



RPP Infra Projects Ltd

Date: 07.08.2025

To,

Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jee Jee Bhoy Towers
Dalal Street Mumbai - 400 001.
Scrip Code: 533284

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. - C/1, G
Block, Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051
Symbol: RPPINFRA

Dear Sir /Madam

Subject: Intimation of credit rating under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the "Regulations"), please find below the ratings assigned by CRISIL Ratings Limited vide their letter dated 06th August 2025 received mail yesterday for the company as follows

S.No	Instrument	type	Amount (Rs. Crore)	Current Rating
1	Fund Based Facilities	LT	94.87	CRISIL BBB+/STABLE
2	Non Fund Based Facilities	ST	462.13	CRISIL A2
		Total	557.00	Rupees Five Hundred Fifty Seven Crores

The rating letter received from CRISIL Ratings Limited is enclosed.

The above is for your information and records.

Thanking you,

Yours Faithfully,

For **R.P.P INFRA PROJECTS LIMITED**

ARULSUNDARAM NITHYA
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CIN : L45201TZ1995PLC006113
PAN :

Rating Rationale

August 06, 2025 | Mumbai

RPP Infra Projects Limited

Ratings upgraded to 'Crisil BBB+/Stable/Crisil A2'; Rated amount enhanced for Bank Debt

Rating Action

Total Bank Loan Facilities Rated	Rs.557 Crore (Enhanced from Rs.385 Crore)
Long Term Rating	Crisil BBB+/Stable (Upgraded from 'Crisil BBB/Stable')
Short Term Rating	Crisil A2 (Upgraded from 'Crisil A3+')

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings.

The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed rationale

Crisil Ratings has upgraded its ratings on the bank loan facilities of RPP Infra Projects Ltd (RIPL) to '**Crisil BBB+/Stable/Crisil A2**' from '**Crisil BBB/Stable/Crisil A3+**'.

The ratings upgrade reflects sustained improvement in RIPL's credit risk profile supported by healthy operating performance. Operating margin has sustained at over 7% during the last two fiscals through 2025, compared to 4.5-5.5% for the two fiscals through 2023, due to moderation of raw material prices and reduction in total subcontracted revenue. In addition, operating income grew at compound annual growth rate (CAGR) of about 20% supported by steady execution of orders during the three fiscals through 2025. Operations continued to be efficiently managed with gross current assets (GCAs) of 130 days in fiscal 2025, with debtors of 47 days and inventory of 34 days in fiscal 2025. The improved operating margin, with steady revenue have resulted in larger accretion to reserves and lower debt levels have strengthened the financial risk profile as evidenced by total outside liabilities to adjusted network (TOLANW) ratio of 0.8 time as on March 31, 2025.

The ratings continue to reflect the extensive experience of RIPL's promoters in the civil construction industry, the company's healthy financial risk profile and moderate working capital management. These strengths are partially offset by exposure to intense competition, susceptibility of operating margin to volatility in raw material prices, and risk related to the upcoming real estate project.

Analytical approach

Crisil Ratings has considered the standalone business and financial risk profiles of RIPL.

Key rating drivers and detailed description

Strengths:

Extensive industry experience of the promoters: Mr R P Arulsundaram, RIPL's chairman and managing director, has experience of around three decades in civil works for power, commercial buildings and irrigation projects. His wife, Ms A Nithya, who is the chief financial officer of RIPL, also has extensive industry experience. The company's top management comprises qualified and experienced members, with average experience of over 20 years. The company has diversified into various sectors such as roads, irrigation, buildings and substations, leading to a steady increase in revenue over the four fiscals through 2025. Order book of over Rs 2,700 crore, as of March 2025, to be executed in the next 24-36 months, provides strong revenue visibility. The company booked operating revenue of Rs 1,439 crore for fiscal 2025 against Rs 1,369 crore in fiscal 2024. Steady execution of orders will drive revenue growth over the medium term.

Healthy financial risk profile: The network was healthy at Rs 520 crore, while gearing and total outside liabilities to adjusted network (TOLANW) ratio are estimated to be comfortable at 0.1 time and 0.8 time, respectively, as on March 31, 2025. Debt protection metrics were adequate, as reflected in interest coverage ratio of 5.2 times and net cash accrual to adjusted debt ratio of 2.1 times for fiscal 2025. The financial risk profile is expected to remain healthy, over the medium term, despite moderate dependence on debt for capital expenditure (capex) and working capital needs.

Moderate working capital management: The working capital cycle remains efficiently managed with GCAs of around 131 days as on March 31, 2025. The company's efficient collection of receivables is reflected in debtors of 47 days in fiscal 2025. Inventory (including raw material inventory and unbilled revenue) also remains moderate at around 34 days for fiscal 2025. The working capital cycle is partially supported by creditors of around 47 days and partially supported by working capital debt.

Weaknesses:

Exposure to intense competition and susceptibility of operating margin to volatility in raw material prices: As the business is predominantly tender-based, revenue depends on the ability to bid successfully for tenders. Competition from major players, as well as many local and small, unorganised players, constrains profitability. However, about 50% of RIPL's orders are from projects in Tamil Nadu, around 20% from Uttar Pradesh and around 20% from Maharashtra, which partially

mitigates susceptibility to slowdown in tenders in any particular state due to changes in state government policies. The operating margin is volatile and susceptible to fluctuations in raw material prices. However, the risk is mitigated by price escalation clauses in most of the contracts. RIPL's operating margin fluctuated between 8.5% and 5.5% in the three fiscals through 2025, due to increase in raw material costs as well as fluctuations in subcontracted revenue as a percentage of overall revenue. The margin is expected to sustain at a similar level and given the cyclical nature inherent in the construction industry, sustained improvement in profitability will remain monitorable.

Risk related to upcoming real estate project: Company has entered into real estate project in Sri Lanka through an SPV. The total saleable value of the projects is around Rs.750 crores. The investment into the real estate project would be funded by around 50% debt, and rest by equity and customer advances. The project is in very nascent stage and preliminary works of getting approvals from Lankan local authorities and state bodies are still in progress. The recourse on the SPV's debt to the parent remains key monitorable. Risks related to timely commencement and completion of project and successful funding of debt in the SPV also remains key monitorable.

Liquidity: Adequate

Bank limit utilisation was low at 40% on average for the 12 months through May 2025. Cash accrual is expected to be over Rs 65 crore which will be sufficient against term debt obligation of less than Rs 5 crore over the medium term.

The current ratio was healthy at 1.75 times as on March 31, 2025. Low gearing and moderate networth support the financial flexibility and provides the financial cushion required in case of any adverse conditions or downturn in the business.

Outlook: Stable

Crisil Ratings believes RIPL will continue to benefit from the extensive experience of its promoters and established relationships with clients.

Rating sensitivity factors

Upward factors:

- Steady increase in revenue and sustenance of operating profitability at 7-8%, leading to higher-than-expected net cash accrual
- Continued healthy financial risk profile and liquidity

Downward factors:

- Decline in revenue by 25% or operating margin falling below 4.5-5%, leading to lower net cash accrual
- Steep increase in working capital requirement weakening the liquidity and financial risk profiles
- Any challenges in the upcoming real estate project in the SPV resulting in large debt addition and weakening of the financial risk profile

About the company

RIPL was incorporated in 1995 as a private limited company named R P P Construction Pvt Ltd, which was reconstituted as a public limited company with the present name in 2010. The company undertakes civil construction projects for roads, bridges, irrigation work, buildings and power projects, primarily for government departments. It is listed on the Bombay Stock Exchange and the National Stock Exchange. The company is managed by Mr R P Arulsundaram and his wife, Ms A Nithya.

Key financial indicators

As on / for the period ended March 31		2025*	2024
Operating income	Rs crore	1,447.18	1,369.83
Reported profit after tax (PAT)	Rs crore	65.47	65.53
PAT margin	%	4.52	4.78
Adjusted debt/adjusted networth	Times	0.07	0.10
Interest coverage	Times	9.29	5.54

*Provisional

Status of non-cooperation with previous CRA

RIPL has not cooperated with Brickwork Ratings India Pvt Ltd (Brickwork Ratings) and Informerics, which has classified the company as non-cooperative through a release dated January 30, 2023 and March 04, 2025, respectively. The reason provided by both credit rating agencies is the non-furnishing of information for monitoring ratings.

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

Crisil Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Crore)	Complexity Levels	Rating Outstanding with Outlook
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NA	Bank Guarantee	NA	NA	NA	440.42	NA	Crisil A2
NA	Cash Credit	NA	NA	NA	80.00	NA	Crisil BBB+/Stable
NA	Letter of Credit Bill Discounting	NA	NA	NA	7.50	NA	Crisil A2
NA	Proposed Bank Guarantee	NA	NA	NA	21.71	NA	Crisil A2
NA	Working Capital Facility	NA	NA	NA	3.00	NA	Crisil A2
NA	Term Loan	NA	NA	31-Mar-29	0.39	NA	Crisil BBB+/Stable
NA	Term Loan	NA	NA	31-Mar-29	0.73	NA	Crisil BBB+/Stable
NA	Term Loan	NA	NA	31-Mar-29	1.08	NA	Crisil BBB+/Stable
NA	Term Loan	NA	NA	31-Mar-29	2.17	NA	Crisil BBB+/Stable

Annexure - Rating History for last 3 Years

	Current			2025 (History)		2024		2023		2022		Start of 2022
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	ST/LT	94.87	Crisil BBB+/Stable / Crisil A2		--	11-09-24	Crisil BBB/Stable		--		--	Withdrawn
			--		--	30-08-24	Crisil BBB/Stable		--		--	--
Non-Fund Based Facilities	ST	462.13	Crisil A2		--	11-09-24	Crisil A3+		--		--	Withdrawn
			--		--	30-08-24	Crisil A3+		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Bank Guarantee	25	HDFC Bank Limited	Crisil A2
Bank Guarantee	20.5	Bank Of India Limited	Crisil A2
Bank Guarantee	170	Indian Overseas Bank	Crisil A2
Bank Guarantee	44.97	The Karur Vysya Bank Limited	Crisil A2
Bank Guarantee	45	The Karur Vysya Bank Limited	Crisil A2
Bank Guarantee	42	Canara Bank	Crisil A2
Bank Guarantee	40	The Federal Bank Limited	Crisil A2
Bank Guarantee	17.95	Canara Bank	Crisil A2
Bank Guarantee	35	Kotak Mahindra Bank Limited	Crisil A2
Cash Credit	30	Indian Overseas Bank	Crisil BBB+/Stable
Cash Credit	10	HDFC Bank Limited	Crisil BBB+/Stable
Cash Credit	13	Bank Of India Limited	Crisil BBB+/Stable
Cash Credit	12	The Karur Vysya Bank Limited	Crisil BBB+/Stable
Cash Credit	10	The Federal Bank Limited	Crisil BBB+/Stable
Cash Credit	5	Kotak Mahindra Bank Limited	Crisil BBB+/Stable
Letter of Credit Bill Discounting	7.5	Kotak Mahindra Bank Limited	Crisil A2
Proposed Bank Guarantee	4	Not Applicable	Crisil A2
Proposed Bank Guarantee	17.71	Not Applicable	Crisil A2
Term Loan	0.39	Bank Of India Limited	Crisil BBB+/Stable
Term Loan	0.73	Bank Of India Limited	Crisil BBB+/Stable
Term Loan	1.08	Indian Overseas Bank	Crisil BBB+/Stable