Ganesh Enterprises and Constructions Private Limited

June 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term / Short-term bank facilities	40.00	CARE BB-; Stable / CARE A4	Assigned

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-7.

Rationale and key rating drivers

Ratings assigned to bank facilities of Ganesh Enterprises and Constructions Private Limited (GECPL) are constrained by its moderate scale of operations, geographical and customer concentration risk, stretched liquidity profile, and working capital intensive operations. Ratings are further constrained by exposure to execution-related delays in certain projects due to site availability and approval-related issues, and company's presence in a highly competitive and fragmented engineering, procurement, and construction (EPC) industry characterised by a tender-driven business model and exposure to volatility in input costs.

However, ratings derive comfort from the promoters' extensive experience in the civil construction sector, the company's established execution track record supported by a healthy order book providing medium-term revenue visibility, and its comfortable capital structure and debt coverage indicators.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Growth in total operating income (TOI) exceeding ₹250 crore and sustenance of profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 12% on a sustained basis.
- Diversification in customer profile and geographical presence, and maintenance of a healthy order book providing medium-term revenue visibility.
- Improvement in liquidity profile marked by sustained timely debt servicing and efficient working capital management.

Negative factors

- Substantial decline in scale of operations and PBILDT margin falling below 9% on a sustained basis.
- Significant increase in debt levels resulting in deterioration in capital structure and debt coverage indicators, marked by overall gearing above 1.50x or PBILDT interest coverage below 2x on a sustained basis.
- Substantial increase in its working capital requirements thus weakening its liquidity and financial profiles.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the company will continue to benefit from promoter's extensive experience.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations and exposure to execution-related delays

Despite a long operating track record, GECPL continues to operate at a moderate scale in the fragmented civil construction industry, with TOI of ₹214 crore in FY26 (Prov.). While the company had an unexecuted order book of ~₹455 crore as on March 31, 2026, providing revenue visibility over the medium term, execution of certain projects has witnessed delays due to land acquisition issues, site availability constraints and delays in approvals from project authorities, resulting in extension requests for some projects. Consequently, timely execution of the existing order book and conversion of the same into revenue remain key monitorable.

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

Geographical and customer concentration risk
GECPL's business profile remains exposed to geographical and customer concentration risk, with a significant portion of its revenue and order book concentrated in the Nanded region of Maharashtra. A substantial share of the unexecuted order book is derived from divisions of the Public Works Department (PWD), Government of Maharashtra, indicating dependence on a limited set of customers. Such concentration exposes the company to risks associated with delays in project awards, execution bottlenecks, regulatory approvals and changes in government spending patterns in the region. The company's ability to diversify its customer profile and geographical presence while maintaining its order inflow trajectory remains a key monitorable.

Working capital intensive nature of operations
GECPL's operations remain working capital intensive owing to the inherent nature of the civil construction business, which requires deployment of funds towards retention money, security deposits and ongoing project execution. The company's working capital requirements have increased with the growth in scale of operations, reflected in higher retention money receivables and moderation in operating cash flows in FY26. Consequently, the gross current asset (GCA) period deteriorated to 123 days as on March 31, 2026 (Prov.) from 105 days as on March 31, 2025. The company's liquidity profile depends on timely certification of bills, release of retention money and efficient execution of ongoing projects.

Exposure to cyclicality in the end-user industry, competition, and tender-based business
The civil construction and infrastructure sector is inherently fragmented, with a large presence of regional small and mid-sized contractors, resulting in intense competition. The tender-driven nature of project awards further heightens competitive pressure and can constrain profitability. The company also faces competition while bidding for contracts, making the timely and successful conversion of tenders critical for revenue growth. A significant share of the company's contracts is sourced from government agencies, which tends to be cyclical, and spending is linked to budgetary allocations. Any moderation or delay in government capex outlays may impact order inflows and revenue visibility, exposing the company to cyclicality in the end-user industry.

Key strengths
Experienced promoters
GECPL benefits its promoters' extensive experience, led by Madhav Eklare, in the civil construction and infrastructure sector. The promoters have established relationships with government departments and possess a demonstrated track record in executing road, bridge, and other civil infrastructure projects. The company's long operational history through the erstwhile partnership concern has supported steady growth in its scale of operations and order book over the years. The experienced management team continues to support the company's project execution capabilities and business development efforts.

Comfortable capital structure and debt coverage indicators
GECPL's capital structure remained comfortable, supported by steady accretion to reserves and healthy profitability. The company reported a tangible net worth (TNW) of ₹44 crore as on March 31, 2026 (Prov.), with overall gearing and total outside liabilities (TOL)/TNW remaining moderate at 0.86x and 1.80x, respectively. Debt coverage indicators also remained comfortable, marked by PBILDT interest coverage of 8.07x and total debt to PBILDT of 1.31x as on March 31, 2026. The comfortable leverage profile, and healthy cash accrual generation, is expected to support the company's debt servicing ability over the medium term.

Established execution track record with healthy profitability and order book
GECPL has an established track record in execution of civil construction projects, primarily roads, bridges and other infrastructure projects for various government departments. Profitability remained healthy, with PBILDT margin improving to 13.61% in FY26 (PY: 12.55%), supported by efficient project execution and cost control measures. Strong execution capability supported by in-house equipment base, resulting in healthy margins. The company had an unexecuted order book of ~₹455 crore as on March 31, 2026, equivalent to ~2.1x FY26 revenue, providing healthy revenue visibility over the medium term. The company's demonstrated execution capability has enabled it to secure repeat orders from government authorities.

Liquidity: Stretched
Liquidity of GECPL is stretched, marked by moderate cash accrual generation against its scheduled debt repayment obligations and moderate utilisation of its fund-based working capital limits. The company is expected to generate gross cash accruals of ~₹25-30 crore against annual term debt repayments of ₹8-12 crore over the near term. Average utilisation of fund-based working capital limits remained moderate at ~70% and non-fund-based limits ~90% in the 12 months ended April 2026, providing adequate drawing power cushion. However, liquidity remains constrained by low free cash balances, increasing retention money receivables and negative operating cash flow in FY26 arising from higher working capital requirements. The current ratio remained comfortable at 1.58x as on March 31, 2026 (Prov.). Liquidity is also constrained by historical repayment irregularities reflected in the NDS. While all past delays have since been regularised, the company's ability to demonstrate a sustained track record of timely debt servicing remains a key monitorable.

Assumptions/Covenants: Not applicable

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

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Construction Sector
Infrastructure Sector Ratings
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

GECPL is engaged in executing civil infrastructure projects, primarily road construction works, for various government departments and local authorities. The company also undertakes bridge, building, and water supply infrastructure projects, although road construction remains its principal source of revenue.
The business was originally established as a partnership concern in 1989 and was subsequently reconstituted as a private limited company on March 06, 2026. GECPL is promoted by Madhav Eklare and his family, who possess extensive experience in the civil construction and infrastructure sector. The company is headquartered in Nanded, Maharashtra.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (P)
Total operating income	222.74	214.08
PBILDT*	27.96	29.13
Profit after tax (PAT)	11.47	13.97
Overall gearing (x)	0.73	0.86
Interest coverage (x)	9.30	8.07

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: Not applicable

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/ ST-Working Capital Limits		-	-	-	10.30	CARE BB-; Stable / CARE A4
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	29.70	CARE BB-; Stable / 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/ ST-Working Capital Limits	LT/ST	10.30	CARE BB-; Stable / CARE A4				
2	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	29.70	CARE BB-; Stable / CARE A4				

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/ ST-Working Capital Limits	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

Annexure-6: List of entities consolidated: Not applicable

Annexure-7: 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
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 Mutal 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), among others. 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 and 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 in 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 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.

[2]SEBI: 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

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in **Relationship Contact** Ankur Sachdeva Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3444 E-mail: ankur.sachdeva@careedge.in	Ujjwal Manish Patel Director **CARE Ratings Limited** Phone: 079-40265649 E-mail: ujjwal.patel@careedge.in Anup Nandkumar Purandare Assistant Director **CARE Ratings Limited** Phone: 9102040009018 E-mail: anup.purandare@careedge.in Smith Jain Lead Analyst **CARE Ratings Limited** E-mail: smith.jain@careedge.in

About us:
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

For detailed Rating Report and subscription information,
please visit www.careratings.com