August 05, 2026

BRC Infra Pvt. Ltd.: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long-term – Fund based – Overdraft	6.00	6.00	[ICRA]BB (Stable); reaffirmed	RBI
Total	**6.00**	**6.00**		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

The rating reaffirmation for BRC Infra Pvt. Ltd. (BRC) factors in the advanced stage of completion of its flagship Hemadurga Siva Hills project in Puppalaguda, Hyderabad. As on March 31, 2026, the company had sold 496 out of 500 flats. The company expects the project to be fully completed and the residual inventory to be liquidated during FY2027. The project benefited from its strategic location near major IT hubs such as Gachibowli, Financial District and Hitech City, supporting demand. The rating further draws support from the company's ongoing and planned projects. The Hemadurga NAVA residential project near Shadnagar has completed substantial construction and received occupancy approval, with management expecting complete sales realisation by FY2028. The company is also developing a residential plotting project at Burgula (Balabhadruni), which is currently awaiting statutory approvals and sales are expected to commence upon receipt of approvals, with monetisation planned over FY2028–FY2029. Additionally, the company is pursuing a residential development project in the Vizag region, which is expected to provide medium-term growth opportunities once land aggregation and approvals are completed. The rating continues to benefit from the extensive experience of the promoters, who have been engaged in the real estate sector for over two decades and have successfully completed around 15 residential projects across Telangana and Andhra Pradesh.

The rating is, however, constrained by the company's modest scale of operations, subdued revenue in last two years compared to previous years, and the relatively small size of its upcoming projects compared to Siva Hills, which has been the primary contributor to revenues and cash flows in recent years. The revenue visibility from the new projects remains dependent on timely regulatory approvals, project execution and sales traction. BRC's overall cash flow cover (committed receivables/ [pending cost + debt outstanding]) stood moderate at 4.5% as on March 31, 2026, mainly on account of upcoming costs for the new projects, substantial reduction in committed receivables as the Siva Hills project is in an advanced stage and most collections from sold inventory already realised. The rating is also constrained by the company's exposure to project execution and approval risks, particularly for the Burgula plotting project and the proposed Vizag development, which are currently in the early stages of development.

Further, the company remains exposed to geographical concentration risk, with its projects concentrated in Telangana and Andhra Pradesh. Being a cyclical industry, the real estate business is highly dependent on macroeconomic factors, which expose the company's sales to any downturn in real estate demand.

The Stable outlook on the [ICRA]BB rating the reflects the expectations that BRC will benefit from the completion and monetisation of the residual inventory in Siva Hills, steady progress in the NAVA project, and the commencement of sales in its upcoming development projects, while maintaining adequate cash flow generation and financial flexibility.

Key rating drivers and their description

Credit strengths

Extensive experience of promoters in real estate industry – BRC is promoted by Mr. Ramesh Bandi and his relatives, who have two decades of experience in real estate development in the Hyderabad market. The promoter group has developed 1.0-1.5 msf of real estate space in Hyderabad.

Favourable location of ongoing projects – BRC's projects benefit from the favourable demand outlook in the Hyderabad residential real estate market. The flagship Hemadurga Siva Hills project is situated in Puppalaguda, Hyderabad, a well-developed residential micromarket in proximity to major IT and commercial hubs such as Gachibowli, Financial District and HITEC City. Further, the Hemadurga NAVA project is located near Shadnagar, a developing residential corridor with improving connectivity and infrastructure. The favourable locations of these projects enhance their marketability, support sales realisations and provide better revenue visibility for the company.

Credit challenges

Small scale of operations; no major upcoming launches – BRC has a small scale of operations with total operating income of Rs. 16.2 crore as on March 31, 2026. The entity has two ongoing projects with majority cost being incurred for both. Once the ongoing projects are completed, where the pending cost stands at Rs. 4.57 crore for Hemadurga Siva Hills and Rs. 0.4 crore for Hemadurga NAVA, the company does not have any other relatively bigger project in the pipeline, except two new projects with lower sales value.

Exposed to geographical concentration risk and cyclicality in real estate industry – The company is exposed to high geographical concentration risk as the projects are limited to Hyderabad. The real estate sector is cyclical and marked by volatile prices and a highly fragmented market structure because of many regional players. In addition, being a cyclical industry, the real estate sector is highly dependent on macroeconomic factors, which expose BRC's sales to any downturn in demand and competition within the region from various established players.

Liquidity position: Adequate

The company's liquidity position is adequate, aided by free cash/bank balance of around Rs. 10 crore as on March 31, 2026, and low average utilisation of its fund-based working capital limit at around 19% having maintained sufficient cushion in the limit. The company has limited capex plans and has scheduled term loan repayment of Rs. 0.5 crore in FY2027, Rs. 2 crore in FY2028 and Rs. 1.74 crore in FY2029, which are expected to be serviced comfortably from the company's internal accruals.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if the company is able to improve its revenue and earnings while maintaining the debt protections metrics and adequate liquidity on a sustained basis.

Negative factors – Pressure on the company's rating could arise if there is a significant deterioration in scale and profitability or elongation of working capital cycle or large debt funded capex impacting the debt protections and liquidity profile on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Commercial/Residential/Retail
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the company's standalone financial statements.

About the company

BRC Infra Pvt. Ltd. (BRC) was earlier incorporated as CRK Infrastructure Developers Pvt Ltd (CRK) in July 2007. CRK was taken over by BRC's promoters, Mr. Ramesh Bandi and his relatives in 2011 and the name was revised to BRC Infra Pvt. Ltd. BRC Infra is currently executing two projects – BRC Sree Hemadurga SivaHills (Siva Hills) and Sree Hemadurga NAVA. Sivahills is a gated community spread over 7.74 acres of land, which was taken under joint development agreement (JDA), where BRC is the developer for construction of 774 flats (seven blocks with three blocks having 120 flats each and four blocks having 96 flats each) at an estimated project cost of Rs 318.73 crore in Puppalaguda, Hyderabad. The company's share is 500 flats (67%). The promoters have constructed more than 1.35 million sqft of residential space across Hyderabad under the Hemadurga brand.

Sree Hemadurga NAVA at Shadnagar is another ongoing project under the JDA model where the company is the developer. The total construction area is 34,750 sqft (30 flats), of which the company will have a share of 19,695 sqft (17 flats) and the rest 15,055 sqft (13 flats) would be the landowner share. The construction cost is estimated to be Rs. 7.3 crore. The project is expected to be completed by September 2026 and sales to be concluded by March 2027. At present, the company has incurred Rs. 6.95 crore of construction cost and is expected to incur further Rs. 0.4 crore in FY2027. The company plans to offer a rate of Rs. 4500-5000 per sqft and the total sales value of the project is expected to be Rs. 9.84 crore.

Further, the company is undergoing a plotting project at Burgula at a total cost of Rs. 32.5 crore and has planned a residential development project in Visakhapatnam (Vizag). The proposed Vizag project is expected to commence construction in April 2027 and be completed by September 2029. The project will have a total saleable area of around 69,000 sq. ft., with BRC's share estimated at 38,877 sq. ft. (56.35%). The project is expected to entail a total development cost of Rs.15.18 crore.

Key financial indicators

Standalone	FY2025	FY2026*
Operating income	14.1	16.1
PAT	0.5	1.6
OPBDIT/OI	11.0%	17.2%
PAT/OI	3.6%	10.1%
Total outside liabilities/Tangible net worth (times)	0.4	0.4
Total debt/OPBDIT (times)	3.9	2.8
Interest coverage (times)	3.0	8.3

*Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore*
PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
	Type	Amount Rated (Rs. crore)	Aug 05, 2026	Date	Rating	Date	Rating	Date	Rating
Overdraft	Long-term	6.00	[ICRA]BB (Stable)	Jun 30, 2025	[ICRA]BB (Stable)	-	-	Mar 26, 2024	[ICRA]BB (Stable)

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund based – Overdraft	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook	Financial Sector Regulator#
NA	**Overdraft**	NA	NA	NA	6.00	[ICRA]BB (Stable)	RBI

Source: Company

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Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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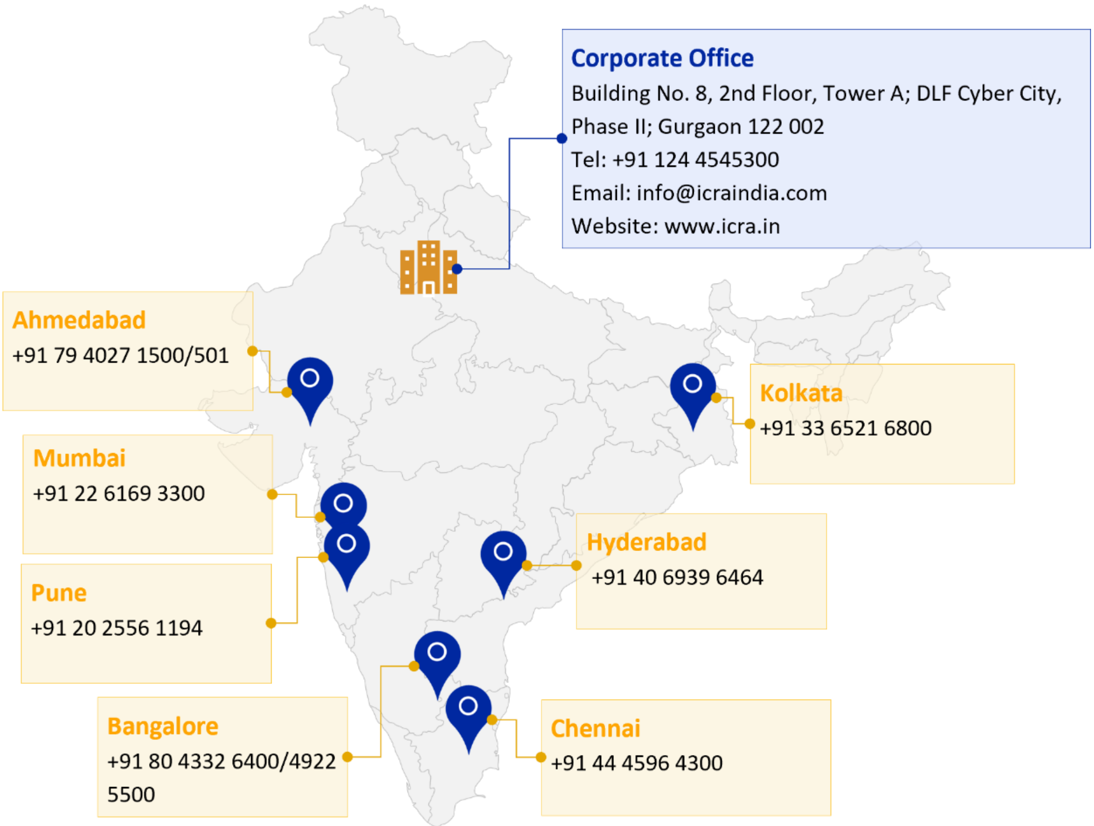

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