

February 05, 2026

## TMC Mineral Resources Private limited: Rating reaffirmed; rated amount enhanced

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term fund based cash credit	12.00	12.00	[ICRA]A- (Stable); reaffirmed
Long term/Short -term - Non-fund based-Other	60.00	98.00	[ICRA]A- (Stable)/[ICRA]A2+; reaffirmed and assigned for enhanced amount
Long Term-Fund based Term Loans	50.00	50.00	[ICRA]A- (Stable); reaffirmed
<b>Total</b>	<b>122.00</b>	<b>160.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

To arrive at the ratings, ICRA has taken a consolidated view of Technoblast Mining Corporation (TMC) and TMC Mineral Resources Private Limited (TMRPL), together referred to as the Group, as both the entities operate in similar lines of business and are managed by a common leadership team.

The rating action factors in the Group's established track record in contract mining/MDO, its demonstrated execution capabilities across underground and opencast mines, and its relationships with reputed counterparties, which mitigate the counterparty risk to a large extent. The revenue scale and profitability remained stable in FY2025 and 9M FY2026, supported by improved execution and the presence of price variation clauses in key contracts, which provide protection against input cost inflation.

The order book position remains healthy, aided by the addition of large projects and mine ownership/JV projects, ensuring multi-year revenue visibility. In 9M FY2026, the Group achieved revenues of around Rs. 370 crore, and the full-year revenues are expected to remain at around Rs. 500 crore. The operating margin is projected to remain healthy at ~29% in FY2026, similar to FY2025. The liquidity was comfortable, supported by sizeable cash/FDR balances, and is expected to remain adequate in the near term with healthy accruals.

The revenues are expected to exceed Rs. 700 crore by FY2027, supported by a ramp-up in new projects, with the margins seen to remain in the range of 26-30%. The capex is expected to be funded through a mix of term loans and internal accruals, and the capital structure is projected to remain comfortable.

ICRA has considered the Group's capital expenditure plans of around Rs. 250 crore over the next three years towards equipment, mine development in newly awarded mines and recently secured orders. These mines will operate under revenue-sharing arrangements with the respective clients. Given the healthy cash accruals, the Group is expected to comfortably fund the equity portion of the capex through internal accruals, with the balance met through long-term debt. Consequently, the capital structure and debt coverage indicators are expected to remain comfortable over the near to medium term. Further, as these new mines scale up, the Group is expected to benefit from the increased scale and improved margins, strengthening its operating profile. However, the expansion also exposes the Group to execution risks, and any material deviation from the planned execution timeline — leading to sub-optimal earnings and weaker coverage metrics — will remain the key rating monitorables.

The ratings are constrained by the Group's high client and geographic concentration, the execution and regulatory risks inherent in the mining sector (particularly for projects at pre-production stages), and the ongoing capex programme towards mine development and equipment. The ratings are further constrained by the tender-driven nature of the contract mining

business and execution challenges arising from regulatory hurdles and potential law and order issues in mining regions. While the responsibility for obtaining regulatory clearances lies entirely with the mining leaseholder, delays in approvals may adversely affect the Group's revenues.

There is also structural risk associated with TMC's partnership form, such as the possibility of high withdrawals and the risk of dissolution upon the death, retirement, or insolvency of partners. Nevertheless, the consolidated credit profile continues to be supported by prudent leverage, strong coverage metrics and a disciplined liquidity management.

The Stable outlook on the [ICRA]A- rating reflects ICRA's expectation that the Group will continue to benefit from its established track record, strong client profile, healthy order book execution and stable operating margins, which will support its operating profits and credit metrics.

## Key rating drivers and their description

### Credit strengths

**Established track record of promoters and management in mining industry** – The promoters have been in the business of contract mining since 1998 and have successfully executed many projects in the past for Godawari Power & Ispat Ltd., Sarda Energy & Minerals Ltd., RCCPL Private Limited., and South Eastern Coalfields Ltd., among others.

**Healthy order book provides medium-term revenue visibility** – A healthy order book aided by the addition of large new orders ensures revenue visibility. Further, the contracts typically include diesel and labour price-escalation/variation clauses, supporting margin stability.

**Reputed clientele mitigates counterparty credit risk** – The company's order book consists of various large clients, including established Government entities in addition to private sector clients. The strong credit profiles of the customers mitigate the counterparty credit risks to a large extent by ensuring a timely realisation of payments.

**Comfortable financial risk profile and liquidity** - The Group financial risk profile continues to be comfortable. In FY2025, the consolidated operating income was around Rs. 469 crore, with OPBDITA of Rs. 141 crore and operating margins of 30%. The gearing remained comfortable at 0.6x, and the coverage metrics were strong, with interest coverage at 8.7x and DSCR at 3.5x. By December 2025, the Group achieved revenues of about Rs. 370 crore and is expected to close FY2026 with around Rs. 500 crore. The revenues are expected to exceed Rs. 700 crore by FY2027, supported by a ramp-up in new projects, with the margins expected to stay in the range of 26–30%. The capex is expected to be funded through a mix of term loans and internal accruals, and the capital structure is projected to remain comfortable.

### Credit challenges

**High client and geographic concentration** – The top five customers contributed ~88% to the revenues in H1 FY2026, exposing it to client-specific offtake risk. Additionally, the Group remains exposed to geographical concentration risk as a major portion of its revenue is derived from Chhattisgarh and Madhya Pradesh. New orders and bids have also been won in the same geography.

**Significant project concentration risks for newer projects, which are yet to commission or are at early stage of operations** – The ratings are constrained by the risk associated with the successful completion of the projects within the scheduled timeline and achieving the desired revenue. Further, some of the large projects are at pre-production/clearance stages, exposing the Group to risks related to timely approvals (forest/environment/mine opening), ramp-up and technological issues. Although phased and mostly equipment-led, a cumulative capex of around Rs. 250 crore over the next three years (mine development/technology/equipment) makes the execution discipline and funding prudence critical; any sharp debt-funded scale-up could moderate the leverage.

**Operations and mining contracts exposed to regulatory risks** – Mining operations remain exposed to regulatory risks, which can result in a potential closure in case of violation of statutory norms. Moreover, the mining belts are prone to law and order

problems, which may result in unforeseen delays in project execution. ICRA notes that the entire responsibility of getting regulatory clearances lies with the mining leaseholder. However, a delay in the project will impact the Group’s revenue.

**Risks associated with a partnership firm for Technoblast Mining Corporation** – Given TMC’s constitution as a partnership firm, it is exposed to the possibility of capital withdrawal, dissolution of the firm upon death, and retirement or insolvency of the partner. However, limited withdrawal in the past provides comfort.

### Liquidity position: Adequate

The Group’s liquidity is expected to remain adequate, supported by its cash and liquid investments, and free FDs aggregating to more than Rs. 89 crore as on December 31, 2025. Further, there is an expectation of healthy annual cash flow from operations of over Rs. 90 crore, going forward, which would be sufficient to cover its debt repayments in addition to the fixed assets. The capex funding would be done through a mix of debt and internal accruals. Further, the bank guarantee is being enhanced for TMRPL to support new projects. Thus, the liquidity is expected to remain comfortable in the medium term.

### Rating sensitivities

**Positive factors** – The Group’s ability to commence and ramp up the execution of newly awarded large orders, as per the contractual commitments, leading to a material improvement in the earnings with sustained healthy profitability and liquidity may lead to a positive rating action.

**Negative factors** – The Group may face rating pressure if it is unable to ramp up the execution, as per the contractual commitments, resulting in sub-optimal earnings and coverage indicators or a deterioration in its liquidity position. Specific credit metrics for downgrade include TOL/TNW of more than 1.3 times on a sustained basis.

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Mining</a>
Parent/Group support	None
Consolidation/Standalone	Consolidated; ICRA has taken a consolidated view of TMC and TMC Mineral Resources Pvt. Ltd. TMRPL’s consolidated financials include one subsidiary (Asia Strategic Resources India Private Limited – 66.67% ownership), one associate (Bartunga Coal Pvt. Ltd. – 33% ownership) and one joint venture (TMC Consortium JV – 76% ownership).

### About the company

The Group is promoted by Mr. Atul Dwivedi and his wife, Mrs. Shweta Dwivedi. TMC was incorporated in 2006 as a partnership firm and TMRPL was incorporated in 2009 and started taking projects in 2021. The Group specialises in MDO, wherein extraction is done based on a plan specifying reserves available in the mines. The entities are involved in undertaking complete underground and open-cast mining projects starting from pre-mining activities, development of mining infrastructure, mining (including mobilising labour, scientific survey, exploration, extraction, crushing, etc) and its transportation to the clients’ stockyard. However, in case of pre-mining activities like land acquisition, forest clearance and other statutory clearances, TMC acts as a facilitator between the respective Government authorities and its clients.

TMC is also a pan-India dealer and distributor of SANDVIK and EIMCO ELECON underground cutting equipment. Recently, TMRPL has been awarded the Rajgamar Dipside (Deavnara) underground coal mine in Korba, Chhattisgarh, under the 12th round of commercial coal block auctions conducted by the Ministry of Coal, Government of India.

## Key financial indicators

Consolidated <sup>^</sup>	FY2024	FY2025
Operating income	492.2	469.4
PAT	79.9	79.2
OPBDIT/OI	24.92%	30.01%
PAT/OI	16.2%	16.9%
Total outside liabilities/Tangible net worth (times)	1.0	1.0
Total debt/OPBDIT (times)	0.6	1.2
Interest coverage (times)	10.4	8.7

<sup>^</sup>consolidated financials; consolidation done by ICRA on best effort basis

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

## Status of non-cooperation with previous CRA: Not applicable

Any other information: None

## Rating history for past three years

Current (FY2026)		Chronology of rating history for the past 3 years							
		FY2026		FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Feb 05, 2026	Date	Rating	Date	Rating	Date	Rating
Cash Credit	Long term	12.00	[ICRA]A-(Stable)	Feb 28, 2025 Jan 31, 2025	[ICRA]A-(Stable)	Nov 22, 2023	[ICRA]BBB+(Stable)	-	-
Non-fund based - Others	Long term/Short term	98.00	[ICRA]A-(Stable)/[ICRA]A2+	Feb 28, 2025 Jan 31, 2025	[ICRA]A-(Stable)/[ICRA]A2+	Nov 22, 2023	[ICRA]BBB+(Stable)/[ICRA]A2	-	-
Term Loans	Long term	50.00	[ICRA]A-(Stable)	Feb 28, 2025	[ICRA]A-(Stable)	-	-	-	-
Unallocated limits	Long term/Short term	-	-	-	-	Nov 22, 2023	[ICRA]BBB+(Stable)/[ICRA]A2	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund based – Cash Credit	Simple
Long Term /Short Term -Non-Fund based-Other	Simple
Long Term-Fund based Term Loans	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's

credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund based Cash Credit	-	-	-	12.00	[ICRA]A-(Stable)
NA	Non-fund-based others	-	-	-	98.00	[ICRA]A-(Stable)/[ICRA]A2+
NA	Fund based Term loans	-	-	-	50.00	[ICRA]A-(Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company name	TRPL ownership	Consolidation approach
Technoblast Mining Corporation	-	Full consolidation

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