



Press Release
TEJAS CONSTRUCTIONS AND INFRASTRUCTURE PRIVATE LIMITED
December 18, 2024
Rating Downgraded and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	61.00	ACUITE C Downgraded	-
Bank Loan Ratings	64.00	-	ACUITE A4 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	125.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to ‘**ACUITE C**’ (read as **ACUITE C**) from ‘**ACUITE BB-**’ (read as **ACUITE Double B Minus**) and reaffirmed the short-term rating at ‘**ACUITE A4**’ (read as **ACUITE A Four**) on the Rs. 125.00 Crore bank facilities of Tejas Constructions and Infrastructure Private Limited.

Rationale of Rating Downgrade

The downgrade is based on delays reported in servicing of debt obligation in credit bureau information report.

About the Company

Pune based, Tejas Constructions and Infrastructure Private Limited (TCIPL) was incorporated in 2007. The company promoted and directed by Mr. Sushil Agrawal and Mrs. Meena Agrawal is engaged in undertaking contracts for drinking water supply schemes (Priority Sector) on EPC basis for central and state government and construction for integrated sugar industry complex.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of TCIPL to arrive at the rating.

Key Rating Drivers

Strengths

Established track record and experienced management

TCIPL and its promoters’ long-standing presence in the civil construction industry manifests the company’s established track record of operations and the extensive experience of its promoters. TCIPL is promoted and directed by Mr. Sushil Agrawal and Meena Agrawal who have an experience of over 2 decades in the civil construction industry. The directors are supported by Mr. Prashil Agrawal and Ms. Pankhuri Agrawal. Since inception, TCIPL has been executing projects floated through tenders by central and state government in the states of Maharashtra, Madhya Pradesh, and Chhattisgarh amongst others. By endeavouring numerous orders for its key principals for around 2 decades, TCIPL is presently registered with PWD Govt. of Maharashtra, Madhya Pradesh,

Karnataka, Chhattisgarh & Maharashtra Jeevan Pradhikaran as class I (unlimited) contractor. Promoter's extensive industry experience and established track record has enabled TCIPL in establishing long-standing relationship with its key suppliers and principals.

Acuité believes that TCIPL's established track record and experienced management will continue to aid its business risk profile over the medium term.

Weaknesses

Instances of delays in debt servicing

Instances of delays in debt-servicing have been reported in recent months in the Credit Bureau Information report of the company.

Rating Sensitivities

Timely servicing of debt obligations

Liquidity Position**Stretched**

Liquidity position of the company is marked stretched due to instances of delays in servicing of debt obligation by the company in recent months.

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	83.57	92.33
PAT	Rs. Cr.	2.05	1.80
PAT Margin	(%)	2.45	1.95
Total Debt/Tangible Net Worth	Times	0.74	1.24
PBDIT/Interest	Times	1.42	1.60

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Mar 2024	Letter of Credit	Short Term	5.00	ACUITE A4 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	29.00	ACUITE A4 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A4 (Upgraded from ACUITE D)
	Cash Credit	Long Term	15.00	ACUITE BB- Stable (Upgraded from ACUITE C)
	Cash Credit	Long Term	14.00	ACUITE BB- Stable (Upgraded from ACUITE D)
	Cash Credit	Long Term	6.00	ACUITE BB- Stable (Upgraded from ACUITE C)
	Proposed Cash Credit	Long Term	20.93	ACUITE BB- Stable (Upgraded from ACUITE C)
	Term Loan	Long Term	1.37	ACUITE BB- Stable (Upgraded from ACUITE D)
	Term Loan	Long Term	1.50	ACUITE BB- Stable (Upgraded from ACUITE C)
	Term Loan	Long Term	1.49	ACUITE BB- Stable (Upgraded from ACUITE C)
	Working Capital Demand Loan (WCDL)	Long Term	0.71	ACUITE BB- Stable (Upgraded from ACUITE C)
26 Oct 2023	Letter of Credit	Short Term	5.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Bank Guarantee/Letter of Guarantee	Short Term	29.00	ACUITE A4 (Downgraded from ACUITE A4+)
	Term Loan	Long Term	1.50	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	1.49	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Working Capital Demand Loan (WCDL)	Long Term	0.71	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	15.00	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	6.00	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Proposed Cash Credit	Long Term	20.93	ACUITE C (Downgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	1.37	ACUITE D (Downgraded from ACUITE BB+ Stable)
	Cash Credit	Long Term	14.00	ACUITE D (Downgraded from ACUITE BB+ Stable)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE D (Downgraded from ACUITE A4+)
04 Aug 2023	Letter of Credit	Short Term	5.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Bank Guarantee/Letter of Guarantee	Short Term	29.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	14.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	6.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Proposed Cash Credit	Long Term	20.93	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)

	Term Loan	Long Term	1.37	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	1.50	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Term Loan	Long Term	1.49	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Working Capital Demand Loan (WCDL)	Long Term	0.71	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
10 May 2022	Letter of Credit	Short Term	5.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Bank Guarantee/Letter of Guarantee	Short Term	29.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Bank Guarantee/Letter of Guarantee	Short Term	30.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A3 (Downgraded from ACUITE A3+)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Negative)
	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Negative)
	Cash Credit	Long Term	6.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Negative)
	Proposed Long Term Bank Facility	Long Term	22.00	ACUITE BBB- Stable (Downgraded from ACUITE BBB Negative)
09 Feb 2021	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	29.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	4.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	5.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Negative (Reaffirmed)
	Cash Credit	Long Term	14.00	ACUITE BBB Negative (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BBB Negative (Assigned)
	Proposed Long Term Bank Facility	Long Term	22.00	ACUITE BBB Negative (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	29.00	Simple	ACUITE A4 Reaffirmed
IDBI Bank Ltd.	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A4 Reaffirmed
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE C Downgraded (from ACUITE BB-)
IDBI Bank Ltd.	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE C Downgraded (from ACUITE BB-)
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE C Downgraded (from ACUITE BB-)
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A4 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.93	Simple	ACUITE C Downgraded (from ACUITE BB-)
IDBI Bank Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Oct 2024	1.37	Simple	ACUITE C Downgraded (from ACUITE BB-)
State Bank of India	Not avl. / Not appl.	Term Loan	30 May 2020	Not avl. / Not appl.	31 Jan 2027	1.50	Simple	ACUITE C Downgraded (from ACUITE BB-)
State Bank of India	Not avl. / Not appl.	Term Loan	05 Jan 2022	Not avl. / Not appl.	30 Sep 2024	1.49	Simple	ACUITE C Downgraded (from ACUITE BB-)
Janata Sahakari Bank Ltd (Pune)	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.71	Simple	ACUITE C Downgraded (from ACUITE BB-)

Contacts

Mohit Jain Senior Vice President-Rating Operations	Contact details exclusively for investors and lenders
Sahil Sawant Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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