

June 04, 2021

Texmaco Infrastructure and Holdings Ltd: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non convertible debentures	200.0	200.0	[ICRA]BBB- (Stable) withdrawn
Total	200.0	200.0	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the proposed non convertible debentures (NCDs) of Texmaco Infrastructure and Holdings Limited (TIHL) at the request of the company as the rated NCDs have not been placed by the company. This is in accordance with ICRA's policy on withdrawal and suspension. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#).

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal of Credit Rating
Parent/Group Support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of TIHL.

About the company

Texmaco Infrastructure & Holdings Limited (TIHL) was founded in 1939 as Texmaco Limited. In 2010, the company demerged its Heavy Engineering and Steel Foundry businesses, constituting the major part of its operations, into a separate company called Texmaco Rail & Engineering Limited. Currently the company derives majority of its income from leased properties, dividend and interest income from investments, job works and operation of a mini hydro power project in Neora, Kalimpong District, West Bengal. The company plans to enter the real estate market through projects in Delhi and Kolkata.

Key financial indicators (audited)

TIHL Consolidated	FY2019	FY2020
Operating Income (Rs. crore)	27.7	29.3
PAT (Rs. crore)	5.0	4.8
OPBDIT/OI (%)	40.1%	42.6%
RoCE (%)	1.5%	1.7%
Total Outside Liabilities/Tangible Net Worth (times)	0.0	0.1
Total Debt/OPBDIT (times)	2.4	2.0
Interest Coverage (times)	4.4	4.6
DSCR (times)	1.9	1.7

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

	Instrument	Current Rating (FY2022)			Chronology of Rating History			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	FY2021	-	-
					June 04, 2021	March 09, 2021	-	-
1	Non convertible Debentures	Long-term	200.0	0.0	[ICRA]BBB-(Stable) withdrawn	[ICRA]BBB- (Stable)	-	-

as of March 31, 2021

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Non convertible debentures	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 analyzing 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, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs Crore)	Current Rating and Outlook
Not Placed	NCD	-	-	FY2025	200.0	[ICRA]BBB- (Stable) withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	Consolidation Approach
High Quality Steel Ltd	Full Consolidation
Valleyview Landholdings Pvt. Ltd	Full Consolidation
Macfarlane & Co. Limited	Full Consolidation
Snow Blue Conclave Pvt. Ltd.	Full Consolidation
Startree Enclave Pvt. Ltd	Full Consolidation
Topflow Buildcom Pvt Ltd	Full Consolidation
Lionel India Limited	Equity Method
Texmaco Rail & Engineering Limited	Equity Method
Magnacon Electricals India Limited	Equity Method
Sigma Rail Systems (P) Limited	Equity Method
Lionel India Limited	Equity Method

Source: TIHL annual report FY2020; **Note:** ICRA has taken a consolidated view of the parent (TIHL), its subsidiaries and associates while assigning the ratings.

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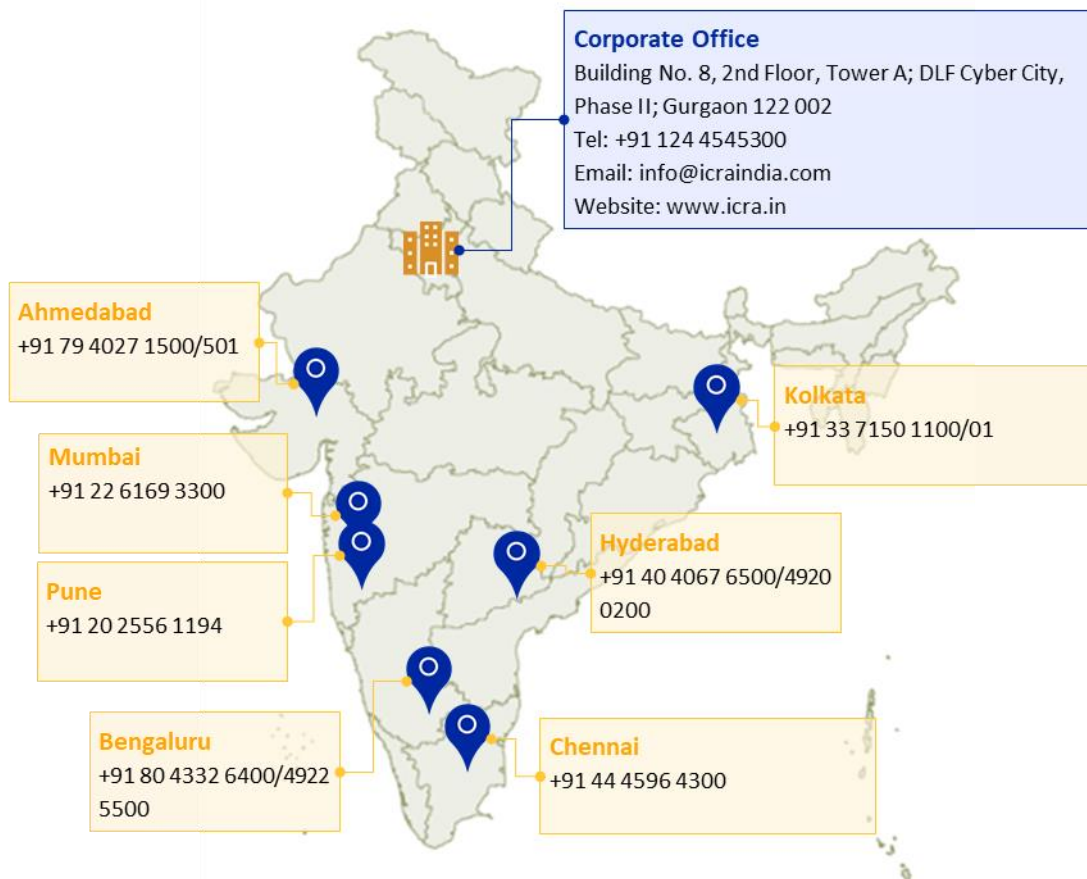
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