Press Release

Stalwart Projects Private Limited

September 19, 2025

Ratings

Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	200.00* (including proposed limits of Rs. 46.25 Cr) (reduced from Rs. 300.00 Cr)	IVR BBB/ Stable (IVR triple B with Stable outlook)	IVR BB+/ Negative ISSUER NOT COOPERATING^ (IVR double B plus with Negative Outlook Issuer Not Cooperating)	Rating upgraded and removed from Issuer Not Cooperating; long-term rating outlook revised from 'Negative' to 'Stable	Simple
Total	**200.00 (Rupees Two hundred crore only)**				

^Issuer did not cooperate; based on best available information
**(The Term Loan facilities rated in the previous year amounting Rs. 27.00 crore have been withdrawn based on No Due Certificate received from Central Bank of India and UCO Bank and at the request of the company and is in line with Infomerics policy on withdrawal)*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Earlier Infomerics had moved the rating of Stalwart Projects Private Limited (SPPL) into Issuer Not Cooperating category vide it press release dated December 26, 2024, due to non-submission of information required for detailed review of the company. However, the company has started cooperating and submitted required information. Consequently, Infomerics has removed the ratings from 'ISSUER NOT COOPERATING' category and upgraded the rating**.**

Infomerics has upgraded the long-term rating assigned to the bank facilities of Stalwart Projects Private Limited (SPPL) has taken into account the long track record of operations and experienced management with established long-term relationship with customers and suppliers. The ratings also favourably factor in favourable saleability, moderate project cost structure, and maintenance of DSRA and escrow account. These rating strengths are partially offset due to geographical concentration risk and exposure to risks relating to cyclicality in real estate industry.

The outlook assigned on the long-term rating is revised from Negative to Stable as it is supposed to benefit from the extensive experience of the promoters along-with favourable industry outlook.

Infomerics has also withdrawn the outstanding long-term rating of ‘IVR BB+/ Negative ISSUER NOT COOPERATING’ assigned to the Term Loan amounting to Rs.15.00 crore and Term Loan amounting to Rs.12.00 crore of Stalwart Projects Private Limited (SPPL) with immediate effect. The withdrawal has been taken based on the ‘No Due Certificate’ received from Central Bank of India and UCO Bank, and based on the withdrawal request of the company. The rating is withdrawn in accordance with Infomerics’ policy on withdrawal. Link to the withdrawal policy is provided below.

Key Rating Sensitivities:

Upward Factors

- Timely receipt of customer advances.
- Improvement in financial risk profile.
- Scheduled completion of ongoing project.

Downward Factors

- Significant delay in disbursement of committed lines of funding
- Weaker than anticipated sales performance and lower than expected collections which may lead to increased funding risk
- Time and cost overrun in the Projects

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Long track record of operations of the Company and experienced management**

  Stalwart Projects Private Limited (SPPL) is a part of the Stalwart Group who has a long operational track record of executing residential and commercial real estate projects for more than one decade. Presently, the company is undergoing two projects ‘Stalwart Sky City’ and ‘Stalwart Shree’ and 2 upcoming projects ‘Stalwart Nest’ and ‘Stalwart Krishna Imperial’. The Group has completed 8 projects with a total saleable area of 4.81 lakh sq.ft. till date. Some of the renowned projects executed by the group in bhubaneswar, odisha are Stalwart Palace, Rath Road, Gowtham Nagar, Stalwart Home, Niladrivihar, Stalwart Care, Niladrivihar, Stalwart View Surya Nagar. In addition to this, the directors Mr. Sharat Kumar Sahu and Dr. Samina Behera are highly experienced and actively involved in the operations of the group. Going forward, the long operational track record of the group and promoter’s extensive understanding and expertise will support the company’s growth plans.

- **Low Implementation Risk coupled with mitigated funding risk**

  As on dated 30th June 2025, 74.03% of 'Stalwart Skycity' and 72.64% of Stalwart Shree', of the construction work is completed which indicates a moderately low degree of project implementation risk. Again, the directors have experience of more than a decade in real estate sector, which provides further additional comfort in this regard.

  Moreover, the cost of the projects, Rs.415.71 Cr was supposed to be funded through Rs.23.82 Cr of promoter's funding, Rs.50.08 Cr of bank debt and Rs.341.81 Cr of customer advances. As on June 30th, 2025, the promoter had already infused Rs.23.82 Cr, bank loan of Rs.50.08 Cr was also infused in the project and in terms of customer advance Rs.516.83 has been already received. Thus, there is no such funding risk.

- **Favourable saleability**

  As on 30th June 2025, out of the total 429 units, 373 units have been sold, which is ~86.95% of the total saleable units. Again, , the total sale value of the project is Rs.785.56 Cr, out of which as on June 30th, 2025, the value of sold units is Rs.662.06 Cr of which the company has received Rs. 516.83 Cr (demand raised around Rs.561.25 Cr), depicting collection efficiency of ~92.08%. The timely receipt of customer advances and booking money received would be key monitorable going forward.

- **Maintenance of DSRA and escrow account**

  The company is required to maintain a DSRA account which imparts additional comfort over the repayment of debt. Further, the revenue of the projects will be routed through an escrow account maintained with the bank. The withdrawals from account will be as per the predefined waterfall mechanism giving priority to debt obligations and last to operational expenses.

Key Rating Weaknesses

- **Geographical Concentration risk**

  As the projects of the company is being executed in and around Bhubaneshwar, Odisha, it is exposed to geographical concentration risk. The fortune of the projects therefore will depend on the overall market sentiment in the region.

- **Exposure to risks relating to cyclicality in the real estate industry**

  Being in a cyclical industry, real estate depends on macro-economic factors and the company's dependence on a particular geography further heightens such risk. The real estate industry also remains susceptible to regulatory risk. Cumulatively, these may have a material bearing on the real estate project cash flow. This may impact the debt servicing ability of the company. Managing the same thus remain critical.

Analytical Approach: Consolidated

Infomerics has considered consolidated financial statements of Stalwart Projects Private Limited (SPPL), which includes its subsidiary company M/S Sahu Hotels Private Limited (SHPL)**.**

Applicable Criteria:

Rating Methodology for Real Estate Companies

Consolidation of companies

Financial Ratios & Interpretation (Non-Financial Sector)

Criteria of assigning rating outlook

Policy on Issuer Not Cooperating

Policy on Default Recognition

Policy on Withdrawal of Ratings

Complexity Level of Rated Instruments/Facilities

Liquidity – Adequate

The adequate liquidity position of the company is on account of the total cash inflow during FY2025 (refers to period April 1st, 2024, to March 31, 2025) to and is expected to be Rs. 290.81 Cr as against a total outflow of Rs.272.62 Cr, thereby having a surplus of Rs. 18.19 Cr and cumulative cash flow coverage ratio of 1.86 times. Further, the company is projected to maintain an adequate level of inflow and the same is expected to increase gradually with increase in bookings. In addition, availability of DSRA and escrow account will ensure the smooth repayments. The average fund-based limit utilisation remains comfortable at 40.59% over the twelve-month ended July 2025. There have been no instances of overdrawing. Further, the company is likely to benefit from the resourcefulness of the director’s experiences.

About the Company

Stalwart Projects Private Limited (SPPL) is a prominent real estate developer in Bhubaneswar, Odisha, established in 2011. It is promoted by Mr. Sarat Kumar Sahu. Presently, the company is undergoing two projects ‘Stalwart Sky City’ and ‘Stalwart Shree’ and 2 upcoming projects ‘Stalwart Nest’ and ‘Stalwart Krishna Imperial’. The company also maintains a land bank worth of Rs. 19.06 crore approximately. Further, the company has taken over Sahu Hotels Private Limited (SHPL) in August 2023, as the management is expanding its business verticals. The company operates under the name of Hotel Stalwart Jajati located near Bhubaneswar railway station with a total 122 rooms (deluxe, executive and suites rooms). The hotel also has a hall and one restaurant.

The Group has completed 8 projects with a total saleable area of 4.81 lakh sq.ft. till date. Some of the renowned projects executed by the group in bhubaneswar, odisha are Stalwart Palace, Rath Road, Gowtham Nagar, Stalwart Home, Niladrivihar, Stalwart Care, Niladrivihar, Stalwart View Surya Nagar.

Financials (Consolidated): **(Rs. crore)**

For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	146.48	116.56
EBITDA	8.41	17.39
PAT	4.59	5.45
Total Debt	44.67	71.41
Tangible Net Worth (Adjusted)	0.35	23.25
EBITDA Margin (%)	5.76	15.05
PAT Margin (%)	3.14	4.67
Overall Gearing Ratio (x) (Adjusted)	126.70	3.07
Interest Coverage (x)	2.47	2.00

** Classification as per Infomerics' standards*

Financials (Standalone): **(Rs. crore)**

For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	146.48	113.09
EBITDA	8.41	17.43
PAT	4.59	6.41
Total Debt	36.42	56.65
Tangible Net Worth (Adjusted)	0.24	2.40
EBITDA Margin (%)	5.76	15.42
PAT Margin (%)	3.14	5.67
Overall Gearing Ratio (x) (Adjusted)	154.58	23.64
Interest Coverage (x)	2.47	2.27

** Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/ Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years			
		Type-(Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25		Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					December 26, 2024	July 05, 2024	November 03, 2023	-
1.	Term Loans	Long Term	137.00	IVR BBB/ Stable	IVR BB+/ Negative ISSUER NOT COOPERATING^	IVR BBB-/ Stable	IVR BBB-/ Stable	-
2.	Proposed Term Loan	Long Term	46.25	IVR BBB/ Stable	IVR BB+/ Negative ISSUER NOT COOPERATING^	IVR BBB-/ Stable	IVR BBB-/ Stable	-
3.	Overdraft	Long Term	16.75	IVR BBB/ Stable	-	-	-	-

^Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Private Limited] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

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Annexure 1: Instrument/Facility Details:

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan I	-	-	-	31st March 2028	134.76	IVR BBB/ Stable
Term Loan II	-	-	-	31st May 2028	2.24	IVR BBB/ Stable
Overdraft I	-	-	-	-	4.95	IVR BBB/ Stable
Overdraft II	-	-	-	-	11.80	IVR BBB/ Stable
Proposed Term Loan	-	-	-	-	46.25	IVR BBB/ Stable
Term Loan III	-	-	-	-	0.00	Withdrawn
Term Loan IV	-	-	-	-	0.00	Withdrawn

Annexure 2: Facility wise lender details:
https://www.infomerics.com/admin/prfiles/len-stalwart-projects-sep25.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of the company	Relationship	Shareholding as on March 31, 2025	Consolidated Approach
Stalwart Projects Private Limited	-	-	Full Consolidation
Sahu Hotels Private Limited	Subsidiary	100%	Full Consolidation

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com