



Press Release
TRIVENI ENGICONS PRIVATE LIMITED
February 25, 2025
Rating Assigned

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|------------------|-------------------------------|-----------------------|
| Bank Loan Ratings | 106.00 | ACUITE A- Stable Assigned | - |
| Bank Loan Ratings | 344.00 | - | ACUITE A2+ Assigned |
| Total Outstanding Quantum (Rs. Cr) | 450.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has assigned long-term rating of '**ACUITE A-**' (read as **ACUITE A minus**) on the Rs. 106 Cr. bank facilities and short-term rating of '**ACUITE A2+**' (read as **ACUITE A two plus**) on the Rs. 344 Cr. bank facilities of Triveni Engicons Private Limited. The outlook is '**Stable**'.

Rationale for rating

The rating derives strength from the long track record of operations and experienced management, healthy order book position providing revenue visibility, healthy financial risk profile, moderate working capital cycle and strong liquidity position. However, it is constrained by stable yet declining revenues and operating profitability.

About the Company

Jamshedpur – Based, Triveni Engicons Private Limited (TEPL) was incorporated in 1996. The company is engaged in civil construction of Roads, Bridges, canals, dams, tunnels, laying of railway tracks. The directors of the company are Mr. Anand Dodrajka, Mr. Govind Prasad Agrawal, Mr. Adarsh Dodrajka and Mr. Akshat Dodrajka.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has taken a standalone approach on TEPL's business and financial risk profile for arriving at the rating

Key Rating Drivers

Strengths

Long track record of operations and Experienced promoters

The directors of the company are Mr. Govind Prasad Agrawal, Mr. Anand Dodrajka, Mr. Adarsh Dodrajka and Mr. Akshat Dodrajka who manage the day to day operations of the company. The company is in civil construction business for more than 29 years and works for Government and semi government companies like RITES Limited, WAPCOS Limited, South Eastern Railways and others. The company aims to take over projects in the eastern part of India i.e. Orissa, Jharkhand, Bihar, West Bengal. Acuite believes in the long-track record of operations and experienced management along with the healthy relationship with customers will benefit the

company going forward.

Healthy Order Book Position

The unexecuted orders of the company stands at Rs. 1449.39 Cr. as on January 31, 2025. The OB/OI is at 3.48 times. Most of the orders will be completed approximately within 12-24 months. There are some orders for which the work is completed but the final bill is in progress. The order book majorly comprises projects from RITES Limited, IRCON International Limited, South Eastern Railways among others. Acuite believes that going forward, the ability of the company to bag new orders and timely execution of the existing orders will remain a key rating

monitorable.

Healthy Financial risk profile

The financial risk profile is healthy marked by an increase in the net worth to Rs. 257.21 Cr. as on March 31, 2024 as compared to Rs. 223.37 Cr. as on March 31, 2023 due to accretion of reserves. Gearing stood at 0.35 times as on March 31, 2024 as against 0.25 times as on March 31, 2023. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 0.59 times as on March 31, 2024 as compared to 0.46 times as on March 31, 2023. The debt protection metrics is marked by Interest Coverage Ratio at 7.01 times as on March 31, 2024 as compared to 7.73 times as on March 31, 2023 and Debt Service Coverage Ratio at 3.07 times as on March 31, 2024 as compared to 3.09 times as on March 31, 2023. Net Cash Accruals/Total Debt (NCA/TD) stood at 0.53 times as on March 31, 2024 as compared to 0.61 times as on March 31, 2023. Acuité believes that going forward the financial risk profile will remain healthy over the medium term.

Moderate working capital cycle

The moderate working capital management is marked by Gross Current Assets (GCA) of 133 days as on March 31, 2024 as compared to 91 days as on March 31, 2023. The debtor days stands at 37 days as on March 31, 2024 as compared to 26 days as on March 31, 2023. Furthermore, the inventory days stood at 55 days as on March 31, 2024 as compared to 45 days as on March 31, 2023. The other current assets such as Earnest Money Deposit, other deposits amount to Rs. 28.91 Cr. as on March 31, 2024 as compared to Rs. 33.72 Cr. as on March 31, 2023. The creditor days stood at 75 days as on March 31, 2024 as compared to 55 days as on March 31, 2023. Acuité believes that going forward the working capital operations of the company will remain moderate over the medium term.

Weaknesses

Stable yet declining Revenues and operating profitability

The revenues have declined slightly Rs. 416.89 Cr. as on March 31, 2024 as compared to Rs. 432.12 Cr. as on March 31, 2023 on account of delay in the execution of some projects due to pending land acquisition and forest clearances along with delay in payments for some projects. As on January 2025, the revenues has been around Rs. 322.39 Cr. The operating profitability stands at 10.31 percent as on March 31, 2024 as compared to 10.43 percent as on March 31, 2023. Acuité believes that with the current order book in hand, the Company is expected to scale up operations over the medium term.

Rating Sensitivities

Movement in revenues and operating profitability

Timely execution of the work orders

Working Capital cycle

Liquidity Position

Strong

The liquidity of the company is strong marked by net cash accruals of Rs.48.38 Cr. as on March 31, 2024 as against long term debt repayment of Rs. 9.03 Cr. over the same period. The cash and bank balances stood at Rs. 27.19 Cr. as on March 31, 2024 as compared to Rs. 1.44 Cr. as on March 31, 2023. The current ratio stood at 1.38 times as on March 31, 2024 as compared to 1.37 times as on March 31, 2023. The average bank limit utilization stood at 60 percent over the last eight months ended, December 2024. Acuité believes that going forward the liquidity position of the company will remain strong in the near to medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

| Particulars | Unit | FY 24 (Actual) | FY 23 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 416.89 | 432.12 |
| PAT | Rs. Cr. | 33.84 | 21.29 |
| PAT Margin | (%) | 8.12 | 4.93 |
| Total Debt/Tangible Net Worth | Times | 0.35 | 0.25 |
| PBDIT/Interest | Times | 7.01 | 7.73 |

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

None

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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:Not Applicable

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|---------------------|----------------------|----------------------------------|----------------------|----------------------|----------------------|-------------------|------------------|-------------------------------|
| Indusind Bank Ltd | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 41.00 | Simple | ACUITE A2+ Assigned |
| Axis Bank | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 37.00 | Simple | ACUITE A2+ Assigned |
| Yes Bank Ltd | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 75.00 | Simple | ACUITE A2+ Assigned |
| State Bank of India | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 80.00 | Simple | ACUITE A2+ Assigned |
| ICICI Bank Ltd | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 54.00 | Simple | ACUITE A2+ Assigned |
| IDBI Bank Ltd. | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 14.00 | Simple | ACUITE A2+ Assigned |
| HDFC Bank Ltd | Not avl. / Not appl. | Bank Guarantee (BLR) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 43.00 | Simple | ACUITE A2+ Assigned |
| HDFC Bank Ltd | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 10.00 | Simple | ACUITE A- Stable Assigned |
| Indusind Bank Ltd | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 14.00 | Simple | ACUITE A- Stable Assigned |
| IDBI Bank Ltd. | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 2.00 | Simple | ACUITE A- Stable Assigned |
| ICICI Bank Ltd | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 1.00 | Simple | ACUITE A- Stable Assigned |
| State Bank of India | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 12.00 | Simple | ACUITE A- Stable Assigned |
| Axis Bank | Not avl. / Not appl. | Cash Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 17.00 | Simple | ACUITE A- Stable Assigned |
| Not Applicable | Not avl. / Not appl. | Proposed Long Term Bank Facility | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 50.00 | Simple | ACUITE A- Stable Assigned |

Contacts

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

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.