TECHNOCRAFT VENTURES LIMITED

March 30, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term / Short Term Bank Facilities	-	-	Reaffirmed at CARE BB+; Stable / CARE A4+ and Withdrawn
Long Term Bank Facilities	-	-	Reaffirmed at CARE BB+; Stable and Withdrawn

Details of instruments/facilities in Annexure-1

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed and withdrawn the outstanding ratings of 'CARE BB+; Stable/CARE A4+' [Double B Plus; Outlook: Stable/ A Four Plus] assigned to the bank facilities of TECHNOCRAFT VENTURES LIMITED (TVL) with immediate effect. The above action has been taken at the request of TVL and 'No Objection Certificates' received from the banks those have extended the facilities rated by CareEdge Ratings.

The ratings assigned to the bank facilities of TECHNOCRAFT VENTURES LIMITED (TVL) are constrained on account of a geographically concentrated although healthy order book position, average financial risk profile, working capital intensive nature of operations as reflected by elongated operating cycle in FY25 (Audited-refers to the period from April 01 to March 31). The ratings further remained constrained on account of competitive and tender based nature of industry. However, the ratings draw comfort from growing although modest scale of operations, reputed clientele base and established track record of the promoters.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes that the entity shall sustain stable scale of operations along with steady profitability margins on the back of experienced promoters with long track of operations.

Detailed description of the key rating drivers:

Key weaknesses

Geographically concentrated although healthy order book position

TVL has unexecuted order book of Rs. 685.80 crore as of June 30, 2025, representing 2.45x of TOI of FY25 (refers to April 01 to March 31). However, the order book is geographically concentrated with majority of the orders from Uttar Pradesh and Rajasthan. Company's ability to timely execute its orders in hand along with timely receipts of the funds of billed amount will remain a key monitorable.

Average Financial risk profile

TVL's capital structure has improved due to healthy accretion of profits to reserves and stood comfortable, as marked by an overall gearing of 0.91x as on March 31, 2025 (1.22x as on March 31, 2024). Further, due to improved profitability in absolute terms, debt coverage indicators have marginally improved and stood moderate as marked by PBILDT interest coverage of 4.25x in FY25 (3.47x in FY24) and total debt to GCA (TD/GCA) of 3.65 years as on March 31, 2025 (5.60 years as on March 31, 2024).

Working Capital Intensive nature of operations as reflected by elongated operating cycle

Operation of entities in construction sector are working capital intensive in nature due to milestone-based payments, defect liability period, contractual performance terms and project specific challenges. During FY25, working capital cycle of TVL elongated to 189 days (PY: 170 days). The collection period stood on higher side at 102 days (PY: 120 days).

Competitive and tender based nature of industry

Though the demand prospects in water and wastewater treatment market are favourable given Government of India's initiatives like AMRUT and Jal Jeevan Mission and funding support from international agencies for facilitating investment in municipal infrastructure, the company remains exposed to the competitive pressure from other established players. Furthermore, the construction industry is fragmented with large number of small and medium scale players. Absence of price escalation contract in all contracts in hand of company exposes it to raw material fluctuation risk. This along with the tender driven nature of the construction contracts leads to intense competition and can put pressure on the profitability margins of players like TVL.

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

Key strengths
Growing although modest scale of operations
The TOI grew by 23.58% to Rs. 279.56 crore in FY25 as against Rs. 226.22 crore in FY24, primarily driven by better execution of orders. Owing to improved TOI as well as reduced material costs, the PBILDT margin has improved and stood comfortable at 17.98% as against 14.91% in FY24. Consequently, PAT margin has improved and remained at 10.09% in FY25 as against 8.56% in FY24.

Reputed clientele base
TVL has a track record of over two decades in the construction business, and the promoters also have experience of over two decades in the same sector. This coupled with its technical competence and cost competitiveness has enabled the company to build strong relationships with government entities, which has helped TVL obtain orders through tenders and receive payments within the stipulated period.

Established track record of the promoters
The company is promoted by Sanjay Tyagi who is a civil engineer by profession and has more than 2 decades of experience in construction industry. He is supported by his son, Kartikey Tyagi in the overall operations of the company. The company has a team of more than 50 people comprising of Engineers, technicians, management staff and workers deployed across different project locations.

Liquidity: Stretched
The liquidity remained stretched as indicated by elongated working capital cycle of 189 days in FY25 (P.Y.: 171 days) due to elongated inventory period. Further, cash and bank balance remained low at Rs. 1.05 crore as on March 31, 2025. However, the company reported positive cash flow from operations (CFO) of Rs. 21.23 crore during FY25 improved from negative CFO of Rs. 37.23 during FY24. Further, TVL has sufficient GCA cushion to meet its debt repayment obligations.

Assumptions/Covenants: Not Applicable

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

Applicable criteria
Policy on Withdrawal of Ratings
CARE Ratings' Policy on Default Recognition
Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings
Financial Ratios – Non-Financial Sector
CARE Ratings' Criteria on Rating of Short Term Instruments
Rating Methodology -Construction Sector
Liquidity Analysis of Non-Financial Sector Entities

About the company

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

Technocraft Construction Pvt Ltd (TCPL), founded by Sanjay Tyagi, was established in October 1998. On June 11, 2024, TCPL transitioned into a public company and was renamed Technocraft Ventures Limited (TVL). TVL specializes in constructing roads, sewer systems, highways, power sector projects, and other civil infrastructure works. TVL's primary focus is on road construction and civil activities for government organizations, mainly in Uttar Pradesh. The company holds a "Class 1" Government contractor registration with several authorities, including the Ghaziabad Development Authority, U.P. P.W.D. Lucknow, Uttaranchal P.W.D., Haridwar P.W.D., Haryana P.W.D., Nagar Nigam Ghaziabad, U.P. Jal Nigam, and U.P. Power Corporation Limited.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	11MFY26 (Prov.)
Total operating income	226.22	279.56	267.82
PBILDT*	33.72	50.26	-
PAT	19.37	28.20	-
Overall gearing (times)	1.22	0.91	-
Interest coverage (times)	4.24	4.25	-

A: Audited UA: Unaudited; Note: 'these are latest available financial results'
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Brickwork has continued the ratings assigned to the bank facilities of TVL into 'Issuer not-cooperating' category vide press release dated December 26, 2025 on account of non-availability of requisite information from the company.

Any other information: Not applicable

Rating history for last three years: Annexure-2

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-Working Capital Limits		-	-	-	0.00	Withdrawn
Non-fund-based - LT/ ST-BG/LC		-	-	-	0.00	Withdrawn

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	Fund-based - LT-Working Capital Limits	LT	-	-	1)CARE BB+; Stable (30-Mar-26)	1)CARE BB+; Stable (31-Mar-25)	1)CARE BB+; Stable (01-Feb-24)	-
2	Non-fund-based - LT/ ST-BG/LC	LT/ST	-	-	1)CARE BB+; Stable / CARE A4+ (30-Mar-26)	1)CARE BB+; Stable / CARE A4+ (31-Mar-25)	1)CARE BB+; Stable / CARE A4+ (01-Feb-24)	-

LT: Long term; LT/ST: Long term/Short term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Working Capital Limits	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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About us:

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