

Teemage Builders Private Limited

April 02, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	105.00 (Reduced from 120.00)	CARE BBB; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The rating assigned to bank facilities of Teemage Builders Private Limited (TBPL) continues to derive strength from vast experience of the promoter in the construction sector, comfortable capital structure and debt coverage indicators, technological intensiveness of manufacturing facilities and a reputed clientele with end-to-end construction solutions. However, the rating is constrained by cyclical construction industry, geographical concentration risk and limited orderbook visibility.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations above ₹550 crore.
- Improvement in total debt to gross cash accruals (TD/GCA) below 2.50x.

Negative factors

- Deterioration in overall gearing above 1.50x.
- Major delays in executing bigger projects, impacting the liquidity position.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects that CARE Ratings Limited (CareEdge Ratings) expects TBPL to sustain its operational performance deriving benefit from the vast experience of promoter and being part of the larger 'Chennai Silks' group.

Detailed description of key rating drivers:

Key Strengths

Established promoter group and vast promoter experience in construction industry

TBPL was established by NK Nandhagopal, who belongs to the Chennai Silks family. He was the Executive Director – Projects of The Chennai Silks Group before it was demerged in April 2010. NK Nandhagopal has over three decades of experience in the construction industry and headed construction activities for The Chennai Silks Group.

Design and technological intensiveness of the manufacturing facility

TBPL has four manufacturing facilities at Kangeyam, Kancheepuram, and Tuticorin in Tamil Nadu and Nalgonda in Telangana. The facility at Kangeyam spans ~22 acres, with 100,000 sq ft of factory's built-up area. These facilities are well-connected by roads for easy transit and supply of precast materials and access to suppliers. Units are equipped with state-of-the-art machinery imported from Germany, such as batching mixing plant with planetary mixers from Wiggert and Co, Germany, and automated machines and systems, automatic concrete shuttles, concrete spreaders, surface smoothing machines, vertical casting machines, and tilting tables. Quality of units and production is periodically tested by IIT-Chennai and faculty of Anna University, Chennai. Superintending engineers from the Central Public Works Department (CPWD) and state Public Works Department (PWD) inspect manufactured goods at the factory monthly.

Growth in scale of operations; however limited orderbook visibility

The company's total operating income (TOI) improved to ₹424.58 crore (PY: ₹343.75 crore) considering higher order execution. However, the company's order book position moderated to ₹250.93 crore (0.59x of FY25 TOI) as on December

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

31, 2025, against an order book position of ₹325.56 crore (0.95x of FY24 TOI), limiting the company's revenue visibility. The profit before interest, lease rentals, depreciation and taxation (PBILDT) margin moderated to 8.83% in FY25 (PY: 10.11%) due to a higher proportion of finishing construction work. In 9MY26, TOI reached ₹212.80 crore and PBILDT margins improved to 11%, returning to previous levels.

The management expects to win high-value contracts going forward, owing to its execution capability and limited number of players in the precast market; however, this remains a key monitorable.

Wide product portfolio and reputed clientele

TBPL provides precast construction materials such as hollow-core slabs, pre-stressed beams, columns, wall panels, stairs, and scaffoldings with measures and scales based on customer preference. The company provides total construction solutions in design, production, transportation, and erection, using in-house teams and equipment. The company has a long-standing relationship with supplier base, including prominent names such as JSW Cement and Dalmia Cement. The order book comprises reputed clientele such as Airports Authority of India (AAI), Indian Institute of Technology (IIT), among others. The company has previously implemented projects for TVS Motors, Central Public Works Department (CPWD) and Central Reserve Police Force (CRPF).

Comfortable capital structure and debt coverage indicators

TBPL's capital structure improved with the overall gearing ratio of 0.54x as on March 31, 2025 (PY: 0.63x) owing to reduction in term loan to ₹21.48 crore (PY: ₹32.72 crore) as on March 31, 2025. Whereas net worth stood at ₹155.90 crore as on March 31, 2025, including subordination of a promoter loan amounting to ₹39.96 crore for the same period. Interest coverage ratio also improved to 4.89x as on March 31, 2025 (PY: 4.08x), and TD/GCA at 3.16x for the same period.

Key weaknesses

Geographically concentrated orderbook position

As on December 2025, ~89% of TBPL's total unexecuted orders are from Tamil Nadu and Andhra Pradesh, which makes the company vulnerable to socio-economic risks in the region. Previously, a significant portion of the company's revenue was concentrated in Tamil Nadu, however, in the last two years, the company expanded its operations outside Tamil Nadu. The company partnered with Takenaka Corporation, a renowned precast construction firm from Japan, to execute projects in northern states.

Intensely competitive civil construction industry

TBPL receives work orders from private companies, government and quasi-government departments/companies. These orders are tender-based, and revenues depend on the company's ability to bid successfully for these tenders. Numerous fragmented and unorganised players operate in the industry, which leads to intense competition in the civil construction space.

Liquidity: Adequate

Liquidity stood adequate marked by cash accruals of ₹25.01 crore against the ₹5.50 crore repayment obligations in FY26. The company pre-paid some term loans in FY26, and as on December 31, 2025, these stood at ₹6.53 crore. The cash balance on March 31, 2025, stood at ₹9.80 crore, which includes lien marked deposits of ₹8.49 crore. Average fund-based utilisation for 12 months ending December 2025, stood at ~90% and average non-fund-based utilisation stood at ~68%. The company provides a credit period of 15-30 days and gets a credit period of 60 days from suppliers. Operating cycle improved to 72 days in FY25 compared to 98 days in FY24 owing to improvement in collection period to 69 days in FY25 (PY: 80 days).

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](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

Established by NK Nandhagopal, who previously led the projects division of the former Chennai Silks group before its demerger in April 2010, TBPL specialises in manufacturing and sale of precast materials. The company provides comprehensive construction solutions, including design, production, transportation, and erection. TBPL operates four state-of-the-art manufacturing facilities equipped with advanced technology and imported machinery.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	December 31, 2025 (UA)
Total operating income	343.75	424.58	212.80
PBILDT*	34.76	37.50	23.53
Profit after tax (PAT)	10.42	12.47	-
Overall gearing (x)	0.68	0.54	-
Interest coverage (x)	4.08	4.89	6.19

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: 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		-	-	-	55.00	CARE BBB; Stable
Non-fund-based - LT-Bank Guarantee		-	-	-	50.00	CARE BBB; Stable

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-Term Loan	LT	-	-	1)Withdrawn (07-Apr-25)	1)CARE BBB; Stable (05-Apr-24)	-	1)CARE BBB-; Stable (29-Mar-23)
2	Fund-based - LT-Cash Credit	LT	55.00	CARE BBB; Stable	1)CARE BBB; Stable (07-Apr-25)	1)CARE BBB; Stable (05-Apr-24)	-	1)CARE BBB-; Stable (29-Mar-23)
3	Non-fund-based - LT-Bank Guarantee	LT	50.00	CARE BBB; Stable	1)CARE BBB; Stable (07-Apr-25)	1)CARE BBB; Stable (05-Apr-24)	-	1)CARE BBB-; Stable (29-Mar-23)

LT: Long 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-Cash Credit	Simple
2	Non-fund-based - LT-Bank Guarantee	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.

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