



Press Release

Generic Engineering Construction and Projects Limited

February 05, 2026

Ratings

Instrument Facility /	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	53.00	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+/ Stable (IVR Double B Plus with Stable Outlook)	Rating upgraded	Simple
Short Term Bank Facilities	90.00	IVR A3 (IVR A Three)	IVR A4+ (IVR A Four Plus)	Rating upgraded	Simple
Proposed Long Term Bank Facilities	10.00	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+/ Stable (IVR Double B Plus with Stable Outlook)	Rating upgraded	Simple
Proposed Short Term Bank Facilities	7.00	IVR A3 (IVR A Three)	IVR A4+ (IVR A Four Plus)	Rating upgraded	Simple
Total	160.00 (Rupees One Hundred Sixty Crore only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has upgraded the rating assigned to the bank facilities of Generic Engineering Construction and Projects Limited (GECPL) consider sustained improvement in operating profile, continued comfortable capital structure and debt protection metrics, healthy order book position. However, these rating strengths are partially offset by working capital intensive nature of operations, tender driven nature of business, geographical concentration risk and exposure to competitive segment and inherent risk in nature of business.

The ratings have been assigned a stable outlook as the GEPCL benefits from experienced promoters and stable growth with better revenue visibility.



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Key Rating Sensitivities:

Upward Factors

- Significant growth in scale of operations along with improvement in profitability on a sustained basis.
- Improvement in working capital cycle leading to improvement in the liquidity position of the company on a sustained basis.

Downward Factors

- Decline in scale of operations and profitability impacting the liquidity position and debt protection metrics of the company.
- Low orders inflow or delay in execution of projects.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Improved Operating Profile**

GECPL's total operating income has improved to Rs.302.02 crore in FY25 (period refers to 01st April 2024 to 31st March 2025) (FY24.: 289.36 crore), supported by a execution of timely orders. As on H1FY26 total operating Income stood at 113.55 crore as against 101.93 crore in 1HFY25 driven by steady order execution. Further, EBITDA margins as well PAT margins have improved at 12.01% and 3.91% respectively in FY25 (FY24.: 9.68% and 3.80%), with execution of high margin orders. As on H1FY26, EBITDA margins and PAT margins stood at 16.69% and 3.58% respectively with higher contribution of high margin orders. Infomerics expects GECPL revenue to grow at steady pace over FY26-FY28 with strong order book and profitability is expected to remain at the current levels with stable cost.

- **Comfortable capital structure and debt protection metrics**

GECPL's capital structure is comfortable marked by overall gearing ratio and TOL / Adj. TNW at 0.22x and 0.71x as on March 31, 2025 respectively (March 31, 2024: 0.28x & 0.84x respectively) due to accretion of profits to the reserves and surplus. As on H1FY26



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overall gearing ratio and TOL/ TNW stood at 0.24x and 0.66x respectively. Additionally, GECPL's debt protection metrics are comfortable marked by parameters like DSCR and ICR at 2.54x and 2.73x in FY25 respectively (FY24: 2.24x & 2.82x respectively). GECPL is in the process of raising Rs.100 crore through a preferential issue which is likely to happen during 1QFY27.

- **Healthy order book position**

The company has a healthy unexecuted order book of Rs.1351.48 crore (4x of FY25 revenue) as on September 30, 2025. Out of Rs.1351.48 crore of orders in hand Rs.759.98 crore i.e.~56% is for private real estate players and remaining Rs.591.50 crore i.e. ~44% is for government entities providing visibility for the next 2 years. The company has secured new orders aggregating to around Rs. 200 crores, primarily from government and PSU entities, including J.O. P.W.D – Hospital, Bhiwandi, Provision of Defi – Military Station, Guwahati, Navy Nagar, and HPCL.

- **Experienced promoters with demonstrated execution capability in civil construction business**

GECPL has over three decades of long track record in the industry and the Managing Director, Mr. Manish Patel, possesses more than three decades of experience in the industry along with other promoters who are also having adequate experience in the construction and EPC industry. The promoters are actively involved in the day-to-day affairs of the company, ably supported by a well experienced second line of executives.

Key Rating Weaknesses

- **Working capital intensive nature of operations**

GECPL's working capital has remained elongated with the net operating cycle stood at 132 days in FY25 (FY24: 131 days) due to high collection days which stood to 144 days in FY25 (A) (FY24.: 128 days) due to higher billing during 4QFY25 At 1HFY26, on annualised basis receivable days have improve to 95 days. The company majorly deals with government-based entities wherein it receives the payment in 60-90 days after completion of work. In addition, outstanding debtors are high as on September 30, 2025.



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However, GECPL manages its working capital cycle by availing credit period from its suppliers as it has a long-standing relationship with majority of its suppliers. Creditor days stood at 121 days in FY25 (FY24: 112 days).

- **Tender driven nature of business in highly fragmented & competitive operating scenario**

The domestic infrastructure construction segment is characterised by intense competition, with the presence of a large number of players of varying scale and execution capabilities, which exert pressure on operating margins. The company primarily secures contracts from government departments and reputed private sector entities through competitive tendering processes. The sector remains exposed to inherent risks such as economic cyclicality in developing markets, delays in receipt of payments from government authorities, project execution and implementation risks, and volatility in input costs, which collectively impact the operating performance of companies operating in this space.

- **Geographical concentration risk**

The company undertakes construction work for building across commercial, residential, industrial, health and leisure and institutional buildings. The concentration of major order book in the state of Maharashtra exposes GECPL's growth prospects to the macro and socio-political upheavals in the region. Consequently, any unrest in this state may hamper the performance of the company.

Analytical Approach: Standalone Approach

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)



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Liquidity – Adequate

The liquidity position of the company remains adequate as cash accruals are expected to remain sufficient to meet the repayment obligations. The free cash and cash equivalents balance stood at Rs.4.13 crore as on September 30, 2025, while average working capital utilisation for the 12 months ended December 2025 remained high at ~94%. Current ratio stood at 2.05x as on March 31, 2025 (FY24.: 1.72x).

About the Company

Generic Engineering Construction and Projects Limited was incorporated in 1994. GEPCL is in the business of civil construction and infrastructure development. GECPL is in the business of civil construction and infrastructure development. GECPL undertakes civil construction work for building across commercial, residential, industrial, health and leisure and institutional buildings

Financials (Standalone):

	(Rs. crore)	
For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	289.36	302.02
EBITDA	28.02	36.27
PAT	11.14	12.13
Total Debt	67.67	57.62
Tangible Net Worth	239.84	263.80
EBITDA Margin (%)	9.68	12.01
PAT Margin (%)	3.80	3.91
Overall Gearing Ratio (x)	0.28	0.22
Interest Coverage (x)	2.82	2.73

** Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



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Sr. No.	Name of Security / Facilities	Current Ratings (2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
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1.	Cash Credit	Long Term	53.00	IVR BBB-/ Stable (February 05, 2026) IVR BB+/ Stable (July 18, 2025)	--	--	--
2.	Bank Guarantee	Short Term	90.00	IVR A3 (February 05, 2026) IVR A4+ (July 18, 2025)	--	--	--
3.	Proposed Cash Credit	Long Term	10.00	IVR BBB-/ Stable (February 05, 2026) IVR BB+/ Stable (July 18, 2025)	--	--	--
4.	Proposed Bank Guarantee	Short Term	7.00	IVR A3 (February 05, 2026) IVR A4+ (July 18, 2025)	--	--	--

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	53.00	IVR BBB-/ Stable
Bank Guarantee	-	-	-	-	90.00	IVR A3
Proposed Cash Credit	-	-	-	-	10.00	IVR BBB-/ Stable
Proposed Bank Guarantee	-	-	-	-	7.00	IVR A3

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/len_GEPCL_feb26_89d074b5fe.pdf

Annexure 3: Detailed explanation of covenants of the rated facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.