



Press Release

T. K. Engineering Consortium Private Limited

November 12, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	28.00	IVR D ISSUER NOT COOPERATING* (IVR D Issuer Not Cooperating)	IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR double B plus with Negative outlook Issuer Not Cooperating)	Downgraded and continues in Issuer Not Cooperating category	Simple
Short Term Bank Facilities	163.59	IVR D ISSUER NOT COOPERATING* (IVR D Issuer Not Cooperating)	IVR A4+ ISSUER NOT COOPERATING* (IVR A four plus Issuer Not Cooperating)	Downgraded and continues in Issuer Not Cooperating category	Simple
Total	191.59 (INR One-hundred ninety-one crore and fifty-nine lakhs only)				

**Issuer did not cooperate; based on best available information*

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

Infomerics Ratings has downgraded its ratings assigned to the bank facilities of T. K. Engineering Consortium Private Limited (TKECPL) based on information available in public domain. The ratings continue to remain in the ISSUER NOT COOPERATING category because of lack of adequate information regarding TKECPL's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.



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The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated April 5, 2024, April 30, 2024, May 02, 2024, May 05, 2024, May 07, 2024, May 31, 2024, June 12, 2024, June 20, 2024, June 26, 2024, June 27, 2024, June 28, 2024, October 3, 2024 and October 25, 2024 concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the ratings based on the best available information. Accordingly, the ratings of the bank loan facilities aggregating to INR 191.59 crore of T. K. Engineering Consortium Private Limited (TKECPL) shall continue in the 'ISSUER NOT COOPERATING' category by Infomerics and the long term rating be noted as 'IVR D ISSUER NOT COOPERATING' based on best available information (IVR D Issuer not cooperating based on best available information) and the short term rating be noted as 'IVR D ISSUER NOT COOPERATING' based on best available information (IVR D Issuer not cooperating based on best available information).

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

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

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Policy on Default Recognition](#)

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



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About the Company

T.K. Engineering Consortium Private Limited (TKECPL) was established in February 2008 and is promoted by the Tech family based in Arunachal Pradesh. It started its commercial operations in June 2012 and has more than a decade of multidisciplinary experience in executing project in civil infrastructure development for construction of state and national highways, bridges & culverts, high-capacity transport corridors, airport infrastructure etc. across Arunachal Pradesh, Meghalaya, Assam and Nagaland. The company is registered as a Class – 1A contractor with the Public Works Department (PWD), Assam. TKECPL operates through its registered office in Naharlagun, Arunachal Pradesh. The clientele of the Company includes government sector enterprises such as PWD Arunachal Pradesh, PWD Assam, NHAI, NBCC, Indian Oil, HPL, CPWD, NHIDCL, BSNL etc.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2022	31-03-2023
	Audited	Provisional
Total Operating Income	293.06	307.62
EBITDA	48.10	42.31
PAT	7.58	12.10
Total Debt	126.16	80.11
Tangible Net Worth	234.66	246.36
EBITDA Margin (%)	16.71	13.88
PAT Margin (%)	2.59	3.93
Overall Gearing Ratio (x)	0.54	0.33
Interest Coverage (x)	2.51	4.27

** Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA:

Brickwork Ratings has maintained the ratings of T. K. Engineering Consortium Private Limited in the Issuer Not Cooperating category as the entity had failed to provide information for monitoring of the rating as per the Press Release dated November 08, 2024.



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Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Facilities	Current Ratings (Year 2024-25)				Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	(Jul 02, 2024)	Date(s) & Rating(s) assigned in 2023-24 (Jun 06, 2023)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Cash Credit	Long Term	28.00	IVR D ISSUER NOT COOPERATING*	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB/ Stable	-	-
2.	Bank Guarantee	Short Term	163.59	IVR D ISSUER NOT COOPERATING*	IVR A4+ ISSUER NOT COOPERATING*	IVR A3+	-	-

*Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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



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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.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit 1	-	-	-	-	9.00	IVR D ISSUER NOT COOPERATING*
Cash Credit 2	-	-	-	-	10.00	IVR D ISSUER NOT COOPERATING*
Cash Credit 3	-	-	-	-	7.00	IVR D ISSUER NOT COOPERATING*
Cash Credit 4	-	-	-	-	2.00	IVR D ISSUER NOT COOPERATING*
Bank Guarantee 1	-	-	-	-	38.19	IVR D ISSUER NOT COOPERATING*
Bank Guarantee 2	-	-	-	-	54.40	IVR D ISSUER NOT COOPERATING*



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Bank Guarantee 3	-	-	-	-	53.00	IVR D ISSUER NOT COOPERATING*
Bank Guarantee 4	-	-	-	-	18.00	IVR D ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information*

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

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.