Ganesh Benzoplast Limited

November 04, 2026

Rating Action

Total Bank Loan Facilities Rated	**Rs. 75.20 Crore**	**Regulator^**
Long Term Rating	**IVR BBB+/Stable (Rating Reaffirmed)**	**RBI**
Short Term Rating	**IVR A2 (Rating Reaffirmed)**	**RBI**
^Kindly note that for activities or 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.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

Infomerics Ratings has reaffirmed its ratings on the bank facilities of Ganesh Benzoplast Limited (GBL). The ratings continue to derive strength from the company's strong liquidity position, comfortable financial risk profile and experienced promoters and management. The proposed strategic divestment of the Liquid Storage Terminal (LST) division for a consideration of Rs. 1,154 crore is expected to significantly strengthen the company's liquidity and financial flexibility, while enabling it to focus on its chemical and EPC businesses. The EPC business is expected to provide growth opportunities and support the company's future operating performance. However, the ratings remain constrained by the anticipated change in the company's business profile following the divestment, with future performance dependent on the successful scale-up of its chemical and EPC businesses, along with exposure to raw material price fluctuations and regulatory risks.

Outlook: Stable

The Stable outlook reflects Infomerics' expectation that the company will maintain a comfortable financial risk profile, supported by the significant liquidity expected from the sale of its LST business. However, the ability to scale up EPC operations and sustain profitability and cash flow generation from the remaining businesses will remain a key monitorable.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidation^
Parent/ Group Support	NA

^List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

- **Strong liquidity position**

  The company's liquidity position is supported by free cash and bank balances of Rs. 87.44 crore as on March 31, 2026. The current ratio and quick ratio stood at 1.65x and 1.39x, respectively, while the interest coverage ratio and debt service coverage ratio remained comfortable at 16.16x and 16.63x in FY26. The proposed divestment of the LST and rail logistics businesses for Rs. 1,154 crore is expected to further strengthen liquidity upon completion, although the final benefit will depend on the transaction terms and utilisation of the proceeds.

- **Growth prospects from EPC business and proposed strategic divestment**

  The company has entered into definitive agreements to divest its LST and rail logistics businesses for an aggregate consideration of Rs. 1,154 crore. The proceeds are intended to support expansion of its chemical manufacturing and trading activities and the EPC business. Further, the buyer has engaged GBL for EPC work relating to the expansion and construction of pipelines and tanks at JNPT, expected to generate additional revenue of approximately Rs. 280 crore over 18–24 months. The company's established project execution capabilities and opportunities in higher-value EPC projects provide growth potential. However, the benefits remain contingent on completion of the transaction and timely execution of the projects.

- **Comfortable financial risk profile**

  The financial risk profile of the company stood comfortable with a gearing ratio of 0.04x as on March 31, 2026, as against 0.04x as at end FY25. TOL/TNW stood healthy at 0.39x as on 31st March 2026 as against 0.34x as on end FY25.The continual increase in profitability has led to a strong interest coverage ratio of 16.16x in FY26.

- **Experienced promoters and management**

  Mr. Ramesh Pilani, the founder promoter and CFO of the company, has experience of more than four decades in the chemical manufacturing, trading and liquid storage industry. GBL's MD and Chairman is Mr. Rishi Pilani, second generation entrepreneur, who is a chemical engineer by qualification and has prior experience of working with General Electric Company, USA in the past. The promoters are assisted in the day-to-day operations by a team of experienced professionals having relevant industry experience.

Weaknesses

- **Execution risk associated with the proposed divestment and business transition**

  The proposed sale of the LST and rail logistics businesses for Rs. 1,154 crore will significantly change the company's business profile, given that these businesses contributed approximately ~46% of revenue in FY26. While the transaction is expected to provide substantial funds for expansion of the chemical and EPC businesses, it will also result in the loss of the recurring revenue and earnings generated by the divested operations. The company's ability to maintain its earnings profile will depend on timely completion of the transaction, effective utilisation of the sale proceeds and successful scaling up of the retained businesses. The transaction is expected to be completed in tranches over 18–24 months, subject to the necessary approvals.

- **Raw material price fluctuation risk**

  The key raw materials for GBL in the manufacturing division is toluene which is a derivative of crude oil. Crude oil has exhibited considerable volatility in the past on account of various reasons. Any adverse fluctuation in crude oil prices going forward may adversely impact the profitability of GBL.

- **Regulatory Risk**

  GBL's product profile includes hazardous materials that require dedicated containers to transport, and other remediation measures since environmental regulations are understandably becoming stricter globally. With rising concerns of environmental pollution, GBL is susceptible to increasing risk of regulatory tightening, which may necessitate additional investments for regulatory compliance.

Liquidity – Strong

The company's liquidity position remains strong, supported by free cash and bank balances of Rs. 87.44 crore as on March 31, 2026. The current ratio and quick ratio stood comfortable at 1.65x and 1.39x, respectively, as on the same date. Further, the company's debt protection metrics remained comfortable, with large gross cash accruals (GCA) of Rs.90.52 crore in FY26 supported by healthy operating profitability and no term debt repayment obligations. The proposed divestment of the LST and rail logistics businesses for Rs. 1,154 crore is expected to further strengthen the liquidity position upon completion and receipt of the sale proceeds.

Rating Sensitivities

Upward Factors

- Successful execution of the proposed divestment and effective utilisation of proceeds
- Substantial and sustained scale up in the chemical manufacturing and EPC businesses while sustaining operating profitability at over 25% levels

Downward Factors

- Significant decline in revenue and profitability
- Any large debt fuelled capex which vitiates the capital structure

About the Company

Incorporated in 1986, GBL is a listed company on the BSE and NSE, promoted by Mr. Ramesh Pilani. The company initially commenced operations with the manufacturing of benzoic acid and sodium benzoate at its facility in Tarapur, Maharashtra, and subsequently diversified into the liquid storage terminal (LST) business. GBL established its first bulk liquid storage terminal at Jawaharlal Nehru Port Authority (JNPA), Navi Mumbai, in the mid-1990s, followed by expansion into Goa and Cochin. Over the years, the company has diversified its operations across chemical manufacturing, liquid storage, rail logistics and engineering, procurement and construction (EPC) activities.

On September 29, 2026, GBL entered into definitive agreements with Cisternina Logistics Private Limited (CLPL), backed by Kohlberg Kravis Roberts (KKR), for the sale of its LST business at JNPA, Cochin and Goa, along with its rail logistics business at Daund. The transaction is expected to be completed in tranches over the next 18–24 months, subject to requisite approvals. The proceeds from the proposed divestment are intended to be utilised towards expanding capacities in chemical manufacturing, particularly food preservatives and lubricant additives, chemical trading and higher-value EPC projects. The proposed sale is expected to result in a change in GBL's business profile, with increased focus on its chemical and EPC operations.

Key Financial Indicators (Consolidated):

For the year ended/ As on*	31-03-2025	31-03-2026	Q1FY2027
	Audited	Audited	Unaudited
Total Operating Income	374.31	411.42	117.50
EBITDA	108.27	93.57	27.00
PAT	38.09	73.34	17.58
Total Debt	19.31	23.51	--
Tangible Net Worth (TNW)	521.91	595.19	--
EBITDA Margin (%)	28.93	22.74	22.98
PAT Margin (%)	9.72	16.79	14.32
Overall Gearing (times)	0.04	0.04	--
Interest Coverage (times)	15.60	16.16	13.45

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2025	31-03-2026	Q1FY2027
	Audited	Audited	Unaudited
Total Operating Income	215.40	259.96	70.34
EBITDA	94.89	76.38	20.88
PAT	30.72	61.33	13.44
Total Debt	19.18	23.41	--
Tangible Net Worth (TNW)	489.91	590.75	--
EBITDA Margin (%)	44.05	29.38	29.69
PAT Margin (%)	13.23	21.51	17.90
Overall Gearing (times)	0.05	0.04	--
Interest Coverage (times)	14.55	10.92	11.47

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Applicable Criteria

Rating Methodology for Manufacturing Companies.

Financial Ratios & Interpretation (Non-Financial Sector).

Criteria for assigning Rating outlook.

Policy on Default Recognition

Complexity Level of Rated Instruments/Facilities

Criteria on Consolidation of companies

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years			
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25		Date(s) & Rating(s) assigned in in 2023-24
					Aug 06, 2025	Sep 19, 2024	Apr 24, 2024	Aug 24, 2023
1.	Fund based facilities	LT	20.00	IVR BBB+/ Stable	IVR BBB+/Stable	IVR BBB+/Stable	IVR BBB+/ RWDI	IVR BBB+/ Stable
2.	Non-fund based facilities	LT/ST	55.20	IVR BBB+/ Stable/ IVR A2	IVR BBB+ / Stable/ IVR A2	IVR BBB+/ Stable/ IVR A2	IVR BBB+/ RWDI/ IVR A2	IVR BBB+/ Stable/ IVR A2

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Cash Credit	--	--	--	--	20.00	IVR BBB+/ Stable	NA	RBI	Simple
Bank Guarantee	--	--	--	--	55.20	IVR BBB+/ Stable / IVR A2	NA	RBI	Simple

^Kindly note that for activities or 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.

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/Len_Ganesh_Benzo04_Nov26_1f50259b2d.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: NA

Annexure 4: List of companies considered for Consolidated/Combined analysis:

Name of the Company	Extent of Consolidation	Rationale for Consolidation
GBL Chemical Limited (WOS)	Full	Infomerics has taken a consolidated view on the GBL and its subsidiaries and joint venture, collectively referred to as 'GBL group'. The consolidation is on account of the common promoters, shared brand name, significant operational and financial synergies between the companies.
GBL LPG Private Limited (WOS)	Full	
GBL Infra Engineering Services Private Limited (WOS)	Full	
GBL Clean Energy Private Limited (WOS)	Full	
Infinity Confidence LPG Private Limited (WOS)	Full	
Infrastructure Logistic Systems Limited (86.52%)	Full	
GC Port Infra Private Limited (60%)	Full	

During the year, GBC LPG Private Limited ceased to be the Joint venture Company of GBL as GBL LPG Private Limited sold its 50% investment in GBC LPG Private Limited to BW Confidence Enterprise Private Limited, other JV partner. Accordingly, as part of the termination, GBL LPG has sold its entire shareholding in GBC LPG to BWC.

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
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 Bank / NBFCs/ NHB/ FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, 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 $	RBI
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)	+
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

Sr. No.	Instrument / activity Name	Regulator of the instrument
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side Regulator such as IRDAI, PFRDA @

Footnotes:

** 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 PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited 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 Feb 10, 2026 and the investor side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

Note: *For activities or 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.*

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