Press Release

TIL Limited

November 18, 2025

Ratings

Security/ Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	185.00	IVR BBB-/Negative (IVR Triple B Minus with Negative Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	Outlook revised from Stable to Negative	Simple
Short Term Bank Facilities	65.00	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Rating Reaffirmed	Simple
Non-Convertible Debentures	50.00	IVR BBB-/Negative (IVR Triple B Minus with Negative Outlook)	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	Outlook revised from Stable to Negative	Simple
Total	**300.00 (Rupees Three hundred crore only)**				

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 reaffirmed the ratings assigned to the Bank Facilities/Non-Convertible Debentures (NCDs) of TIL Limited (TIL) with revision in outlook from Stable to Negative due to the weakening of the business performance of the company marked by operating losses which increased from Rs.2.37 crore during H1FY25 (FY refers to the period from April 01 to March 31) to Rs.6.67 crore during H1FY26 majorly due to increase in raw material cost and other operational overheads coupled with lower absorption of fixed overheads. Further, the increase in debt levels to fund the business expansion plans and working capital needs of the company led to increase in interest cost, eventually resulting in substantial increase in net loss from Rs.3.20 crore in H1FY25 to Rs.13.95 crore in H1FY26. Although the management expects the H2FY26 business performance of the company to improve driven by order book conversion, incremental revenue contribution from new products, and operational leverage benefits as volumes scale, the success of the same remains contingent and Infomerics shall monitor the recovery in the operating and financial performance over the aforementioned period. Besides, the ratings continue to derive comfort from change in management of the company. The company was taken over by the promoters of Gainwell Group from January 2024 onwards. The ratings also consider the technical collaboration of the company with leading international players and healthy order book position reflecting near to medium term revenue visibility. These rating strengths are partially offset by working capital intensive nature of business and exposure to foreign fluctuation risk.

Key Rating Sensitivities:

Upward Factors:

- Substantial and sustained growth in operating income and profitability leading to improvement in cash accruals and debt protection metrics
- Improvement in the capital structure marked by improvement in the overall gearing ratio
- Effective working capital management leading to improvement in liquidity

Downward Factors:

- Dip in operating income and/or profitability impacting the debt protection metrics on a sustained basis
- Moderation in the liquidity position with elongation in its operating cycle
- Moderation in the credit profile of the Gainwell group

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Resourceful promoters with long standing business experience**

TIL Limited (TIL) was acquired by the promoters of Gainwell group through Indocrest Defence Solutions Private Limited (IDSPL). Mr. Sunil Kumar Chaturvedi (promoter of the Gainwell group), through IDSPL had infused Rs.120 crore in TIL at the time of takeover of the company in January 2024. The funds have been used to partly settle the existing lenders of TIL through the OTS (One time settlement) mechanism which happened in January 2024 and to fund part of the working capital requirements. Gainwell group, through its flagship company, Gainwell Commosales Private Limited (GCPL) is an exclusive dealer of Caterpillar Inc.'s (CAT) construction and earthmoving equipment, mining equipment, the assembling and dealership business of diesel generator sets powered by CAT's engines, mining services, the manufacturing of mining equipment and renting of equipment in northern and eastern India, Nepal and Bhutan. Besides CAT, GCPL also has dealership of other large infrastructure players like Phillps Construction LLC and RPM Global Holdings Limited. GCPL has a strong financial profile, and TIL is expected to product, knowledge, technical and managerial support from the group as and when required. Further, Mr. Sunil Chaturvedi is a common director in GCPL and TIL. Mr. Chaturvedi is a Chartered Accountant and retired IAS by qualification with an experience of over three decades in the sector. He is supported by a team of other qualified directors and experienced personnel. IDSPL and its promoter Mr.Sunil Chaturvedi has articulated to provide operational, managerial and financial support to TIL during the full tenure of the bank facilities availed by the company.

- **Technical collaboration with leading international players**

TIL has a long-term technical and strategic alliance with leading global equipment manufacturers like Groves Cranes, USA, Manitowoc Crane Group, USA, HYSTER, USA, etc. Earlier, the partnerships with the global capital goods giants were put on hold due to financial stress from FY2020 onwards. However, with change in management, the same has been restarted. These collaborations provide requisite technical support to TIL. Additionally, TIL Limited has partnered with Snorkel of Europe in August 2024 to become the official sales and service partner for their aerial work platforms in Southeast Asia. These strategic partnerships strengthen the company’s market presence and enable it to offer innovative solutions to their customers.

- **Healthy order book position reflective near to medium term revenue visibility**

TIL has an unexecuted order book position of Rs. ~200 crore as on April 30, 2025 (0.59 times of its FY2025 consolidated total operating income) which consists of manufacturing orders of Rs. ~188 crore and orders for services and supply of spare parts of Rs. ~12 crore. The order book is expected to be executed within a span of 12-18 months indicating healthy near to medium term revenue visibility. Moreover, the orders are received from reputed private and government companies in sectors like defence, road construction, port handling, mining, etc. which indicates lower counter party credit risk.

Key Rating Weaknesses

- **Moderation in business performance in H1FY26**

Total operating income (TOI) increased marginally from Rs.134.62 crore during H1FY25 to Rs.141.18 crore during H1FY26 driven by increase in execution of orders. Despite the increase in TOI, the company suffered an operating loss which increased from Rs.2.37 crore during H1FY25 to Rs.6.67 crore during H1FY26 majorly due to increase in raw material costs. A major portion of the raw material requirement of the company are met through imports, the prices of which increased in the current fiscal year. Additionally, the increase in employee benefit expense from Rs.20.92 crore in H1FY25 to Rs.26.37 crore in H1FY26 on account of recruitment of senior level personnel like supply chain head, production head, etc. since these positions were vacant when the new management (Gainwell group) had taken over the control of the company, added to the increase in operational losses in the current fiscal year. Further with increase in interest cost from Rs.14.10 crore in H1FY25 to Rs.20.26 crore in H1FY26 coupled with increase in operational losses, the company incurred a net loss of Rs.13.95 crore in H1FY26 as against a net loss of Rs.3.20 crore in H1FY25. The increase in interest costs in the current fiscal year is on account of increase in term loans, NCDs and working capital borrowings to fund the business expansion plans and working capital needs of the company. The company's ability to increase its scale of operations and achieve operating and net profit will be crucial from credit perspective going forward.

- **Working capital intensive nature of operations**

The working capital cycle of the company though improved from 301 days in FY24 to 149 days in FY25 yet remained high. The average collection period has generally been on the higher side due to sizeable portion of government contracts, involving procedural delays. This, coupled with the company having a very high raw material holding period (as its raw materials are generally slow moving and involves high lead time primarily in case of imports), resulted in an elongated working capital cycle, despite high creditor days. However, under the current management both debtors and inventory period reduced from 182 days and 345 days respectively in FY24 to 100 days and 153 days respectively in FY25.

- **Exposure to foreign currency fluctuation risk**

A large part of TIL's raw material requirement is met through imports which exposes the company to the risk arising out of fluctuations in foreign currency.

Analytical Approach: Consolidated

Infomerics has considered the consolidated financials of TIL Limited and its wholly owned subsidiary company – TIL Overseas PTE Limited (TILP), which is based out of Singapore on account of its common management team and strong operational & financial linkages. List of entities considered for consolidated analysis is given at Annexure 4.

Applicable Criteria:

Rating Methodology for Manufacturing Companies.

Financial Ratios & Interpretation (Non-Financial Sector).

Criteria for assigning Rating outlook.

Policy on Default Recognition

Complexity Level of Rated Instruments/Facilities

Parent/group support

Consolidation of companies

Liquidity – Adequate

The liquidity profile of the company is likely to remain adequate on the back of strong parentage enjoyed by TIL by virtue of being associated with the Gainwell group. The promoters have regularly supported the operations of the company by infusing funds from time to time. Apart from Rs.120 crore that was infused by the promoters in January 2024 during the time of takeover of the company, the company raised funds through rights issue to the tune of Rs.49.07 crore in FY2025 to support the operations of the company out of which Rs.38.08 crore has been infused by the promoter company – TIL Global Private Limited (Erstwhile, Indocrest Defence Solutions Pvt Ltd) and the balance is from public. Furthermore, the board of directors of TIL Limited in June 2025 approved the allotment of warrants convertible into equity shares to its promoter company TIL Global Private Limited to the tune of Rs.60.00 crore out of which Rs.15.00 crore has already been received till date and the balance will be received by end of FY2026 fiscal year or beginning of FY2027 fiscal year.

About the company

Incorporated in 1944, TIL Limited (TIL) was initially started as a dealer for Caterpillar Inc (CAT). Subsequently, the company started manufacturing of cranes in 1962. The CAT dealership business was housed under a subsidiary Tractors India Pvt Ltd (TIPL). The subsidiary and the business were hived off in 2016-17 due to continuous losses and were purchased by Mr. Sunil Kumar Chaturvedi (Currently, the Managing Director of TIL). TIL has two manufacturing unit – Kamarhatty and Kharagpur in West Bengal. The plant at Kamarhatty manufactures cranes and reach stackers. It has an integrated mobile crane manufacturing site, which includes an assembly line for cranes with capacities ranging from 10 to 100 tons. The Kharagpur plant (started in 2011) manufactures hot mix asphalt and road construction equipment. Further, Kharagpur is an ERP-enabled modern plant with an assembly line capable of manufacturing cranes with a capacity of over 150 tons. The company has also installed a 1-megawatt solar plant in this facility that meets approximately 90% of the plant's energy needs.

Financials: Consolidated

(Rs. crore)

For the year ended/ As on*	31-03-2024	31-03-2025	H1FY2026
	Audited	Audited	Audited
Total Operating Income	68.13	339.40	141.18
Total Income	69.07	343.09	152.16
EBITDA	-73.36	37.57	-6.67
PAT	253.90	2.86	-13.95
Total Debt	171.83	284.35	-
Adjusted Tangible Net Worth	-70.90	-19.59	-
EBITDA Margin (%)	-107.68	11.07	-4.72%
PAT Margin (%)	367.60	0.83	-9.17%
Overall Gearing Ratio (x)	-2.42	-14.52	-
Interest Coverage (x)	-2.68	1.25	-0.33

* *Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument / Facilities	Current Rating (Year 2025-26)					Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating			Date(s) & Rating(s) assigned in 2024-25		Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					July 01, 2025	Jun 25, 2025	Dec 04, 2024	Sept 18, 2024	-	-
1	Term Loan	Long Term	115.00 *	IVR BBB- /Negative	IVR BBB- /Stable	IVR BBB- /Stable	IVR BBB- /Stable	IVR BBB- /Stable	-	-
2	Cash Credit	Long Term	70.00	IVR BBB- /Negative	IVR BBB- /Stable	IVR BBB- /Stable	IVR BBB- /Stable	IVR BBB- /Stable	-	-
3	Letter of Credit	Short Term	10.00	IVR A3	IVR A3	IVR A3	IVR A3	-	-	-
4	Bank Guarantee	Short Term	55.00	IVR A3	IVR A3	IVR A3	IVR A3	IVR A3	-	-
5	11.90% Secured Non-Convertible Debentures	Long Term	50.00	IVR BBB- /Negative	IVR BBB- /Stable	-	-	-	-	-

**Outstanding as on March 31, 2025*

Analytical Contacts:

Name: Harshita Gupta Tel: (033)- 46022266 Email: hdidwania@infomerics.com	Name: Avik Podder Tel: (033) 46022266 Email: apodder@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] 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 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.

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Annexure 1: Instrument/Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	July 2031	115.00 *	IVR BBB- /Negative
Cash Credit	-	-	-	-	70.00	IVR BBB- /Negative
Letter of Credit	-	-	-	-	10.00	IVR A3
Bank Guarantee	-	-	-	-	55.00	IVR A3
11.90% Secured Non-Convertible Debentures	INE806C 07015	August 16, 2024	11.90%	November 16, 2026	50.00	IVR BBB- /Negative

**Outstanding as on March 31, 2025*

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads///https%3A/infomericstorage.blob.core.windows.net/uploads/len_TIL_Ltd_nov25_6bb965dabb.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

Name of the Security		Detailed Explanation
Non-Convertible Redeemable Bond	**Financial Covenant**	Below covenants are to be tested on consolidated basis which includes Issuer and its subsidiary companies. The said covenants to be tested on Half yearly basis: - Fund based debt/operating EBITDA <7x (applicable from Q4FY25 to Q2FY26), <5x (applicable from Q3 FY26 to Q4FY26), <4x thereafter. - Debt Service Coverage Ratio >1.25x (To be tested from Q4FY25 onwards) - Issuer to achieve annual revenue of at least INR 325 crores in FY25 and INR 475 crores in FY26 - Issuer shall become profitable from (PAT) from FY25 onwards - Fund based debt < INR 250 crores in FY25, <300 crores in FY26 and FY27 - Current Assets/Current Liabilities >1.2x (to be tested from Q4FY25)
	Non-Financial Covenant	**Shareholding Covenants** **Promoters related Obligations *** - Promoters shall retain the ultimate beneficial ownership and control of the issuer, at all times during the period of issue and that promoters shall not dispose/dilute their shares held in the issuer. Undertaking duly signed by the promoters confirming that promoters will not dispose off/dilute their shares held in the issuer. - Promoters to provide written undertaking to not encumber/dispose off/ dilute its shares such that its shareholding in Gainwell Commosales Private Limited falls below 51%, during the period of the issue. The said undertaking shall be signed by the authorised signatory of Sunil and Meena Family Trust/Stellar Advisory Services Private Limited. **Negative Covenants** **Issuer related obligations** Issuer shall take prior written consent from the Investor/Debenture Trustee for the following:

		a. Issuer shall not without the prior written consent of the Debenture Trustee effect any change in its Memorandum or Articles of Association b. Any change in the Promoter's shareholding of the issuer c. Any change in the Promoter of the issuer d. Issuer shall not, without prior written consent by the Debenture Trustee, provide any financial guarantee or invest in the share capital of other companies. e. Change in nature of business of the company. f. Mergers, acquisitions, investment in associates, JVs and subsidiaries including disposal of any of the above. g. Issuer shall ensure that Promoter Group companies does not encumber more than 14.00% stake (on fully diluted basis) held in the Issuer without the prior written consent of the Debenture Trustee/Debenture Holders. NOC shall not be reasonably withheld. h. Change in constitutional documents except as may be required by Applicable law for increase in authorised share capital, when aggregate stake of key shareholders falls below 30% i. Without the prior written consent of the Debenture Trustee, the Issuer shall not make any material change in its management, cause or permit change in control of the Company, cause of permit acquisition of the ownership of or entitlement to more than twenty-five percent of shares or capital or profits of the company by any natural person(s), whether acting alone or together, or through one or more judicial person; enter into any compromise arrangement with its shareholders or creditors, pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure. j. Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business. For the purpose of the covenant, ordinary course of business shall mean activities which are carried out by the company in line with its Memorandum and Articles of Association and will fulfil all of the following conditions: (i) It is normal for the particular business viz. it is carried out by the company for several years; (ii) it is occurring quite frequently over a period of time; (iii) it is as per customs and practices of its business and of the company; (iv) it involves the usual allocation of resources considering the size and volume of the transaction; (v) it is necessary, normal and/or usual from the perspective of the company and its line of business k. Any change in statutory auditors of the issuer except in case the new auditors appointed are the Big 6 audit firms (namely Deloitte Haskins and Sells, Price water Coopers, KMPG, Ernst & Young, BDO and Grant Thorton) l. Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the company). m. Any compromise or settlement which prejudicially affect the interests of Debenture Holders. Such other negative covenants as listen in the Debenture Trustee Deed and other documents related to the issue.

**Promoter(s) – Mr. Sunil Chaturvedi, Mrs. Meena Chaturvedi, Sunil and Meena Family Trust (including its Trustee company i.e., Stellar Advisory Services Private Limited)*
Promoter(s) Group Companies – TIL Limited, Indocrest Defence Solutions Private Limited, Indocrest Transportation Private Limited

Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of the Entity	Extent of Consolidation
TIL Limited	Full Consolidation
TIL Overseas PTE Limited	Full Consolidation

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.