



Press Release
TARA COAL MINING PRIVATE LIMITED
December 23, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	88.33	ACUITE BBB Stable Assigned	-
Bank Loan Ratings	11.67	-	ACUITE A2 Assigned
Total Outstanding Quantum (Rs. Cr)	100.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned the long term rating to '**ACUITE BBB**' (read as **ACUITE triple B**) on the Rs. 88.33 Cr. and short-term rating to '**ACUITE A2**' (read as **ACUITE A two**) on the Rs. 11.67 Cr. bank facilities of Tara Coal Mining Private Limited. The outlook is '**stable**'.

Rationale for rating

The rating takes into cognizance benefits derived from the financial support from its parent Goquest Solution Private Limited in the form of 100% shareholding, supporting the business in the form of infusion of unsecured loans of about Rs. 191 Cr till FY 25. The rating further derives comfort from the improving revenue from operations to Rs. 195.31 Cr in FY 25 as compared to Rs. 20.90 Cr in FY 24 on account of increase in coal production. However, these strengths are partly offset by partially stabilized operations, below average financial risk profile and intensive working capital cycle.

About the Company

Incorporated in 2003, Tara Coal Mining Private Limited (TCMPL) is West Bengal based company engaged in mining contractor services. The company has been appointed as Mining Developer and Operator (MDO) contract for coal extraction of 17.78 Million Tonnes for West Bengal Power Development Corporation Limited (WBPDCCL) for the captive mine named Tara (East and West). It covers an area of about 8 sq km and is in the northern part of the Ranigunj Coalfield. The coal mining lease exists till 2045. The company is a wholly owned subsidiary of Goquest Solution Private Limited. The operations of the company are managed by Mr Somnath Chakraborty and Mr Rajesh Sharma.

About the Group

Goquest Solution Private Limited (GSPL)

Incorporated in 2016, the company is a joint venture between AMPL Resources Private Limited and Godavari Commodities Limited with shareholding of 51% and 49%, respectively. GSPL is engaged in coal excavation, removal of overburden, coal extraction and coal transportation. The company is designated as the mine developer and operator (MDO) for Gangaramchak & Gangaramchak- Bhadulia coal mine for The West Bengal Power Development Corporation Limited (WBPDCCL).

Unsupported Rating

Analytical Approach

Acuité has considered the standalone business and financial risk profile of Tara Coal Mining Private Limited and notched up the standalone rating by factoring in the financial linkages (in the form of Unsecured loans and 100% ownership) with Goquest Solution Private Limited. Unconditional and irrevocable Corporate guarantees have been provided by Goquest Solution Private Limited.

Key Rating Drivers

Strengths

Benefits derived from the parent

GSPL is the parent company of TCMPL, in which the promoters are resourceful and have also supported the group companies by infusing unsecured loans as and when required to support the business operations. The resourcefulness of GSPL can be witnessed from the extended unsecured loans in the company to the extent of Rs. 191 Cr in FY 25. Acuité believes that the company will continue to benefit from its parent on need based funding support, if and when required over the medium term.

Improvement in revenues albeit operating losses

The revenues have increased to Rs. 195.31 Cr in FY 25 as compared to Rs. 20.90 Cr in FY 24 on account of execution of mining and support services. The company has achieved revenues of about Rs. 95 Cr till September 2025. The operating profitability stood at (16.83) percent in FY 25 as compared to (185.26) percent in FY 24. This was largely due to high costs incurred for removal of overburden and debris removal since the mine had been unoperational since more than 5 years. In the present year, major costs related to overburden and other debris removal works are largely completed and such high costs are not expected to be incurred in ensuing years. Acuite believes that the scale of operations will improve in the near term on account of expected increase in the coal production.

Weaknesses

Below Average financial risk profile

The company has a below average financial risk profile marked by a low net worth, high gearing, and negative debt protection metrics. The adjusted net worth of the company is Rs. 2.23 Cr in FY 25 as compared to Rs. (20.77) Cr in FY 24, mainly because of unsecured loans of Rs. 100 Cr being treated as quasi equity basis an undertaking received from management to retain a part of unsecured loans in the business over a long term. Debt protection metrics have been negative in initial phase of project due to large debt for commencing mining operations and EBDITA losses incurred. Acuite believes the financial risk profile will improve in the near to medium term on account of expected steady yet low accruals.

Intensive Working Capital cycle

The gross current asset days are 397 days in FY 25 as compared to 414 days in FY 24. The debtor days stood at 152 days in FY 25 as compared to 334 days in FY 24. The payments are received in the range of 120-150 days. There is no risk of inventory as the company is a service provider. The other current assets amount to Rs. 25.79 Cr majorly comprises of balance with Government authorities of about Rs. 16 Cr in FY 25. The creditors are largely group entities like AMPL who have been subcontracted mining works for TMCPL and are paid out as per the realisation and profitability of the company. Acuite believes that the working capital cycle will remain in the similar levels in the near to medium term.

Rating Sensitivities

Movement in revenues and operating profitability
Working capital cycle
Improvement in financial risk profile

Liquidity Position

Stretched

The liquidity is stretched as the net cash accruals of the company are Rs. (56.69) Cr with a debt repayment of Rs. 2.30 Cr over the same period. The shortfall is met by the infusion of unsecured loans by GSPL in the business. The current ratio stood at 1.96 times in FY 25 as

compared to 0.64 times in FY 24. The average bank limit utilization is 65% last six months ended September 2025. The cash and bank balances stood at Rs. 107.62 Cr in FY 25 as compared to Rs. 2.55 Cr due to support from group entity received towards year end, in present year such liquidity has been deployed towards operations. Acuite believes that the liquidity will improve in the near to medium term on account of expected small accruals and continued support from parent entity.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	195.31	20.90
PAT	Rs. Cr.	(57.11)	(40.65)
PAT Margin	(%)	(29.24)	(194.50)
Total Debt/Tangible Net Worth	Times	83.15	(0.95)
PBDIT/Interest	Times	(1.30)	(19.68)

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>
- Group And Parent Support: <https://www.acuite.in/view-rating-criteria-47.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite'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
RBL Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.67	Simple	ACUITE A2 Assigned
RBL Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BBB Stable Assigned
RBL Bank	Not avl. / Not appl.	Term Loan	30 Jun 2024	Not avl. / Not appl.	31 Aug 2029	38.33	Simple	ACUITE BBB Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr No.	Company Name
1	Tara Coal Mining Private Limited
2	Goquest Solution Private Limited

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Vedika Lahoti Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticsupport@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.