

CSK Developers

February 20, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term / Short Term Bank Facilities	12.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	LT rating downgraded from CARE BB-; Stable and ST rating reaffirmed and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	30.00	CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information (including No Default Statement) from CSK Developers (CSK) to monitor the rating(s) vide e-mail communications dated February 09, 2026, February 04, 2026, January 29, 2026, January 24, 2026, January 21, 2026, January 13, 2026 and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on CSK's bank facilities will now be denoted as '**CARE B+; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING**'

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of CSK Developers (CSK) have been revised on account of non-availability of requisite information. The ratings assigned to the bank facilities of CSK are constrained by moderate scale of operations, concentrated order book, limited revenue visibility, moderately leveraged capital structure, profitability margins susceptible to fluctuation in raw material prices, competitive industry and partnership nature of constitution with inherent risk of withdrawal of capital. However, the ratings derive comfort from the extensive experience of the promoters in the segment.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on January 21, 2025 the following were the rating strengths and weaknesses.

Key weaknesses

Moderate scale of operations

CSK is engaged in civil construction work entirely based out in Tamil Nadu and the firm has limited track record of operations since it was established only in September 2021 and FY23 being the first full year of operations. The total operating income (TOI) of CSK had improved to ₹107.01 crore in FY24 (refers to the period April 01 to March 31) with PBILDT margin of 8.08% against ₹85.91 crores in FY23 with PBILDT margin of 7.20%. During 9mFY25 (refers to the period April 01 to December 31), the firm reported income of ₹97.94 crore.

Concentrated order book

The firm has an outstanding orderbook position of ₹113.88 crores (1.06x of FY24 TOI) as on December 31, 2024, against outstanding orderbook position of ₹124.26 crore (1.45x of FY23 TOI) as on January 24, 2024. The current orderbook is executable till January 2026. The orderbook remains concentrated with top 2 orders forming 64% of total outstanding order book position, and furthermore the operations of the firm are geographically concentrated within Tamil Nadu.

Moderate capital structure and debt coverage indicators

The firm's capital structure remained moderately leveraged, with an overall gearing ratio of 1.92x as of March 31, 2024, compared to 1.86x as of March 31, 2023. This increase was due to higher working capital utilization and new term loans taken for machinery

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

purchases. The debt coverage indicator, represented by Total Debt to Gross Cash Accruals (GCA), moderated to 5.14x in FY24 from 4.40x in FY23.

Profitability margins are susceptible to fluctuation in raw material prices

Raw materials constitute a significant cost component for construction sector entities, and their volatile prices expose the cost structure to fluctuations in the prices of key materials like steel, cement, bitumen, sand, and bricks. Consequently, the firm's profit margins are susceptible to the volatility of raw material prices. The firm has availed escalation clause for few of its projects which could mitigate from the adverse effects of raw material price volatility to an extent.

Tender driven nature of business with highly competitive intensity

The firm undertakes projects for state and central government authorities majorly. CSK's revenue stream is solely derived from tender-based projects, making its success contingent upon its ability to secure these contracts. The intense competition within the industry puts pressure on profit margins. However, the promoters' extensive experience in the construction industry, spanning two decades, serves as a mitigating factor against this risk. CSK operates in a highly fragmented and competitive landscape, characterized by many mid-sized players. Additionally, the presence of established and well-connected large-sized players further intensifies competition in the industry.

Partnership nature of business constitution with inherent risk of withdrawal of capital

CSK's partnership structure carries an inherent risk of capital withdrawal by the partners to address personal contingencies. This withdrawal can erode the company's capital base, negatively impacting its capital structure.

Key strengths

Extensive experience of the promoters in the segment

The firm was incorporated by Chandrasekaran S and Kalyanasundaram T in September 2021. Both the promoters have more than two decades of experience in the construction sector. The day-to-day operations are overseen by Chandrasekaran who has experience in managing a sole proprietorship firm for over two decades in the construction space. Kalyanasundaram also has experience of managing a partnership firm 'AT Engineering Construction' based out in Thanjavur, for more than two decades also executing construction contracts.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable Criteria

[Criteria on Information Adequacy Risk and Issuer Non-Cooperation](#)

[CARE Ratings' Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[Financial Ratios – Non-Financial Sector](#)

[CARE Ratings' Criteria on Rating of Short Term Instruments](#)

[Rating Methodology -Construction sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

CSK Developers (CSK) was established in September 2021 as a partnership firm by S. Chandrasekaran and T. Kalyanasundaram. Based in Mayiladuthurai, Tamil Nadu, the firm specializes in government sector civil construction projects, including roads, bridges, 3 CARE Ratings Ltd. Press Release and water canals. The day-to-day operations are overseen by S. Chandrasekaran, who brings two decades of experience as a Class A contractor.

Brief Financials

Brief Financials (₹ crore)	31-03-2023 (A)	31-03-2024 (A)	9m FY25 (P)
Total operating income	85.91	107.01	97.94
PBILD	6.18	8.64	NA
PAT	3.28	4.01	NA

Overall gearing (times)	1.86	1.92	NA
Interest coverage (times)	10.31	5.38	NA

A: Audited; P; Provisional NA: Not Available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned the tha bank facilities of CSK into ISSUER NON-COOPERATION category vide its press release dated December 18, 2024 due to non-availability of requisite information from the firm.

Any other information: Not applicable

Rating history for last three years: Annexure-2

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		-	-	-	30.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	12.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

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	12.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable / CARE A4 (21-Jan-25)	1)CARE BB-; Stable / CARE A4 (28-Feb-24)	-
2	Fund-based - ST-Bank Overdraft	ST	30.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (21-Jan-25)	1)CARE A4 (28-Feb-24)	-

*Issuer did not cooperate; based on best available information.

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.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Shachee Nakul Vyas Assistant Director CARE Ratings Limited Phone: 079-40265665 E-mail: shachee.tripathi@careedge.in</p> <p>Foram Dhruv Joshi Lead Analyst CARE Ratings Limited Phone: 079-40265687 E-mail: foram.dave@careedge.in</p> <p>Krupa Kariya Associate Analyst CARE Ratings Limited E-mail: Krupa.Kariya@careedge.in</p>
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