Neercare India Private Limited

October 05, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term / Short Term Bank Facilities	RBI	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* and Withdrawn
Long Term Bank Facilities	RBI	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE B+; Stable; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd (CareEdge Ratings) has reaffirmed and simultaneously withdrawn the outstanding rating of CARE B+; Stable; Issuer Not Cooperating / CARE A4; Issuer Not Cooperating (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING / A Four; ISSUER NOT COOPERATING) assigned to the bank facilities of Neercare India Private Limited (NIPL) with immediate effect. The above action has been taken at the request of NIPL, declaration for non-availment of rated proposed fund based and non-fund based limits and No Objection Certificates from the banks that have extended the facilities rated by CARE.

The ratings assigned to the bank facilities of Neercare India Private Limited (NIPL) remain constrained on small scale of operations, presence in a highly fragmented and competitive tender-based infrastructure industry. Further, the rating also remained constrained on account of exposure towards group companies and other unrelated companies through loan and investments. The ratings, however, favourably factor experienced promoters having long track record of business operations, moderate financial risk profile and debt coverage indicators and healthy profitability margins, healthy despite concentrated order book position and efficient management of working capital.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

At the time of last rating on July 06, 2026, following were the rating strengths and weaknesses.

Key Weaknesses

Small scale of operations

The company's scale of operations remain small on a yearly basis though slightly moderated in FY25. The company reported total income of ₹ 161.16 crore in FY25 as against ₹ 175.80 crore in FY24. This moderation is mainly on account of letter of acceptance for its Kolkata and Indore project received in Q4FY25 as against the expected Q1FY25. The aggregate value of these two projects is ₹ 1,198 crore.

Presence in a highly fragmented and competitive tender-based infrastructure industry

NIPL operates in the intensely competitive infrastructure industry due to the presence of organised players and large number of unorganised players, moreover, projects are awarded based on competitive bidding and relevant experience and financial capability of the bidder. The high competition in the infrastructure industry is due to the presence of large number of small and medium players resulting in aggressive bidding which exerts pressure on the margins. However, NIPL has rich experience, long standing track record in the construction industry and cordial relations with its client. The company receives all its work orders from government departments constituting 100% of its order book position which are entirely tender-based, and the revenues depend on the company's ability to bid successfully for these tenders.

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

Execution risks related to projects

The construction projects have inherent execution risks such as delay in site handover, weather conditions, change in scope of projects due to unforeseen reasons and issues related to availability of labour, which may result in time and cost overrun in the projects. However, the long industry experience of NIPL's promoters mitigates these risks to some extent.

Exposure towards group companies and other unrelated companies through loan and investments

NIPL advanced loan and investments of ₹ 25.48 crore (PY: ₹ 25.95 crore) in aggregate towards group companies and other unrelated companies also as a strategic investment. Considering the above exposures, the adjusted overall gearing is 2.26x in FY25 compared to 0.58x in FY24.

Key strengths

Experienced promoters having long track record of business operations

The company is being managed by Mr. Neeraj Srivastava who has an overall experience of more than three decades in the water and wastewater processing industry, Infra sector, Gas (CBG)/ power generation sector in expertise of Business Development, Tendering, Cost Management and Project execution capabilities for EPC & Investment based contracts. Mr. Neeraj worked with reputed companies for more than 25 years. Post that the significant work experience, started its own company "Neercare India Pvt Ltd in 2017" Another director "Subhendu Kumar Mazumdar" who is having over 36 years of experience in civil design of complex nature of projects. Additionally, the directors of the company are supported by a team of experienced and qualified professionals having varied experience in the technical, finance and marketing fields.

Moderate financial risk profile and debt coverage indicators and healthy profitability margins

The company has moderate financial risk profile characterised by moderation in overall gearing and debt coverage indicators in FY25. The debt equity and overall gearing of the company stood at 1.21x and 1.57x respectively as on March 31, 2025 as against 0.02x and 0.44x as on March 31, 2024 owing to increase in term debt and working capital borrowings.. Debt coverage indicators also remained moderate as marked by interest coverage of 12.07x and total debt to GCA (TD/GCA) of 4.52x in FY25. Further, the company has made investments and advances towards group companies of ₹ 25.48 crore in FY25 leading to adjusted overall gearing at 2.26x as on March 31, 2025 (PY: 0.58x). The profit before interest lease depreciation and tax (PBILDT) margin and profit after tax (PAT) margin remained sustained and stood at 24.66% (PY: 20.94%) and 17.29% (PY: 16.16%) respectively in FY25 owing to reduction in total cost of sales leading to attain economies of scale, continuation of efficient project management, accurate cost estimation and effective cost accounting.

Healthy despite concentrated order book position

The company undertakes projects of sewage treatment plants and wastewater treatment plants mainly for government entities and has presence mainly in Uttar Pradesh, Madhya Pradesh, West Bengal, Rajasthan and Bihar etc. As on April 30, 2025, the company has a healthy unexecuted order book of ₹1,445.19 crore providing medium-term revenue visibility equivalent to 9x of gross operating income reported in FY25. However, the order book is highly concentrated as single project of Kolkata Municipal Corporation constitutes ~54% of total order value. The input costs such as construction material and labour costs among others are volatile in nature, as the prices are defined by forces of demand and supply. Any delay in work and inflation makes engineering, procurement, and construction (EPC) companies susceptible to cost over runs due to volatility in input costs, which may affect the company's margins as well.

Efficient management of working capital

The company's operations are though working capital intensive considering the nature of the industry and NIPL meets its working capital requirements mainly through faster collection period in the projects, from overdraft limits availed by the company and credit period allowed by its suppliers. The company generally raises bills monthly and payment is received within 30-40 days of billing. Debtor's collection period remained satisfactory and stood at 25 days for FY25, as against 10 days in FY24 and the counterparty default risk is low as major customers, including Indore Municipal Corporation and UP Jal Nigam etc. among others are government departments having good credit risk profile. Payment to suppliers extends up to 60-70 days. Thus, operating cycle stands negative at -53 days in FY25 (PY: -25 days), leading to lower utilisation of its working capital limits.

Applicable criteria

Policy on Withdrawal of Ratings
Criteria on Assigning 'Outlook' and credit watch
Financial Ratios – Non-financial Sector
Short Term Instruments
Construction Sector
Infrastructure Sector Ratings

About the company

New Delhi- based, Neercare India Private Limited was incorporated in 2017 and is currently managed by Mr. Neeraj Srivastava and Mr. Subhendu Kumar Mazumdar. The company is engaged in civil construction, mainly for sustainable water and wastewater treatment, recycle & reuse solutions.

Brief Financials (₹ crore)	March 31,2024(A)	March 31,2025(A)
Total operating income	175.80	161.16
PBILDT*	36.82	39.75
Profit after tax (PAT)	28.41	27.86
Overall gearing (x)	0.44	1.57
Interest coverage (x)	137.49	12.07

A: Audited; 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

Covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

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

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	RBI	Simple	-		-	-	0.00	Withdrawn
Non-fund-based - LT/ ST-Bank Guarantee	RBI	Simple	-		-	-	0.00	Withdrawn

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	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	-	-	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (05-Oct-26) 2)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (06-Jul-26)	1)CARE BBB-; Stable / CARE A3 (03-Jun-25) 2)CARE BBB-; Stable / CARE A3 (22-May-25)	-	-
2	Fund-based - LT-Cash Credit	LT	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (05-Oct-26) 2)CARE B+; Stable; ISSUER NOT COOPERATING* (06-Jul-26)	1)CARE BBB-; Stable (03-Jun-25) 2)CARE BBB-; Stable (22-May-25)	-	-

*Issuer did not cooperate; based on best available information.
LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: 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.

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