

Press Release

Tantia Constructions Limited

May 27, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 1145.29 Cr. #
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has reviewed long-term rating of '**ACUITE D**' (read as **ACUITE D**) and short-term rating of '**ACUITE D**' (read as **ACUITE D**) to the Rs. 1145.29 crore bank facilities of Tantia Construction Limited (TCL). This rating is now an indicative rating and is based on best available information.

The Kolkata-based TCL, incorporated in December 1964, is the flagship company of the group. The company is engaged in 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.

Analytical approach

Acuite has considered the standalone business and financial risk profiles of TCL to arrive at the rating.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>

About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	208.91	285.26	405.56
EBITDA	Rs. Cr.	0.95	19.18	45.90
PAT	Rs. Cr.	(0.69)	(67.22)	(30.36)
EBITDA Margin	(%)	0.45	6.72	11.32
PAT Margin	(%)	(0.33)	(23.56)	(7.49)
ROCE	(%)	2.70	2.07	7.68
Total Debt/Tangible Net Worth	Times	7.19	14.20	8.43
PBDIT/Interest	Times	0.52	0.33	0.71
Total Debt/PBDIT	Times	26.93	29.60	17.63
Gross Current Assets (Days)	Days	1,637	1,211	871

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors

regarding the use of such information, on which the indicative credit rating is based.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
09-Mar-2018	Cash Credit	Long Term	393.00	ACUITE D (Reaffirmed)
	Term Loan	Long Term	92.45	ACUITE D (Reaffirmed)
	Working Capital Term Loan	Long Term	72.80	ACUITE D (Reaffirmed)
	Working Capital Term Loan	Long Term	19.29	ACUITE D (Reaffirmed)
	Term Loan	Long Term	62.21	ACUITE D (Reaffirmed)
	Term Loan	Long Term	15.24	ACUITE D (Reaffirmed)
	Term Loan	Long Term	15.30	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	475.00	ACUITE D (Reaffirmed)
30-Dec-2016	Cash Credit	Long Term	393.00	ACUITE D (Downgraded)
	Term Loan	Long Term	92.45	ACUITE D (Downgraded)
	Working Capital Term Loan	Long Term	72.80	ACUITE D (Downgraded)
	Working Capital Term Loan	Long Term	19.29	ACUITE D (Downgraded)
	Term Loan	Long Term	62.21	ACUITE D (Reaffirmed)
	Term Loan	Long Term	15.24	ACUITE D (Reaffirmed)
	Term Loan	Long Term	15.30	ACUITE D (Reaffirmed)
	Bank Guarantee	Short Term	475.00	ACUITE D (Downgraded)
05-Feb-2016	Cash Credit	Long Term	393.00	ACUITE C (Assigned)
	Term Loan	Long Term	92.45	ACUITE C (Assigned)
	Working Capital Term Loan	Long Term	72.80	ACUITE C (Assigned)
	Working Capital Term Loan	Long Term	19.29	ACUITE C (Assigned)

	Term Loan	Long Term	62.21	ACUITE D (Assigned)
	Term Loan	Long Term	15.24	ACUITE D (Assigned)
	Term Loan	Long Term	15.30	ACUITE D (Assigned)
	Bank Guarantee	Short Term	475.00	ACUITE A4 (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	393.00	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	92.45	ACUITE D Issuer not co-operating*
Working Capital Term Loan	Not Applicable	Not Applicable	Not Applicable	72.80	ACUITE D Issuer not co-operating*
Working Capital Term Loan	Not Applicable	Not Applicable	Not Applicable	19.29	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	62.21	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	15.24	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	15.30	ACUITE D Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	475.00	ACUITE D Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuité Ratings & Research:

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