

**Tebma Shipyards Limited**  
 September 22, 2020

**Ratings**

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short -term Bank Facilities	-		Withdrawn

*Details in Annexure-1*

**Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers**

CARE has withdrawn the outstanding ratings of 'CARE D; ISSUER NOT COOPERATING (Single D; ISSUER NOT COOPERATING)' assigned to the bank facilities of Tebma Shipyards Limited (TSL) with immediate effect. The above action has been taken following the National Company Law Tribunal's (NCLT) approval on March 04, 2020 for the Resolution Plan submitted by resolution applicant with respect to TSL under the Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016.

**Analytical approach:** Not Applicable

**Applicable Criteria**

[Policy on Withdrawal of ratings](#)

**About the Company**

TSL, incorporated on July 9, 1984, as Tebma Engineering Private Limited, was converted into a public limited company in 1998. TSL is into ship building and over the years, TSL has upgraded itself to build tugs, dredgers and sophisticated off shore support vessels. In FY11 (refers to the period April 01 to March 31), Bharati Shipyard Limited (BSL) through its wholly-owned subsidiary acquired 53.78% equity stake in TSL. During FY08-FY10, TSL incurred significant losses due to global slowdown in the shipping industry and approached the CDR cell for re-structuring of debt. The CDR package was implemented in March 2011. The corporate insolvency resolution process of TSL was initiated and Resolution Professional (RP) was appointed by the NCLT vide its order dated September 25, 2018. Expression of Interest (EOI) was invited by RP and committee of creditors has approved the resolution plan submitted by the resolution applicant. Subsequently, NCLT vide its order dated March 04, 2020 has approved the resolution plan.

**Status of non-cooperation with previous CRA:** *Not applicable*

**Any other information:** *Not applicable*

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC	-	-	-	0.00	Withdrawn

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

## Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (12-Aug-19)	-	1)CARE D; ISSUER NOT COOPERATING* (28-Mar-18) 2)CARE D (24-Apr-17)
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (12-Aug-19)	-	1)CARE D; ISSUER NOT COOPERATING* (28-Mar-18) 2)CARE D (24-Apr-17)
3.	Non-fund-based - ST-BG/LC	ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (12-Aug-19)	-	1)CARE D; ISSUER NOT COOPERATING* (28-Mar-18) 2)CARE D (24-Apr-17)

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

## Annexure 4: Complexity level of various instruments rated for this Company

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

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

### Disclaimer

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