

T & T Projects Limited

September 19, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	20.00	CARE BBB; Stable	Assigned
Long-term / Short-term bank facilities	20.00	CARE BBB; Stable / CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of T & T Projects Limited (TTPL) factor in experience of promoters and the company's proven track record in executing small-to-mid-sized power and civil construction projects and healthy order book position. Ratings also take note of consistent increase in scale of operations with steady profitability margins attributable to higher execution of orders in hand. Ratings also factor comfortable financial risk profile characterised by improved capital structure and debt protection metrics. However, ratings are constrained by moderate geography and segment concentration risk despite mitigated to an extent through gradual diversification steps taken by the company, working capital intensive operations marked by high gross current assets days, profitability susceptible to volatility in input prices and fragmented nature of industry leading to intense competition.

Going forward, the company's ability to further increase its scale of operations while mitigating geographical concentration risk and managing working capital intensity by reducing gross current asset days will remain crucial from credit perspective.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increasing scale of operations resulting in total operating income (TOI) of over ₹500 crore and sustenance of profitability margins at current levels.
- Improving working capital intensity by reducing gross current asset days below 180 days on a sustained basis.

Negative factors

- Delays in order execution on hand leading to TOI below ₹150 crore on a sustained basis.
- Moderation in gross current asset days beyond 350 days on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CARE Ratings Limited (CareEdge Ratings) opinion that TTPL shall sustain its credit risk profile in the near-to-medium term backed by promoters established track record in execution of civil construction projects, its healthy orderbook position and comfortable financial risk profile.

Detailed description of key rating drivers:

Key strengths

Experienced promoters with a proven track record in executing small to mid-sized power and civil construction projects

TTPL is promoted by the Jalan family group, based in Guwahati. The company was originally established by S. P. Jalan and his family and is now led by the family's second generation. With over 20 years of experience in engineering, procurement, and construction (EPC) across the power and civil infrastructure sectors, promoters have positioned TTPL as a Class I contractor.

Over the years the company has executed turnkey projects including installation of high/low-tension transmission lines and construction of electricity sub stations for government entities including state electricity boards, airports, and railways among others and has maintained good relations with them.

Promoters are ably supported by a team of experienced professionals in project planning, execution and other day-to-day business operations.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Healthy order book position

TTPL has healthy order book amounting to ~₹750 crore as on August 31, 2025 (₹639 crore as on March 31, 2025), which translates to an order book/sales of 3x of TOI for FY25. The order book is slated to be executed in the next 2-4 years, indicating satisfactory revenue visibility in the medium term. TTPL's operations are spread in majorly Assam, Arunachal Pradesh, Manipur, Meghalaya, West Bengal, Tripura and Bihar. Majority orders are from reputed state government electricity bodies/entities including Department of Power, Arunachal Pradesh, Assam Power Distribution Company Limited, South Bihar Power Distribution Company Limited among others.

Consistent increase in scale of operations with stable profitability margins

The company's scale of operations increased from ₹96.47 crore in FY22 to ₹246.85 crore in FY25, witnessing compounded annual growth rate (CAGR) of ~37%. Increase in scale of operations is attributable to higher execution of orders in hand.

Profitability margins marked by profit before interest, lease rentals, depreciation and taxation (PBILDT) margin remained stable and improved by 96 bps from 8.26% in FY22 to 9.22% in FY25, considering lower operating overheads and economies of scale. The profit after taxation (PAT) margin also improved from 4.46% in FY22 to 5.52% in FY25.

Comfortable financial risk profile marked by improved capital structure and debt coverage indicators

TTPL has comfortable capital structure which improved from overall gearing of 0.52x as on March 31, 2022, to 0.45x as on March 31, 2025, backed by net worth base of ₹96.07 crore as on March 31, 2025. The company's reliance on debt is comparatively lower and majority usage pertaining to non-fund-based limits, which are inherent in construction industry.

Debt coverage indicators marked by PBILDT/Interest and total debt to gross cash accruals (TD/GCA) are also comfortable and improved from 4.97x and 7.34x in FY22 to 5.88x and 3.10x in FY25 respectively.

Going forward, the company's financial risk is expected to improve with accretion of profits to reserves.

Key weaknesses**Moderate geography and segment concentration risk**

TTPL's order book is geographically concentrated, with ~70% of projects in Arunachal Pradesh and Manipur. Over 86% orders pertain to electrical infrastructure, such as distribution systems, transmission lines, and substations for state government power utilities, exposing the company to segment concentration risk. To address this, TTPL has begun expanding its geographic footprint by bidding for more projects in Bihar, Jharkhand, and other eastern regions. The company receives repeat orders from reputed state electricity boards leading to moderation of segment concentration risk.

Working capital intensive operations

The company's business operations are working capital intensive due to tender-based and long-term nature of contracts. The company needs to furnish earnest money deposits (EMD) in the bidding process, which leads to funds getting blocked even before the project is awarded. Part of sales proceeds is also withheld in the form of retention money, which necessitates requirement of working capital. A significant amount of working capital is blocked in GST/tax receivable, refund of which is received with a significant lag. Part of working capital is blocked in work in progress inventory. All these factors lead to high gross current assets days of 248 days in FY25 although improved from 444 days in FY22.

Over the years, the collection period of company has improved from 174 days in FY22 to 100 days in FY25. However, the creditor's period has moderated from 122 days in FY22 to 75 days in FY25. Overall working capital cycle improved from 147 days in FY22 to 68 days in FY25. The company has sufficient BG limits of ₹120 crore to provide for release of retention money. TTPL has managed its working capital requirement efficiently through internal accruals and minimal reliance on external debt as indicated by moderate usage of working capital limits.

Going forward, with the envisaged increase in the project execution, gross current asset days are likely to improve in the medium term.

Profitability susceptible to input price volatility

The company procures contracts through direct participating in tender bidding where it faces competition, which create high pressure on its profitability margins. Since majority contracts are electrical contracts, which do not have price escalation clause. Therefore, the contract price is not adjusted for increase/ decrease in the rates and prices of labour, conductors, transformers, and other input materials. Therefore, the company is exposed to input price fluctuation risk. However, to mitigate the risk, the

company usually procures the raw materials (including wires, conductors, transformers, panels) within six months from the date of order received.

Fragmented nature of industry leading to intense competition

TTPL is a mid-sized player operating in intensely competitive construction industry, where contracts are awarded basis relevant experience of the bidder, financial capability and most competitive bid price. Moreover, relatively stable payment track record of projects funded by central and state government bodies, makes these projects lucrative for the contractors. As a result, competition is intense, which places pressure on profit margins. However, thrust of the government on infrastructure development is expected to augur well for construction players such as TTPL in the medium term.

Liquidity: Adequate

TTPL's liquidity position remain adequate with negligible repayment obligations of ~₹0.58-1 crore in FY26-FY28, against which the company is expected to generate sufficient cash accruals. Average utilisation of fund-based and non-fund-based working capital limits remained ~55% and 83% respectively for 12 months ended on March 31, 2025. In FY25, TTPL reported negative cashflow from operations (CFO) of ₹-4.09 crore primarily due to increase in debtors as on March 31, 2025. The current ratio and quick ratio remained at 1.95x and 1.64xx respectively for FY25.

Going forward, TTPL's overall liquidity position is expected to remain comfortable in the medium term in absence of major planned capital expenditure and expected improvement in gross current assets days.

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

[Infrastructure Sector Ratings](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

Incorporated in 2008, TTPL is promoted by Guwahati-based Jalan family group. The company was initially promoted by S P Jalan and his family. Currently, the company is being managed by the second generation of the Jalan family. The company undertakes turnkey projects including installation of high/low-tension transmission lines and construction of electricity sub stations for government entities including state electricity boards, airports, and railways among others.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	5MFY26 (UA)
Total operating income	157.62	246.85	138.00
PBILDT	12.57	22.75	NA
PAT	7.42	13.62	NA
Overall gearing (times)	0.13	0.22	NA
Interest coverage (times)	9.06	5.88	NA

A: Audited; UA: Unaudited; NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	20.00	CARE BBB; Stable
Non-fund-based - LT/ ST-BG/LC		-	-	-	20.00	CARE BBB; Stable / CARE A3+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Non-fund-based - LT/ ST-BG/LC	LT/ST	20.00	CARE BBB; Stable / CARE A3+				
2	Fund-based - LT-Cash Credit	LT	20.00	CARE BBB; Stable				

LT/ST: Long term/Short term, LT: Long term

Annexure-3: Detailed explanation of covenants of rated instrument/facilities- Not applicable

Annexure 4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-BG/LC	Simple

Annexure 5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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