

BLG Construction Services Private Limited

April 30, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	12.48 (Enhanced from 7.01)	CARE BB+; Stable	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE B; Stable
Short Term Bank Facilities	15.00 (Enhanced from 11.00)	CARE A4+	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE A4

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6

Rationale and key rating drivers

The revision in the ratings assigned to BLG Construction Services Private Limited (BCSPL) is primarily driven by the availability of adequate information to undertake a detailed review along with the growth in scale of operations over the past few years ended FY26 (FY refers to the period from April 01 to March 31).

The ratings continues to remain constrained on account of its moderate scale of operations, low profit margins, working capital intensive nature of operations, tender driven business with highly competitive industry and stretched liquidity.

The ratings however derive strength from established track record of operations in the third-party inspection services & project consultancy services, healthy order book comprising reputed clientele and moderate capital structure and debt coverage indicators, though with modest network base.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Growth in scale of operations above Rs.200 crore with improvement in operating profitability above 7%, alongwith maintenance of healthy order visibility on a sustained basis.
- Improvement in liquidity profile with cushion in form of unutilised working capital limits.

Negative factors

- Decline in scale of operations by more than 20% from existing levels on account of delay in execution of the ongoing work orders or any major moderation in operating margin on sustained basis.
- Deterioration in Total debt/PBILDT beyond 3.5x on a sustained basis
- Elongation in Gross Current Assets days to 120 days and above resulting in increased reliance on external debt.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that BCSPL shall benefit from vast experience of promoters in the construction and allied service industry and will continue to sustain its adequate liquidity in medium term.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations with low profitability

Total Operating Income (TOI) of the company grew at a CAGR of ~20% over the past four years ended FY26, which is backed by moderate orderbook execution and receipt of new orders. However, TOI of the company remains moderate at Rs.132.03 crore in FY26.

The PBILDT margin of the company remained low in FY26 at 5.70% (4.05% in FY25) on account of competitive nature of business. Consequently, company's Gross Cash Accruals (GCA) remained modest at Rs.5.25 crore in FY26.

PBILDT margin is expected to remain in the range of 5-6% in the near to medium term, with moderate growth in TOI.

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

Tender-driven business with highly competitive industry

BCSPL primarily secures work orders from government departments through a tender based process. The revenue depends on the company's ability to bid successfully for these tenders. BCSPL operates in a fragmented and competitive market characterized by the presence of numerous mid-sized players, which exerts pressure on profit margins. However, the promoter's experience in this industry mitigates this risk to some extent.

Key strengths**Experienced promoters and established track record of operations**

The company is promoted by Vaibhav Varshney who has over three decades of experience in the infrastructure sector, particularly in civil engineering, project management, and consultancy services. Further, the management is ably supported by the technical professionals for managing the overall operations of company.

The extensive experience of the promoters and the company's established track record of operations provide the necessary technical expertise and established relationships with various stakeholders for execution of contracts.

Healthy orderbook with low counterparty risk

As on March 17, 2026, BCSPL had an unexecuted outstanding orderbook of Rs.744.60 crore, translating into to an order book/TOI of 5.64 times on TOI of for FY26, indicating medium term revenue visibility (with tenure of the highest valued-order of TPI, forming around 39% of the order book, being of 10 years). Majority of the projects in the current order book are as per schedule and are expected to be completed within stipulated timelines.

The company has a geographically diversified presence across multiple states, with major orders in Uttar Pradesh, Madhya Pradesh, Odisha, and Rajasthan. The order book is primarily derived from government entities, including central and state government departments, public works departments (PWDs), water and sanitation missions, and urban local bodies. This ensures relatively low counterparty credit risk, however the company remains exposed to risks associated with tender-based order allocation, elongated receivable cycles, and dependence on government spending.

Moderate capital structure and debt coverage indicators

The capital structure of the company remains moderate marked by overall gearing of 0.64x as on March 31, 2026 (P.Y.0.45x) with majority of debt comprising of working capital borrowings and mobilisation advances. Networth base however remained modest, at Rs.29.81 crore at FY26 end owing to limited accretion to reserves.

Further, the debt coverage metrics of the company also remained moderate marked by PBILDT coverage and total debt/PBILDT of 10.11 times (PY: 7.08 times) and 2.53 years (PY: 2.26 years) as on March 31, 2026.

Liquidity: Stretched

The liquidity profile of the company remains stretched, primarily due to the working capital-intensive nature of its operations and modest cash flow from operations.

The construction segment is inherently working capital intensive primarily due to funding requirement towards the security deposits, retention amount and margin money, apart from inventory and receivables. Consequently, the gross current asset days stood elevated at 76 days in FY26 (83 days in FY25) as against a lean operating cycle of around 37 days, indicating high working capital requirements.

The company's cash flow generation remains low, standing at Rs. 3.71 crore in FY26 (and gross cash accruals at Rs. 5.25 crore during the year, providing limited liquidity cushion. Consequently, utilisation of fund-based and non-fund-based limits remained high at approximately 85% and 90%, respectively, for the 12 months ended March 31, 2026. The company also relies on mobilisation advances to support its operations.

BSCPL has also availed additional bank guarantee limits of Rs.6 crore at the end of March 2026. The company will require additional working capital limits to support its scale-up in operations, indicating continued reliance on external funding.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Consulting Services

Jodhpur (Rajasthan) based BLG Construction Services Private Limited (BCSPL) was formed in 1997 as a proprietorship concern in the name of BLG Construction Services (BCS). In May, 2005, constitution was changed to private limited. It is primarily engaged in providing third-party inspection (TPI), project monitoring, and engineering consultancy services for infrastructure projects. BLG's core business involves acting as an independent engineer/inspection agency for government infrastructure projects, with services including quality control, project monitoring, technical audits, and progress verification. The company's operations span key sectors such as water supply & sanitation, urban infrastructure, buildings, and rural development, with assignments largely awarded by central and state government bodies. In addition to its consultancy and inspection services, the company also undertakes selective civil construction projects; however, the same constitutes a relatively smaller portion of its overall operations.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	FY26 (Prov.)
Total operating income	151.19	124.08	132.03
PBILDT*	8.01	5.02	7.53
Profit after tax (PAT)	5.78	4.17	4.57
Overall gearing (x)	0.58	0.45	0.64
Interest coverage (x)	13.02	7.08	10.11

A: Audited, Prov.: Provisional; Note: these are latest available financial results

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

Status of non-cooperation with previous CRA:

ICRA has conducted the review based on best available information and has continued to place ratings of BCSPL under "Issuer Not cooperating" category vide its press release dated April 16, 2026, due to its inability to carry out a review in the absence of the company's requisite information.

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		-	-	-	12.20	CARE BB+; Stable
Fund-based - LT-Term Loan		-	-	April, 2030	0.28	CARE BB+; Stable
Non-fund-based - ST-Bank Guarantee		-	-	-	15.00	CARE A4+

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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	0.28	CARE BB+; Stable	-	1)CARE B; Stable; ISSUER NOT COOPERATING * (14-Jul-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING * (11-Jul-24)	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (31-May-23)
2	Fund-based - LT-Cash Credit	LT	12.20	CARE BB+; Stable	-	1)CARE B; Stable; ISSUER NOT COOPERATING * (14-Jul-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING * (11-Jul-24)	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (31-May-23)
3	Non-fund-based - ST-Bank Guarantee	ST	15.00	CARE A4+	-	1)CARE A4; ISSUER NOT COOPERATING * (14-Jul-25)	1)CARE A4; ISSUER NOT COOPERATING * (11-Jul-24)	1)CARE A4; ISSUER NOT COOPERATING * (31-May-23)

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

LT: Long term; 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 - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026 to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments ²
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI

²SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments ²
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutual Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of the 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>Pradeep Kumar V Senior Director CARE Ratings Limited Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in</p>	<p>Analytical Contacts</p> <p>Kalpesh Ramanbhai Patel Director CARE Ratings Limited Phone: 079-40265611 E-mail: kalpesh.patel@careedge.in</p> <p>Nikita Akhilesh Goyal Associate Director CARE Ratings Limited Phone: 079-40265670 E-mail: nikita.goyal@careedge.in</p> <p>Twinkle Kishor Manglani Lead Analyst CARE Ratings Limited E-mail: twinkle.manglani@careedge.in</p>
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