

December 06, 2023

TVS Industrial & Logistics Parks Private Limited: Change in Limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term loans	534.00	535.00	[ICRA]A+ (Stable); Outstanding
Long-term fund-based facilities	45.00	44.00	[ICRA]A+ (Stable); Outstanding
Total	579.00	579.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the lender wise facilities of the rated limits, based on the latest information received from the entity.

The key rating drivers, liquidity position and rating sensitivities for the outstanding ratings for the bank facilities is available in the previous detailed rating rationale at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology- Lease Rental Discounting
Parent/Group support	Not Applicable
Consolidation/Standalone	While assigning the rating, ICRA has taken a consolidated view of TVS Industrial & Logistics Parks Private Limited (TVSILP) and 11 SPVs, which are fully owned by TVSILP. There exists financial and management linkages among the various entities through TVSILP. The excess funds available at the SPVs are transferred to TVSILP, which in turn infuses the funds in various subsidiaries for funding requirements. ICRA has considered the consolidated financials of TVSILP. As on September 30, 2023, the company had 11 SPVs, that are enlisted in Annexure II.

About the company

TVS Industrial & Logistics Parks Private Limited, a part of the TVS Mobility Group, was set up in 2005 to support the Group's supply chain management by providing core industrial infrastructure for manufacturing, distribution and sales. TVSILP is a 50:50 JV between TVSSCS, the logistics arm of the Group, and Ravikumar Swaminathan & Associates. However, with funds infusion of Rs. 250 crore from BII and post conversion of CCPS and CCD from BII into equity and subsequent partial stake sale by BII, as on November 09, 2023, TVSSCS holds ~25.2% stake, while 29.6% is held by Ravikumar Swaminathan & Associates, ~21.1% by BII and ~21.0% is held by Lingotto Opportunity Fund ILP. The remaining stake is held by individuals. TVSILP creates industrial infrastructure facilities such as industrial and warehouse buildings, and logistics infrastructure parks. From a public limited company, it was converted into a private limited company in December 2015, and the name was changed to TVSILP in FY2018.

Key financial indicators (audited)

TVSILP (Consolidated)	FY2022	FY2023
Operating income	102.4	143.9
PAT	7.2	15.4
OPBDIT/OI	82.5%	74.2%
PAT/OI	7.0%	10.7%
Total outside liabilities/Tangible net worth (times)	2.7	3.3
Total debt/OPBDIT (times)	8.8	9.5
Interest coverage (times)	1.7	1.8

Source: Company financials; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore;

All ratios as per ICRA's calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2024)					Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding as on Sep 30, 2023 (Rs. crore)	Date & rating in FY2024			Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	
				Dec 06, 2023	Nov 17, 2023	Oct 30, 2023				
1 Term loans	Long-term	535.0	525.7	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A (Stable)	[ICRA]A- (Negative)	
2 Fund-based limits	Long-term	44.0	15.7	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	[ICRA]A (Stable)	[ICRA]A- (Negative)	
3 Fund-based limits	Short-term	-	-	-	-	-	[ICRA]A1; Withdrawn	[ICRA]A1	[ICRA]A2+	

Complexity level of the rated instruments

Instrument	Complexity Indicator
Term loans	Simple
Long-term fund-based facilities	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	Term loan-1	August 2021	NA	December 2037	220.0	[ICRA]A+ (Stable)
NA	Term loan-2	November 2021	NA	December 2037	185.0	[ICRA]A+ (Stable)
NA	Term loan-3	June 2023	NA	May 2041	65.0	[ICRA]A+ (Stable)
NA	Term loan-4	Feb 2023	NA	Jan 2038	65.0	[ICRA]A+ (Stable)
NA	Cash credit/ Overdraft facility	NA	NA	NA	44.0	[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	Ownership*	Consolidation Approach
Jagannath Logistics & Industrial Parks Private Limited	100.0%	Full Consolidation
Maragathammbal Industrial and Logistics Park Private Limited	100.0%	Full Consolidation
Marudhamalai Industrial & Logistics Parks Private Limited	100.0%	Full Consolidation
Siruvapuri Murugan Industrial and Logistics Private Limited	100.0%	Full Consolidation
Jaibalaji Industrial and Logistics Parks Private Limited	100.0%	Full Consolidation
Sri Meenatchi Industrial and Logistics Park Private Limited	100.0%	Full Consolidation
Tarkeshwar Industrial and Logistics Parks Private Limited	100.0%	Full Consolidation
TVS Infrastructure Investment Manager Private Limited (formerly Mahaveer Industrial and Logistics Parks Private Limited)	100.0%	Full Consolidation
Durgeshwari Industrial and Logistics Parks Private Limited	100.0%	Full Consolidation
Revanza Sullurpet Industrial Parks Private Limited	100.0%	Full Consolidation
Ramanujam Industrial and Logistics Parks Private Limited	100.0%	Full Consolidation

*As on September 30, 2023, Source: Company data

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About ICRA Limited:

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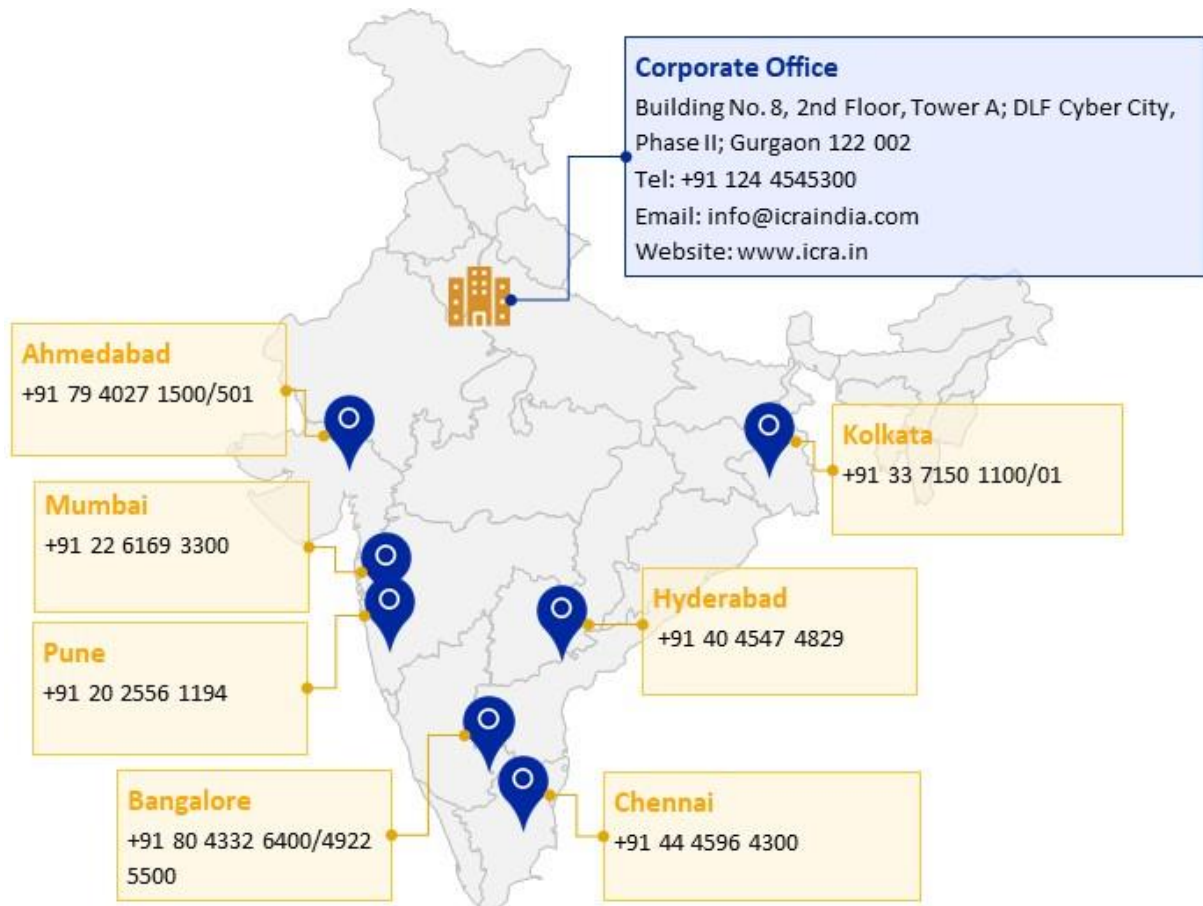
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