the tender. Consequently, the average collection period stood at 124 days for FY25 (PY:102 days).

Low profitability margins
The company's profitability margins remained moderate in the last three financial years ending on FY25, as reflected by profit before interest, lease, depreciation and tax (PBILDT) margin of 6.11% in FY25 (PY:5.27%) due to intense competition and tender-based awarding of the contracts. Slower execution of work order leads to higher overhead expenses such as raw material cost, and job work charges among others, and the company's limited ability to fully pass on the incremental cost to the end consumer due to absence of a price escalation clause in most unexecuted contracts, results in lower PBILDT margin. Margins in FY26 are expected to remain broadly in line with the previous year.

Project execution risk inherent across infrastructure projects
Given the nature of projects awarded, RPPL is exposed to inherent risk of delays in certain projects due to delay in approvals and sanctions from regulatory bodies such as land acquisition issues, among others, exposing RPPL to delays in project execution and revenue realisation. The company's ability to execute projects in a timely manner depends on its operational efficiency and timely stage payments from clients, which are crucial from a credit perspective.

Highly competitive industry with business risk associated with tender-based orders
RPPL is a mid-sized player in the intensely competitive construction industry, where projects are awarded based on the bidder's relevant experience, financial capability, technical capability and most attractive bid price. Competitive intensity, given the presence of a large number of contractors, results in aggressive bidding and restricts margins. However, the government's thrust on infrastructure development is expected to positively impact mid-sized construction players such as RPPL in the medium term.

Key strengths
Experienced management and long track record of operations
RPPL is a family-run business. Sanjay Sinha and Jyotsna Sinha are the company's directors, who collectively oversee overall operations. Both directors have over 25 years of experience in the construction industry through their association with the entity. RPPL is supported by a team of qualified engineers, supervisory staff and technical personnel working across sites with relevant experience in their respective fields. The company has a considerable track record in civil construction business, which has provided an understanding of market dynamics and enabled the establishment of long-term relationships with suppliers and customers.

Comfortable capital structure and moderate debt coverage indicators
RPPL's capital structure remains comfortable as reflected by overall gearing of 0.19x as on March 31, 2025, compared to 0.31x as on March 31, 2024, with moderate net worth base of ₹54.04 crore. Owing to limited reliance on fund-based external debt and nil reliance on term debt, debt coverage indicators remain moderate as marked by interest coverage ratio and total debt to gross cash accruals (TD/GCA) of 1.46x and 6.05x respectively for FY25, compared to 1.56x and 9.92x respectively for FY24.

Liquidity: Stretched
The company's liquidity position is stretched, with average utilisation of its fund-based working capital limits at ~98% for 12 months ending September 2025. The company's overdraft facility (OD) is recently reduced to ₹9 crore from ₹12 crore, and it plans to further reduce the OD limit in future years, which would impact its liquidity position due to its elongated operating cycle.

However, CareEdge Ratings notes that the company has nil long-term obligations, which provide comfort to an extent. Timely infusion of unsecured loans or equity in case of short-term mismatch in cashflows is crucial from a credit perspective.

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

RPPL was incorporated in April 1996, and is managed by Sanjay Sinha, Jyotsna Sinha and Anshul Sinha. RIC undertakes turnkey assignments, and provides infrastructure development and maintenance services across construction, water management, firefighting and deluge systems, interiors, electrical and mechanical works, landscaping, and horticulture. The company has undertaken projects in Delhi and states including Uttar Pradesh, Uttarakhand, Madhya Pradesh, Andhra Pradesh, Chhattisgarh, Assam, Odisha, Maharashtra, Rajasthan, Bihar, and Himachal Pradesh.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	8MF26 (UA)
Total operating income	86.16	58.27	27.00
PBILDT*	4.54	3.56	NA
Profit after tax (PAT)	1.02	1.09	NA
Overall gearing (times)	0.31	0.19	NA
Interest coverage (times)	1.56	1.46	NA

A: Audited UA: Unaudited; NA: Not available; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA:
CRISIL has continued to places ratings assigned to bank facilities of RIC Projects Private Limited under the "Issuer Not-Cooperating" category vide its press release dated July 25, 2025, considering its inability to carryout review in the absence of requisite information from the company.

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 - ST-Bank Overdraft	-	-	-	-	9.00	CARE A4+
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	30.00	CARE BB+; Negative / 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	30.00	CARE BB+; Negative / CARE A4+	-	1)CARE BB+; Stable / CARE A4+ (18-Dec-24)	1)CARE BBB-; Stable / CARE A3 (06-Nov-23)	1)CARE BBB-; Stable / CARE A3 (02-Feb-23)
2	Fund-based - ST-Bank Overdraft	ST	9.00	CARE A4+	-	1)CARE A4+ (18-Dec-24)	1)CARE A3 (06-Nov-23)	-

ST: Short 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 - ST-Bank Overdraft	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.

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About us:
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