

Tantia Constructions Limited: Downgraded

| Facilities | Amount (Rs. Crore) | Rating |
|---------------------------------|-----------------------|--------------------------------------|
| Cash Credit | 393.00 | SMERA D (Downgraded from SMERA C) |
| Term Loan | 92.45 | SMERA D (Downgraded from SMERA C) |
| Working Capital Term Loan - I | 72.80 | SMERA D (Downgraded from SMERA C) |
| Working Capital Term Loan - II | 19.29 | SMERA D (Downgraded from SMERA C) |
| Funded Interest Term Loan - I | 62.21 | SMERA D (Reaffirmed) |
| Funded Interest Term Loan - II | 15.24 | SMERA D (Reaffirmed) |
| Funded Interest Term Loan - III | 15.30 | SMERA D (Reaffirmed) |
| Bank Guarantee | 475.00 | SMERA D (Downgraded from SMERA A4) |

SMERA has downgraded the ratings on the Rs.577.54 crore fund based facilities to '**SMERA D' (read as SMERA D)**' from 'SMERA C' and reaffirmed the rating of '**SMERA D' (read as SMERA D)**' on the Rs.92.75 crore facility of Tantia Constructions Limited (TCL). SMERA has also downgraded the rating on the Rs.475.00 crore non-fund based facilities to '**SMERA D' (read as SMERA D)**' from 'SMERA A4'. The rating downgrade reflects significant delays in repayment of term loans and overdrawning in the cash credit account for more than 90 days. The rating continues to reflect delays in the repayment of its funded interest term loans.

Rating Sensitivity Factors

- Curing of default

About the Company

The Kolkata-based TCL, incorporated in December 1964, is the flagship company of the group. The company is engaged in the construction of roads, railways, bridges among others. Promoted by the Late Mr G P Tantia as a private limited company, it was converted to public limited company in 1982. The day-to-day operations are managed by Mr I. P. Tantia since 1969.

The company reported loss of Rs.30.36 crore on operating income of Rs.408.35 crore in FY2016 as against loss of Rs.61.11 crore on operating income of Rs.522.80 crore in FY2015.

Rating History

| Date | Facilities | Amount (Rs. Crore) | Ratings | | Rating Outlook |
|----------------------|----------------|-----------------------|-----------------------|------------------------|-------------------|
| | | | Long Term | Short Term | |
| 05 February, 2016 | Cash Credit | 393.00 | SMERA C (Assigned) | - | - |
| | Term Loan | 92.45 | SMERA C (Assigned) | - | - |
| | *WCTL -I | 72.80 | SMERA C (Assigned) | - | - |
| | WCTL -II | 19.29 | SMERA C (Assigned) | - | - |
| | #FITL -I | 62.21 | SMERA D (Assigned) | - | - |
| | FITL -II | 15.24 | SMERA D (Assigned) | - | - |
| | FITL -III | 15.30 | SMERA D (Assigned) | - | - |
| | Bank Guarantee | 475.00 | | SMERA A4 (Assigned) | - |

*Working Capital Term Loan

#Funded Interest Term Loan

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

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