November 18, 2025

T and T Infra Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Cash credit	72.00	105.00	[ICRA]A- (Stable); reaffirmed
Long-term – Non-fund based – Bank guarantees	97.70	94.70	[ICRA]A- (Stable); reaffirmed
Long-term/Short-term – Fund-based/ Non-fund based – Proposed	30.30	0.30	[ICRA]A- (Stable)/[ICRA]A2+; reaffirmed
Total	**200.00**	**200.00**	

**Instrument details are provided in Annexure I*

Rationale

The reaffirmation of ratings for T and T Infra Limited (TTIL) continues to reflect its satisfactory financial profile, supported by healthy operating performance, adequate leverage and healthy coverage metrics. The ratings consider the sustained scale of operations with FY2025 operating income (OI) of Rs. 1,022.1 crore (1.1% YoY growth, indicating a 5-year CAGR of 29.3%), driven by a healthy order book position of Rs. 3,121.0 crore as on September 30, 2025, providing medium-term revenue visibility with order book to OI ratio (OB/OI) of 3.1 times of FY2025 OI. The operating margin improved to 13.3% (11.7% in FY2024), aided by margin-accretive contracts and supplier discounts on advance payments. TTIL's leverage has remained range-bound, though adequate, with TOL/TNW at 1.7 times as on March 31, 2025, moderated from 1.1 times in FY2024 due to increased working capital requirements. The increase was primarily due to a build-up of work-in-progress inventory and sizeable billing in March 2025, funded through working capital limits and back-to-back creditors. However, the leverage levels reduced in H1 FY2026, with realisation of funds in the current fiscal. Coverage indicators remained healthy with interest coverage at 7.6 times and DSCR at 3.7 times in FY2025. The ratings continue to factor in the extensive experience of the promoters, spanning over three decades in the civil construction industry, which helped TTIL to establish strong relationships with its customers as well as suppliers.

The ratings are, however, constrained by the high geographical concentration risk (100% orders in Maharashtra) and sizeable exposure of the order book (~75%) to state government entities as well as local authorities. TTIL's working capital intensity increased to 18.3% (4.5% on March 2024), with a significant rise in working capital debt to Rs. 131.4 crore (Rs. 77.7 crore on March 31, 2024). While TTIL has maintained an adequate buffer in working capital limits, a prudent management of its liquidity on an ongoing basis remains a key rating monitorable. The order book is exposed to execution risk, as ~71% of the unexecuted order book as on September 30, 2025 was in the nascent stages of execution (less than 20% executed) and work was yet to commence for ~11% of orders. Further, TTIL remains vulnerable to the inherent sectoral risks like stiff competition, cost and time overruns and the likely impact on margins due to input price escalations. The ratings factor in the inherent exposure to sizeable contingent liabilities in the form of bank guarantees, mainly for contractual performance, mobilisation advance and security deposits. Nonetheless, ICRA draws comfort from TTIL's execution track record and the absence of invocation of guarantees in the past. The company is likely to remain focused on the engineering, procurement and construction (EPC) segment. TTIL also remains exposed to risks arising out of development projects, given the investment in a resort project at Mahabaleshwar, Maharashtra, which is expected to be partially funded by debt (~100% of proposed equity contribution has been infused). Any material investment towards developmental projects or non-core investments, if any, which could pressurise debt coverage metrics or materially impact its liquidity, will be a credit negative.

The Stable outlook reflects ICRA's opinion that TTIL's credit profile will benefit from its sustained scale of operations, adequate leverage and healthy coverage metrics.

Key rating drivers and their description

Credit strengths

Adequate capital structure and healthy coverage indicators – TTIL's leverage has remained range-bound, though adequate, with TOL/TNW at 1.7 times as on March 31, 2025, moderated from 1.1 times in FY2024 due to increased working capital requirements. The increase was primarily due to a build-up of work-in-progress inventory and sizeable billing in March 2025, funded through working capital limits and back-to-back creditors. However, the leverage levels reduced in April 2025 and is likely to be lower from FY2025 levels in the current fiscal and improve in medium term. The coverage indicators remained healthy with interest coverage at 7.6 times and DSCR at 3.7 times in FY2025. Despite predominantly debt-funded capex plans of Rs. 40–50 crore per annum for FY2026 and FY2027, ICRA expects TTIL's leverage to remain adequate and coverage metrics to remain healthy, aided by healthy accruals and strong order execution.

Healthy order book position provides medium-term revenue visibility – TTIL's order book position remains healthy at Rs. 3,121 crore as on September 30, 2025, translating to an OB/OI ratio of 3.1 times on FY2025 OI. The order book is supported by inflows of around Rs. 1,995 crore over the 18 months that ended on September 30, 2025. ICRA draws comfort from the demonstrated track record of execution, as depicted by 5-year CAGR of 29.3% till FY2025. Going forward, sustained inflow of orders and timely execution of the same within the budgeted costs would be critical for the expected scale up in its operations and sustenance of operating profitability.

Extensive experience of management team in civil construction sector – TTIL is headed by Mr. Shrimant Tandulkar and Mr. Shivram Thorave, who have close to three decades of experience in the civil construction industry. Their long tenure in the civil construction space has helped the company to establish strong relationships with its customers as well as suppliers.

Credit challenges

High geographical concentration and project execution risks – TTIL's order book is concentrated in the bridges, roads and flyover segments, which constitute ~86% of the unexecuted order book. It is exposed to geographical concentration risk as all the projects are in Maharashtra. While the geographical concentration of projects supports optimal resource deployment, its impact on the company's revenues could be severe if the region of operations gets affected by unforeseen risks. It faces high project and client concentration risks with top three clients contributing to 65% of the unexecuted order book and 75% of orders having state government and local authorities as counterparties. Nonetheless, ICRA takes note of orders from the NHAI [rated [ICRA]AAA (Stable)], MoRTH and Central Railway in the past few years, which has helped in diversifying the order book to an extent. TTIL is vulnerable to high execution risk, as around 71% of the order book as on September 30, 2025 is in the nascent stages of execution (less than 20% executed) and work is yet to commence for ~11% of these projects. However, the company has requisite extensions for most of these orders. Nevertheless, timely execution of orders and a ramp-up of the order book position will be critical in sustaining the revenue growth going forward.

Intense competition in construction industry – The domestic civil construction industry is fragmented and highly competitive as evident from the moderate bid to success ratios. Garnering adequate number of projects and ensuring their movement remains the key for optimal use of resources and ultimately improve the profitability. The built-in price escalation clause in majority of the contracts protects the operating margin from raw material price fluctuation risk to some extent, in case of delays leading to cost overruns. Timely execution of orders, along with sustenance of operating profitability margins and working capital cycle will remain a key monitorable.

Liquidity position: Adequate

As on August 31, 2025, TTIL has Rs. 11.5 crore of free cash and buffer of Rs. 25.2 crore in fund-based limits (out of Rs. 162 crore), with average utilisation of 76% in 12 months that ended in August 2025. The principal debt repayment of Rs. 15.5 crore in FY2026 is expected to be comfortably serviced from its operating cash flows.

Rating sensitivities

Positive factors – TTIL's ratings could be upgraded if there is a significant improvement in its scale of operations and profitability on a sustained basis, along with improved business diversification while maintaining strong debt protection metrics.

Negative factors – Negative pressure on TTIL's ratings could arise if there is a material decline in scale of operations, and/or if there is any deterioration in the company's working capital cycle impacting its profitability and liquidity position. The TOL/TNW increasing beyond 1.25 times, on a sustained basis, could exert downward pressure on the ratings. Any material increase in exposure to developmental projects (such as HAM or BOT projects) thereby pressurising the debt coverage metrics or liquidity position could also result in a downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology - Construction
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered consolidated financials of TTIL. The list of entities that are consolidated to arrive at the ratings are given in Annexure II.

About the company

Incorporated in 2004 as a partnership firm by Mr. Shrimant Tandulkar and Mr. Shivram Thorave, TTIL was subsequently converted into a private limited company in 2012 and public limited company in 2018. TTIL undertakes civil engineering works, such as the construction of bridges, industrial buildings, roads and others, for Public Works Department, NHAI, MoRTH, Pune Municipal Corporation, Pimpri Chinchwad Municipal Corporation, Mumbai Metropolitan Region Development Authority, Maharashtra State Road Development Corporation and others.

Key financial indicators

TTIL – Consolidated	FY2024	FY2025
Operating income (Rs. crore)	1011.5	1022.1
PAT (Rs. crore)	66.6	68.4
OPBDIT/OI (%)	11.7%	13.3%
PAT/OI (%)	6.6%	6.7%
Total outside liabilities/Tangible net worth (times)	1.1	1.7
Total debt/OPBDIT (times)	0.9	1.2
Interest coverage (times)	10.0	7.6

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: India Ratings and Research, vide its press release dated July 18, 2025, has mentioned that TTIL did not participate in the rating exercise despite continuous requests and follow-ups by the agency. Therefore, due to inadequate information and lack of management cooperation, the rating on the bank facilities of TTIL continues to be in 'Issuer not cooperating' with rating being IND B+/Negative (Issuer Not Cooperating)/IND A4 (Issuer Not Cooperating).

Any other information: None

Rating history for past three years

Instrument	Current year (FY2026)			Chronology of rating history for the past 3 years							
	Type	Amount rated (Rs. crore)	Nov 18, 2025	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Cash credit	Long term	105.00	[ICRA]A- (Stable)	May 09, 2025	[ICRA]A- (Stable)	Aug 09, 2024	[ICRA]A- (Stable)	Oct 20, 2023	[ICRA]A- (Stable)	Nov 22, 2022	[ICRA]BBB+ (Positive)
Bank guarantees	Short term	94.70	[ICRA]A- (Stable)	May 09, 2025	[ICRA]A- (Stable)	Aug 09, 2024	[ICRA]A- (Stable)	Oct 20, 2023	[ICRA]A- (Stable)	Nov 22, 2022	[ICRA]BBB+ (Positive)
Fund-based/ Non-fund based – Proposed	Long term/ Short term	0.30	[ICRA]A- (Stable)/ [ICRA]A2+	May 09, 2025	[ICRA]A- (Stable)/ [ICRA]A2+	Aug 09, 2024	[ICRA]A- (Stable)/ [ICRA]A2+	-	-	-	-
Fund-based/ Non-fund based	Long term/ Short term	-	-	-	-	-	-	Oct 20, 2023	[ICRA]A- (Stable)/ [ICRA]A2+	Nov 22, 2022	[ICRA]BBB+ (Positive)/ [ICRA]A2

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Cash credit	Simple
Long-term – Non-fund based – Bank guarantees	Very Simple
Long-term/Short-term – Fund-based/ Non-fund based – Proposed	Very 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	Cash Credit	NA	NA	NA	105.00	[ICRA]A-(Stable)
NA	Bank Guarantees	NA	NA	NA	94.70	[ICRA]A-(Stable)
NA	Fund Based/ Non-fund based – Proposed	NA	NA	NA	0.30	[ICRA]A-(Stable)/ [ICRA]A2+

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	TTIL Ownership	Consolidated Approach
T And T Altis (Joint Venture)	100%	Full Consolidation
T And T Spacechem (Joint Venture)	51%	Proportionate Consolidation
Thakur And T And T (Joint Venture)	49%	Proportionate Consolidation
T and T Vishal (Joint Venture)	51%	Proportionate Consolidation
Gel – T and T (Joint Venture)	49%	Proportionate Consolidation
T & T Pinaki (Joint Venture)	20%	Proportionate Consolidation

Source: FY2025 financial statements

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ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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