

Press Release
BCPL RAILWAY INFRASTRUCTURE LIMITED

Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	35.00	ACUITE BBB Stable Reaffirmed	-
Bank Loan Ratings	50.00	-	ACUITE A3+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	85.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) and the short-term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs.85.00 crore bank facilities of BCPL Railway Infrastructure Limited (BCRIL). The outlook is '**Stable**'.

Rationale for rating

The rating reaffirmation takes into account improved scale of operations in FY25 owing to increase in order executions and moderate order book of ~Rs.296 Cr as of October 2025 (2.25 times of FY25 revenue), timely execution and growth in which remains a key rating monitorable. Additionally, the rating derives its strengths from moderate financial risk profile on account of low debt profile and moderate debt protection metrics. Further, the rating considers established track record of the management in the industry with reputed clientele; however, remains constrained by the intensive working capital operations due to high unbilled revenue. Moreover, the company is subject to intensive competition & tender based nature of business which keeps the operating margins range bound.

About the Company

Incorporated in 1995, BCPL Railway Infrastructure Limited (BCRIL) is a West-Bengal based company engaged in over head equipment (OHE) contracting which involves designing, drawing, supply, erection and commissioning of single-phase traction overhead equipment. BCRIL is a contractor for the Indian Railways facilitating execution of railway infrastructure development projects. The company is headed by Mr. Jayanta Kumar Ghosh and Mr. Uday Narayan Singh.

Unsupported Rating

Not Applicable.

Analytical Approach

Acuité has considered the standalone business and financial risk profile of BCPL to arrive at the rating.

Key Rating Drivers

Strengths

Long track record of operations and experienced management

With over three decades of experience in the railway infrastructure sector, BCRIL has established a strong foothold across India. BCRIL caters to various railways zones such as Southern, Northern, Eastern, etc. also caters to a few large corporates. Also, the promoters brings the expertise of railway electrification projects which has enabled the company in building a lasting presence in the industry, fostering a strong relationship with Indian Railways.

Improving scale of operations

Post decline in operating income from Rs.122.83 Cr in FY23 to Rs.88.02 Cr. in FY24 due to postponement of one order on account of delays from railways, the operating income improved to Rs.131.96 Cr during FY25, driven by better order execution of the previous orders and further receipt of new orders during the year. The operating margin though reduced but continue to remain moderate at 8.04% in FY25 (8.84% in FY24). The decline was due to fluctuation in prices of raw material like steel, copper, etc. Further, the PAT margin stood at 6.28% in FY25. The outstanding order book stood moderate at Rs.296.90 Cr as on October 3, 2025 (2.25 times of FY25 revenue), timely execution and growth in which remains a key rating monitorable. Moreover, the BCRIL recorded operating income of Rs.50.89 Cr during H1FY26.

Moderate financial risk profile

The financial risk profile of the company is moderate marked by moderate net worth, low gearing and moderate debt protection metrics. The tangible net worth stood improved at Rs.94.79 Cr as on 31st March 2025 as against Rs.89.16 Cr as on 31st March, 2024 on account of profit accretion. The debt profile majorly includes working capital borrowing; therefore, the gearing (debt-equity) has remained below unity over the years and stood at 0.28 times as on 31st March, 2025. Moreover, the debt protection metrics also stood moderate with interest coverage ratio and debt service coverage ratio of 3.82 times and 3.22 times during FY25 respectively. Further, the TOL/TNW stood at 0.57 times as on 31st March, 2025 (0.39 times as on 31st March, 2024). Going forward the financial risk profile is expected to improve backed by steady accruals and no major debt funded capex.

Weaknesses

Intensive working capital management

The working capital operations of the company though improved but remain intensive, marked by gross current assets (GCA) of 314 days for FY25 (353 days for FY24). This majorly includes inventory days which remained high at 156 days in FY25 (205 days in FY24) owing to high unbilled revenue. Further, high GCA is also attributable to the security deposits placed with the customers. Moreover, the working capital is expected to remain intensive over the medium term considering the nature of business.

Tender based nature of operations & competitive industry leading to margin fluctuation

The railway infrastructure sector has presence of several mid to large sized players. The risk becomes more pronounced as tendering is based on minimum amount of bidding on contracts and there exists susceptibility to inherent cyclicity in the infrastructure segment. Therefore, BCRIL's revenues and margins are susceptible to the competitive bidding scenario. The EBITDA margin is further susceptible to the raw material procurement made during the year depending upon the stage of ongoing work order, which might lead to increase/decrease in the input costs.

Rating Sensitivities

- Any further elongation in working capital management or increase in debt levels leading to deterioration in financials risk profile and liquidity.
- Lower-than-expected revenue booking or profitability leading to lower net cash accruals.

Liquidity Position

Adequate

The liquidity position of BCRIL is adequate as reflected from sufficient net cash accruals (NCA) of Rs.8.51 Cr during FY25 as against maturing debt obligations of Rs.0.06 Cr. Going forward, the company is expected to generate cash accruals in the range of Rs.9.00-10.15 Cr over the medium term, against no major repayment obligations for the same period. The current ratio stood healthy at 1.96 times during FY25. Further, the BCRIL's reliance on working capital limits is moderate as reflected from average bank limit utilization which stood at ~68% for fund-based facilities and ~50% for non-fund based facilities for the last 6 months ended October, 2025.

Outlook: Stable

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	131.96	88.02
PAT	Rs. Cr.	8.29	5.53
PAT Margin	(%)	6.28	6.28
Total Debt/Tangible Net Worth	Times	0.28	0.18
PBDIT/Interest	Times	3.82	3.77

Status of non-cooperation with previous CRA (if applicable)

Not Applicable.

Any other information

None.

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Sep 2024	Bank Guarantee (BLR)	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB Stable (Assigned)
06 Jun 2024	Bank Guarantee (BLR)	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)
20 Feb 2024	Bank Guarantee (BLR)	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)
21 Feb 2023	Bank Guarantee (BLR)	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)
06 Jan 2022	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
BANK OF INDIA (BOI)	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	17.50	Simple	ACUITE A3+ Reaffirmed
ICICI BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.50	Simple	ACUITE A3+ Reaffirmed
ICICI BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A3+ Reaffirmed
BANK OF INDIA (BOI)	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Stable Reaffirmed
Bank Of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Stable Reaffirmed
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB Stable Reaffirmed

About Acuité Ratings & Research

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