

Musale Construction

March 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	10.00	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	25.00	CARE D; 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

Musale Construction (MC) has not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. In line with the extant SEBI guidelines, CARE Ratings Limited's (CareEdge Ratings') rating on MC's bank facilities will now be denoted as CARE D ISSUER NOT COOPERATING / CARE D; 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).

Ratings assigned to the bank facilities of MC factors in overdrawals in the Cash Credit (CC) account for more than 30 consecutive days during December' 2025 and January' 2026.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on February 26, 2026, the following were the rating strengths and weaknesses.

Key weaknesses

Ongoing delays in debt servicing

As per the statements for CC facility shared by MC, there were instances of continuous overdrawals in CC for more than 30 days (December 18, 2025 to January 19, 2026) The same has also been confirmed by the lender. Delayed realisation of receivables resulted in poor liquidity, leading to the said overdrawal.

Liquidity: Poor

The firm has poor liquidity marked by full utilisation of working capital limits with frequent instances of overdrawals.

Assumptions/Covenants: Not applicable

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

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

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

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

Nagpur (Maharashtra) based Musale Construction (MCN) was established in October 1989 as a partnership firm. The firm is engaged in the construction business and undertakes the construction of roads, canals and other irrigation contracts. The firm is registered as a 'Class A' contractor with Public Works Department, Maharashtra, Madhya Pradesh and Chhattisgarh. The firm executes orders only for government authorities.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	62.27	47.75
PBILDT*	6.03	6.36
Profit after tax (PAT)	1.95	1.40
Overall gearing (x)	3.73	1.68
Interest coverage (x)	2.53	2.53

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: CRISIL, vide its press release dated September 25, 2025, reviewed the ratings assigned to the bank facilities of MC under Issuer Non-cooperation category, as the company did not provide the requisite information needed to conduct the rating exercise.

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of 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 - LT-Cash Credit		-	-	-	10.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	25.00	CARE D; 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	Fund-based - LT-Cash Credit	LT	10.00	CARE D; ISSUER NOT COOPERATING*	1)CARE D (26-Feb-26)	1)CARE B-; Stable (24-Mar-25)	1)CARE B-; Stable (23-Feb-24)	1)CARE B-; Stable (30-Nov-22)
2	Non-fund-based - ST-Bank Guarantee	ST	25.00	CARE D; ISSUER NOT COOPERATING*	1)CARE D (26-Feb-26)	1)CARE A4 (24-Mar-25)	1)CARE A4 (23-Feb-24)	1)CARE A4 (30-Nov-22)

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

LT: Long term; ST: 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 - LT-Cash Credit	Simple
2	Non-fund-based - 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

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About us:

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