



Press Release

TIL Limited

July 01, 2025

Ratings

Security/ Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	185.00	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	Rating Reaffirmed	Simple
Short Term Bank Facilities	65.00	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Rating Reaffirmed	Simple
Non-Convertible Debentures	50.00	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	-	Rating Assigned	Simple
Total	300.00 (Rupees Three hundred crore only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The assignment of ratings to the Non-Convertible Debentures (NCDs)/ reaffirmation of the ratings to the bank facilities of TIL Limited (TIL) continues to derive comfort from change in management of the company. The company was taken over by the promoters of Gainwell Group from January 2024 onwards. The ratings also consider the technical collaboration of the company with leading international players and healthy order book position reflecting near to medium term revenue visibility. Further, the ratings positively note the healthy improvement in business performance of the company in FY2025 (FY refers to the period from April 01 to March 31) which is the first full year of operations post takeover of the company by the Gainwell group with TIL achieving a total operating income (TOI) of Rs.339.40 crore in FY2025 post-acquisition of the company by the new management. These rating strengths are partially offset by working capital intensive nature of business and exposure to foreign fluctuation risk. The outlook of the company is expected to remain stable on account of expected healthy business performance of the company on the back of strong support of Gainwell group coupled with its established presence in crane manufacturing segment.

Key Rating Sensitivities:



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Upward Factors:

- Substantial and sustained growth in operating income and profitability leading to improvement in cash accruals and debt protection metrics
- Improvement in the capital structure marked by improvement in the overall gearing ratio
- Effective working capital management leading to improvement in liquidity

Downward Factors:

- Dip in operating income and/or profitability impacting the debt protection metrics on a sustained basis
- Moderation in the liquidity position with elongation in its operating cycle
- Moderation in the credit profile of the Gainwell group

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Resourceful promoters with long standing business experience**

TIL Limited (TIL) was acquired by the promoters of Gainwell group through Indocrest Defence Solutions Private Limited (IDSPL). Mr. Sunil Kumar Chaturvedi (promoter of the Gainwell group), through IDSPL had infused Rs.120 crore in TIL at the time of takeover of the company in January 2024. The funds have been used to partly settle the existing lenders of TIL through the OTS (One time settlement) mechanism which happened in January 2024 and to fund part of the working capital requirements. Gainwell group, through its flagship company, Gainwell Commosales Private Limited (GCPL) is an exclusive dealer of Caterpillar Inc.'s (CAT) construction and earthmoving equipment, mining equipment, the assembling and dealership business of diesel generator sets powered by CAT's engines, mining services, the manufacturing of mining equipment and renting of equipment in northern and eastern India, Nepal and Bhutan. Besides CAT, GCPL also has dealership of other large infrastructure players like Phillips Construction LLC and RPM Global Holdings Limited. GCPL has a strong financial profile, and TIL is expected to product, knowledge, technical and managerial support from the group as and when required. Further, Mr. Sunil Chaturvedi is a common director in GCPL and TIL. Mr. Chaturvedi is a Chartered Accountant and retired IAS by qualification with an experience of over three decades in the sector. He is supported by a team of other qualified directors and experienced personnel. IDSPL and its promoter Mr.Sunil Chaturvedi has articulated to provide operational, managerial and financial support to TIL during the full tenure of the bank facilities availed by the company.



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- **Technical collaboration with leading international players**

TIL has a long term technical and strategic alliance with leading global equipment manufacturers like Groves Cranes, USA, Manitowoc Crane Group, USA, HYSTER, USA, etc. Earlier, the partnerships with the global capital goods giants were put on hold due to financial stress from FY2020 onwards. However, with change in management, the same has been restarted. These collaborations provide requisite technical support to TIL. Additionally, TIL Limited has partnered with Snorkel of Europe in August 2024 to become the official sales and service partner for their aerial work platforms in Southeast Asia. These strategic partnerships strengthen the company's market presence and enable it to offer innovative solutions to their customers.

- **Healthy order book position reflective near to medium term revenue visibility**

TIL has an unexecuted order book position of Rs. ~200 crore as on April 30, 2025 (0.59 times of its FY2025 consolidated total operating income) which consists of manufacturing orders of Rs. ~188 crore and orders for services and supply of spare parts of Rs. ~12 crore. The order book is expected to be executed within a span of 12-18 months indicating healthy near to medium term revenue visibility. Moreover, the orders are received from reputed private and government companies in sectors like defence, road construction, port handling, mining, etc. which indicates lower counter party credit risk.

- **Improvement in business performance in FY2025, which is the first full year of operations post takeover of the company by the Gainwell group**

With takeover of the company by the Gainwell Group from January 2024 onwards, TOI increased significantly from Rs.68.13 crore in FY24 to Rs.339.40 crore in FY25 driven by increase in sale of machines from 58 nos. in FY24 to 242 nos. in FY25. The significant increase in top line in FY25 is also attributable to introduction of new product ranges for the non-defence sector while also collaborating with defence agencies on various initiatives across the board in Navy, Army and Air Force. In FY2025, the defence portfolio accounted for about 47% of the overall operating revenue of the company while the remaining 53% is from the non-defence application. Further, the company had written back liabilities to the tune of Rs.23.88 crore in FY2025 (PY: Rs.1.21 crore) which added to the increase in TOI in FY2025 fiscal year. With increase in top line, TIL achieved EBITDA of Rs.37.62 crore in FY25 as against an operational loss of Rs.73.36 crore in FY24 driven by improved capacity utilization, ongoing project range expansion, process optimization efforts and operational expansion. PAT in FY24 was high and



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stood at Rs.302.55 crore which pertains to gains from sale of certain assets of Rs.28.00 crore, and gains arising from OTS of debt obligations which happened in January 2024 to the tune of Rs.140.00 crore and the balance towards forgone of unsecure loans by the earlier promoters. Without considering the exceptional gain, PAT was negative at Rs.48.65 crore in FY2024. However, with increase in scale of operations under the new management, TIL achieved net profit of Rs.2.86 crore in FY2025. The management's ability to sustain the growth in its scale of operations while increasing the profit margins will be a key rating monitorable going forward.

Key Rating Weaknesses

- **Working capital intensive nature of operations**

The working capital cycle of the company though improved from 301 days in FY24 to 149 days in FY25 yet remained high. The average collection period has generally been on the higher side due to sizeable portion of government contracts, involving procedural delays. This, coupled with the company having a very high raw material holding period (as its raw materials are generally slow moving and involves high lead time primarily in case of imports), resulted in an elongated working capital cycle, despite high creditor days. However, under the current management both debtors and inventory period reduced from 182 days and 345 days respectively in FY24 to 100 days and 153 days respectively in FY25.

- **Exposure to foreign currency fluctuation risk**

A large part of TIL's raw material requirement is met through imports which exposes the company to the risk arising out of fluctuations in foreign currency. The company had an unhedged foreign currency exposure of Rs.12.01 crore as on March 31, 2025.

Analytical Approach: Consolidated

Infomerics has considered the consolidated financials of TIL Limited and its wholly owned subsidiary company – TIL Overseas PTE Limited (TILP), which is based out of Singapore on account of its common management team and strong operational & financial linkages. List of entities considered for consolidated analysis is given at Annexure 4.

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)



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[Complexity Level of Rated Instruments/Facilities](#)

[Parent/group support](#)

[Consolidation of companies](#)

Liquidity – Adequate

The liquidity profile of the company is likely to remain adequate marked by sufficient cash accruals which is expected to increase with increase in scale of operations, vis-à-vis its debt repayment obligations in the near to medium term. Also, the company enjoys a strong parentage by virtue of being associated with the Gainwell group. The promoters have regularly supported the operations of the company by infusing funds from time to time. Apart from Rs.120 crore that was infused by the promoters in January 2024 during the time of takeover of the company, the company raised funds through rights issue to the tune of Rs.49.07 crore in FY2025 to support the operations of the company out of which Rs.38.08 crore has been infused by the promoter company – TIL Global Private Limited (Erstwhile, Indocrest Defence Solutions Pvt Ltd) and the balance is from public. Furthermore, the board of directors of TIL Limited in June 2025 approved the allotment of warrants convertible into equity shares to its promoter company TIL Global Private Limited to the tune of Rs.60.00 crore out of which Rs.15.00 crore has already been received till date and the balance will be received by end of FY2026 fiscal year or beginning of FY2027 fiscal year. Also, the company had free cash and cash equivalents to the tune of Rs.6.88 crore as on March 31, 2025, which is likely to support the liquidity position of the company in the near to medium term.

About the company

Incorporated in 1944, TIL Limited (TIL) was initially started as a dealer for Caterpillar Inc (CAT). Subsequently, the company started manufacturing of cranes in 1962. The CAT dealership business was housed under a subsidiary Tractors India Pvt Ltd (TIPL). The subsidiary and the business were hived off in 2016-17 due to continuous losses and were purchased by Mr. Sunil Kumar Chaturvedi (Currently, the Managing Director of TIL). TIL has two manufacturing unit – Kamarhatty and Kharagpur in West Bengal. The plant at Kamarhatty manufactures cranes and reach stackers. It has an integrated mobile crane manufacturing site, which includes an assembly line for cranes with capacities ranging from 10 to 100 tons. The Kharagpur plant (started in 2011) manufactures hot mix asphalt and road construction equipment. Further, Kharagpur is an ERP-enabled modern plant with an assembly line capable of manufacturing cranes with a capacity of over 150 tons. The company has also



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installed a 1-megawatt solar plant in this facility that meets approximately 90% of the plant's energy needs.

Financials: Consolidated

(Rs. crore)

For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	68.13	339.40
Total Income	69.07	343.09
EBITDA	-73.36	37.57
PAT	253.90	2.86
Total Debt	171.83	284.35
Adjusted Tangible Net Worth	-70.90	-19.59
EBITDA Margin (%)	-107.68	11.07
PAT Margin (%)	367.60	0.83
Overall Gearing Ratio (x)	-2.42	-14.52
Interest Coverage (x)	-2.68	1.25

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2025-26)				Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2024-25		Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Jun 25, 2025	Dec 04, 2024	Sept 18, 2024	-	-
1	Term Loan	Long Term	115.00 *	IVR BBB-/Stable	IVR BBB-/Stable	IVR BBB-/Stable	IVR BBB-/Stable	-	-
2	Cash Credit	Long Term	70.00	IVR BBB-/Stable	IVR BBB-/Stable	IVR BBB-/Stable	IVR BBB-/Stable	-	-
3	Letter of Credit	Short Term	10.00	IVR A3	IVR A3	IVR A3	-	-	-
4	Bank Guarantee	Short Term	55.00	IVR A3	IVR A3	IVR A3	IVR A3	-	-
5	11.90% Secured Non-Convertible Debentures	Long Term	50.00	IVR BBB-/Stable	-	-	-	-	-

*Outstanding as on March 31, 2025

Analytical Contacts:

Name: Harshita Gupta

Tel: (033)- 46022266

Name: Avik Podder

Tel: (033) 46022266



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Email: hdidwania@infomerics.com

Email: apodder@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Instrument/Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	July 2031	115.00 *	IVR BBB-/Stable



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Cash Credit	-	-	-	-	70.00	IVR BBB-/Stable
Letter of Credit	-	-	-	-	10.00	IVR A3
Bank Guarantee	-	-	-	-	55.00	IVR A3
11.90% Secured Non-Convertible Debentures	INE806C07015	August 16, 2024	11.90%	November 16, 2026	50.00	IVR BBB-/Stable

**Outstanding as on March 31, 2025*

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-TIL-Ltd-1july25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

Name of the Security		Detailed Explanation
Non-Convertible Redeemable Bond	Financial Covenant	<p>Below covenants are to be tested on consolidated basis which includes Issuer and its subsidiary companies. The said covenants to be tested on Half yearly basis:</p> <ul style="list-style-type: none"> - Fund based debt/operating EBITDA <7x (applicable from Q4FY25 to Q2FY26), <5x (applicable from Q3 FY26 to Q4FY26), <4x thereafter. - Debt Service Coverage Ratio >1.25x (To be tested from Q4FY25 onwards) - Issuer to achieve annual revenue of at least INR 325 crores in FY25 and INR 475 crores in FY26 - Issuer shall become profitable from (PAT) from FY25 onwards - Fund based debt < INR 250 crores in FY25, <300 crores in FY26 and FY27 - Current Assets/Current Liabilities >1.2x (to be tested from Q4FY25)
	Non-Financial Covenant	<p>Shareholding Covenants Promoters related Obligations *</p> <ul style="list-style-type: none"> - Promoters shall retain the ultimate beneficial ownership and control of the issuer, at all times during the period of issue and that promoters shall not dispose/dilute their shares held in the issuer. Undertaking duly signed by the promoters confirming that promoters will not dispose off/dilute their shares held in the issuer. - Promoters to provide written undertaking to not encumber/dispose off/ dilute its shares such that its shareholding in Gainwell Commosales Private Limited falls below 51%, during the period of the issue. The said undertaking shall be signed by the authorised signatory of Sunil and Meena Family Trust/Stellar Advisory Services Private Limited. <p>Negative Covenants Issuer related obligations Issuer shall take prior written consent from the Investor/Debenture Trustee for the following:</p> <ol style="list-style-type: none"> Issuer shall not without the prior written consent of the Debenture Trustee effect any change in its Memorandum or Articles of Association Any change in the Promoter's shareholding of the issuer Any change in the Promoter of the issuer Issuer shall not, without prior written consent by the Debenture Trustee, provide any financial guarantee or invest in the share capital of other companies.



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	<ul style="list-style-type: none">e. Change in nature of business of the company.f. Mergers, acquisitions, investment in associates, JVs and subsidiaries including disposal of any of the above.g. Issuer shall ensure that Promoter Group companies does not encumber more than 14.00% stake (on fully diluted basis) held in the Issuer without the prior written consent of the Debenture Trustee/Debenture Holders. NOC shall not be reasonably withheld.h. Change in constitutional documents except as may be required by Applicable law for increase in authorised share capital, when aggregate stake of key shareholders falls below 30%i. Without the prior written consent of the Debenture Trustee, the Issuer shall not make any material change in its management, cause or permit change in control of the Company, cause of permit acquisition of the ownership of or entitlement to more than twenty-five percent of shares or capital or profits of the company by any natural person(s), whether acting alone or together, or through one or more judicial person; enter into any compromise arrangement with its shareholders or creditors, pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure.j. Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business. For the purpose of the covenant, ordinary course of business shall mean activities which are carried out by the company in line with its Memorandum and Articles of Association and will fulfil all of the following conditions: (i) It is normal for the particular business viz. it is carried out by the company for several years; (ii) it is occurring quite frequently over a period of time; (iii) it is as per customs and practices of its business and of the company; (iv) it involves the usual allocation of resources considering the size and volume of the transaction; (v) it is necessary, normal and/or usual from the perspective of the company and its line of businessk. Any change in statutory auditors of the issuer except in case the new auditors appointed are the Big 6 audit firms (namely Deloitte Haskins and Sells, Price water Coopers, KMPG, Ernst & Young, BDO and Grant Thornton)l. Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the company).m. Any compromise or settlement which prejudicially affect the interests of Debenture Holders. <p>Such other negative covenants as listen in the Debenture Trustee Deed and other documents related to the issue.</p>
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**Promoter(s) – Mr. Sunil Chaturvedi, Mrs. Meena Chaturvedi, Sunil and Meena Family Trust (including its Trustee company i.e., Stellar Advisory Services Private Limited)*

Promoter(s) Group Companies – TIL Limited, Indocrest Defence Solutions Private Limited, Indocrest Transportation Private Limited



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Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of the Entity	Extent of Consolidation
TIL Limited	Full Consolidation
TIL Overseas PTE Limited	Full Consolidation

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

