Rating Rationale
Tropical Paradise Co. Ltd. ("TPCL")

Ratings

Instrument	Amount (MUR Million)	Rating	Rating Action
Term Loan I	500	CARE MAU A; Under Credit Watch with Negative Implications [Single A; Under Credit Watch with Negative Implications]	Downgraded from CARE MAU A+; and continues under Credit Watch with Negative Implications
Term Loan II	3	CARE MAU A; Under Credit Watch with Negative Implications [Single A; Under Credit Watch with Negative Implications]	Downgraded from CARE MAU A+; and continues under Credit Watch with Negative Implications

Rating Rationale

The rating assigned to the term loans of Mur 503 Million of Tropical Paradise Co. Ltd. ("TPCL") was downgraded from CARE MAU A+ to CARE MAU A and continues under Credit watch with negative implications in relation to the outbreak of Covid-19 pandemic. Following the Curfew Order in force on the 23rd March 2020, TPCL closed Labourdonnais Waterfront Hotel (LWH) on the same date. Le Suffren Hotel & Marina (LSH) was subsequently closed on the 25th March 2020 while the Hennessy Park Hotel (HPH) was operational.

For the time being, only LWH remains closed in terms of accommodation. Given the current uncertainty surrounding the full lifting of air travel restrictions in Mauritius and business travellers' arrivals post resumption of air traffic, CRAF is not in a position to assess the actual date of resumption of rooms operations in LWH and occupancy in the other 2 hotels. Hence, CRAF will keep monitoring the situation and will review the ratings by May 2021.

CRAF, based on discussion with TPCL management, understands that TPCL has adequate liquidity to meet its short-term scheduled debt servicing obligations and other fixed expenses. CRAF has also considered TPCL's management decision to reopen the Restaurants, Bars and Conference facilities of all the properties following withdrawal of the lockdown. Revenue generated locally post confinement from food and beverage operations is stable. This combined with the Government Wage Assistance Scheme is encouraging and more and less adequate to cover the company's operating expenses and management is expecting a similar trend for the coming months.

The rating derives strength from its experienced and resourceful promoters - Eclosia group holding 53.38% of TPCL (Eclosia Group through Indigo Hotels & Resorts Ltd. holds 48.88% of TPCL and through Management and Development Co Limited holds 4.50% of TPCL) having long track record of operations and strong financial position, strong presence of TPCL in the business hotel sector of Mauritius, popularity of the 4 hotels (Labourdonnais Waterfront Hotel, Le Suffren Hotel & Marina, Hennessy Park Hotel and The Address Boutique Hotel) among the business travellers due their favourable locations, commercial agreements with airlines and corporates, satisfactory average room revenue (ARR) and occupancy rate for last three years up to March 2020, diversified source of revenue with significant contribution from Food & Beverage (F&B) segment, agreements with leading Online Travel Agents (OTAs) and satisfactory financials & debt coverage indicators.

The rating strengths are, however, tempered by cyclical nature of the hotel industry as demand for hotel rooms varies with economic cycles and regular capital expenditure in the industry, market & political risks associated with the operations as well as event risk (natural disasters), competition from upcoming Hotel Projects in Ebene and budget hotels and accommodation available through websites (like Airbnb, Oyo etc.) and sensitivity of the Mauritian hotel industry to air access, more so in post COVID-19 era.

The uncertainty surrounding lifting of air and sea travel restrictions in Mauritius and ability to attract tourist and business travellers post opening of international borders, improvement in occupancy rate and maintaining current ARR are the key rating sensitivities. The rating is also sensitive to any new debt funded expansion or acquisition and expected competition for Hennessy Park Hotel due to upcoming hotel projects in vicinity in next 5 years.

Impact of COVID -19 on the liquidity of TPCL

Since March 20, 2020, Government of Mauritius has restricted the country's air and sea access and has imposed a national lockdown till June 1, 2020 to limit spreading of the novel Coronavirus. As a result, most hotels suspended their operations for an indeterminate period (until air and sea access restrictions are lifted) to cut down variable costs. As mentioned earlier, Labourdonnais Waterfront Hotel accommodation is still closed while all the other hotels are open.

TPCL's management has indicated CRAF that they expect to resume the rooms operations of Labourdonnais Waterfront Hotel as soon as Mauritius reopen its borders, while the Food & beverage section of all the hotels are fully operational. Depending on the sanitary measures that will be potentially required to support the return to business in the hospitality and restaurant industry, combined with the lifting of air and sea travel ban, CRAF is not in position to assess the actual date of resumption of room operations for Labourdonnais Waterfront Hotel and occupancy in the other 2 hotels.

TPCL borrowed funds amounting to Mur 503 Million from MCB Bank in December 2019 and utilized same for repayment of existing loan of MUR 335 Million from MCB, refurbishment of Le Suffren Hotel & Marina and the land acquisition of Labourdonnais Waterfront Hotel Hotel from Caudan Development Ltd.

During discussion, TPCL's management stated that the company has unutilized overdraft facility of Mur 130 million (total overdraft facility – Mur 210 million), to take care of its fixed expenses and interest payments.

In October 2020, MCB granted a second moratorium to TPCL for interest and principal repayment. The interest payment is now due in May 2021 and principal repayment is due in February 2022.

TPCL's management has informed CRAF that MCB has sanctioned a banking facility of MUR 210 million (@1.5% p.a.) under the 'Bank of Mauritius Covid-19 Support Programme', in order to tide over any unforeseen liquidity shortfall (due to delay in pickup of occupancy) or in case of another lockdown. This facility is available in one or more drawdowns (each drawdown being a loan) and at the time of writing, TPCL has availed MUR 65 Million and have a balance of MUR 145 Million unutilised. Any further disbursement will be done as and when required.

BACKGROUND

Tropical Paradise Co. Ltd. ("TPCL") was incorporated in 1994 by Eclosia Group, to develop and operate business and city hotels in business districts of Mauritius. Eclosia through its subsidiary companies Indigo Hotels & Resorts Ltd. (48.88%) and Management and Development Co Limited (4.50%) holds controlling stake in TPCL. The other shareholders are Swan Life Ltd. (11.76%), ENL Limited (13.37%), Promotion and Development Ltd. (12.00%) and others (14.01%). TPCL is listed in the Stock Exchange of Mauritius.

TPCL currently owns and manages 4 properties in Mauritius. The journey started with setting up of a 5-star business property - Labourdonnais Waterfront Hotel in 1996, at Caudan Waterfront, Port Louis, which is the main business district of Mauritius. Following the success of the first hotel, TPCL opened the second hotel in 2004, the 4-star Le Suffren Hotel & Marina on the prime waterfront location at Caudan, Port Louis.

In 2011, TPCL acquired and re-branded Hennessy Park Hotel (previously known as The Link Hotel), a 4-star business hotel in the hub of Ebene Cyber City, through its 100% subsidiary Triamad Co. Ltd, which was later amalgamated with and into TPCL on 1st July 2018.

In 2012, TPCL opened Le Suffren Apart'hotel, Mauritius's first executive apartments designed for the business travellers on a longer stay. TPCL also develop I Spa Fitness and Wellness Club in its various hotels, to become a unique "under one roof" beauty, wellness, and fitness centre for guests.

In 2013, TPCL entered a Management Contract with Hotel Chambly Ltd ("HCL") to manage The Address Boutique Hotel situated in the residential village of Port Chambly. The property underwent a major refurbishment and was launched as a 4-star boutique hotel. Till December 2017, HCL was managed by TPCL. In January 2018, TPCL acquired 100% stake in HCL from Clifton Holdings Ltd. In February 2018, HCL acquired the business assets of Les Villas Chamblynes, a property rental business that also provide housekeeping and maintenance services to a group of homeowners of villas and apartments within Port Chambly.

As on December 2020, TPCL has 367 rooms in Mauritius. For last 4-5 years, TPCL has undergone various developments & renovations with latest being at Le Suffren Hotel & Marina in July to September 2019, when the hotel was closed for 3 months. Since inception, TPCL has positioned itself as one of the leading business hotel chain of Mauritius. The properties of TPCL are extremely popular among business travellers, given their location, amenities provided and attractive price range.

TPCL is a professionally managed company governed by a Board of 11 directors, comprising of one Executive Director and ten Non-executive Directors. TPCL has a team of experienced professionals who successfully have maneuverer through the entire hospitality cycle.

The day-to-day operations of the company are looked after by Mr. Rolph Schmid, the Managing Director, and assisted by a team of experienced professionals. He joined TPCL in 2004 and was initially appointed as the General Manager of Labourdonnais Waterfront Hotel and Le Suffren Hotel & Marina. He assumes the responsibilities of all operational functions and has dual reporting with the Chief Executive Officer of Eclosia Group and the Board of Director. The finance and accounting department is headed by Mr. David Christine. He joined Eclosia Group in 2004 and was appointed as Group Finance Manager of TPCL in 2016. They are assisted by a team of experienced professionals.

CREDIT RISK ASSESSMENT

Experienced and resourceful promoters with long track record of operations

TPCL is a subsidiary of Indigo Hotels & Resorts Ltd. (holds 48.88% of TPCL), a subsidiary of Eclosia Group. The founder of Eclosia Group, Michel De Speville, have been engaged in hotel industry of Mauritius since 1994, through TPCL, under the brand name of Indigo Hotels. Incorporated in 1966, Eclosia Group evolved in a few decades from a start-up into a diversified and robust group in the Mauritian economic landscape. The company's activities are in six sectors: Food, Commerce, Logistics, Business Services, Education, and Hotels & Leisure. In 1990's, the group expanded its operations in Africa and in the Indian Ocean region, mostly in Madagascar. With more than twenty companies under its wings, the group employs over 4,000 people. Eclosia is in the Top 5 of the biggest Mauritian groups. Eclosia group has satisfactory financial position and liquidity.

The other major shareholders of TPCL are Swan Life Ltd., ENL Limited, Promotion and Development Ltd. Swan Life Ltd, incorporated in 1951, is one of the leading players in the life insurance business in Mauritius with 24% market share in Life Insurance business of Mauritius (No. 2 player in Life Insurance market of Mauritius). On the criteria of Gross Written Premium, Swan life dominate the segment with 35% market share.

ENL Limited [CARE MUA A; (Stable)] incorporated in 1985, is one of the large conglomerates in Mauritius, developing and managing a portfolio of more than 100 operating companies engaged in diverse industries from agriculture, land, real estate, hospitality, logistics, fintech, commerce and manufacturing. Agriculture, land, and property are the major business segments of ENL.

Incorporated in 1984, Promotion and Development Ltd ("PAD") is an investment company that specializes primarily in owning real estate assets. It holds the majority stake in Caudan Development Limited (70.6%) and as the manager of that company, the company is closely involved with the Caudan Waterfront project.

Strong presence of TPCL in the business hotel sector of Mauritius with popularity of the 3 hotels among the business travellers

In last 25 years of operations, TPCL has established itself as the leader in the business and city hotel categories in Mauritius. Labourdonnais Waterfront Hotel (5* property), Le Suffren Hotel & Marina (4* property) and Le Suffren Apart' Hotel are strategically located at Caudan waterfront Port Louis, which is the primary business district of Mauritius hosting the Parliament & Embassy's, offices of most of the Banks, Insurance companies, Economic Development Board, Central Bank and Supreme Court. All these are within close vicinity from the hotel. Most of the international business travellers prefer to stay in these 2 hotels for easy access to Port Louis. These are the 2 most popular and renowned business hotels in Port Louis with no major competition in 5-4 star category.

Hennessy Park Hotel (4* property) is located at Ebene, a developing commercial technological hub. The offices of most of the audit houses, corporates, financial companies, telecom companies, IT companies, GBC companies, banks and management schools are in Cyber City Ebene. Vivéa Business Park, another upcoming business district of Mauritius, is also located within 2 km from Hennessy Park Hotel. Currently, Hennessy Park Hotel is the only 4* category hotel in Ebene. However, over the next 3-5 years, around 2-3 hotels properties are expected to be operational with total of around 300-350 room keys in aggregate.

The Address Boutique Hotel is located at Port Chambly in Baie du Tombeau, near the Jingfei project, an industrial area developed by the Chinese. With total of 450 employees and 500,000 visitors every year, TPCL is one of the leading business and city hotel chain in Mauritius. TPCL has medium to long term agreements with Airlines and Corporates.

Moderate Financial performance

FY20, which started with a growth in business and good performance of all the hotels till 9MFY20, was clouded by the unprecedented situation deriving from COVID-19. The COVID-19 impact started in February 2020 with significant booking cancellations in addition to all the bookings that did not materialize due to the pandemic. Total revenue declined by 27% in FY20 over FY19, due to the impact of global lockdown because of the pandemic. Similarly, both EBITDA and PAT level also witnessed significant decline in FY20 over FY19.

Performance of Labourdonnais Waterfront, Hennessy Park Hotel and Le Suffren Hotel & Marina impacted by COVID-19, post March 2020

Labourdonnais Waterfront Hotel ("LWH") is one of the leading 5* hotel in Mauritius. It is strategically located in the heart of Mauritius capital city, on the waterfront of Port Louis. Just 45 minutes from the airport, the Labourdonnais' proximity to shops, restaurants, market, Champs de Mars, the Caudan Waterfront complex, museums and business area. The hotel has a mix of classic room, deluxe room, executive club room, junior suite, luxury suite, and penthouse and prestige suite. The hotel offers a blend of Asian fusion of Thai, Vietnamese, Chinese and Japanese signature dishes in Yuzu restaurant, one of the popular restaurants in Mauritius. This hotel also provides banqueting and conference facilities, fitness & wellness club and sunset cruise.

LWH reopened the hotel on June 5, 2020 with only restaurants, bars, and conference facilities being operational. LWH is currently closed for accommodation.

Le Suffren Hotel & Marina a 4*star hotel is located at Port Louis (5 minutes' drive from Labourdonnais Waterfront Hotel). The hotel has a mix of classic rooms, superior rooms, junior suites and apart hotel. Guest can enjoy Sushi, seafood, Mauritian and international cuisine in its restaurants and 2 bars. The hotel offers a wide variety of events and leisure facilities. The hotel is also popular with crews & guests of the cruises stopping at Port Louis. The hotel derives around 30-35% of its revenue from F&B, arising out of quality food served by the hotel.

The hotel was reopened on June 4, 2020 for accommodation, food & beverages, and other services.

Hennessy Park Hotel ("HPH") was acquired by TPCL in 2011 and in between 2011-2017, they successfully turned around the operation and financial performance of the Hotel and the property established itself as a popular business hotel in Ebene. Post profitable performance of HPH for few consecutive years, in July 2018, management of TPCL merged Triamad with and into TPCL.

HPH is one of the leading 4-star business hotel. It is conveniently located where more than 300 companies operate in the hi-tech business park of Ebene Cyber city. It is just 15 minutes away from the capital city of Port Louis and 35 minutes from the international airport. The hotel has a mix of classic room and junior suite. With 2 restaurants and 2 bars HPH offers a choice of contemporary and eclectic restaurants serving up diverse cuisines from local favourites to Japanese flavours. The hotel has a lounge bar called Backstage, a popular venue for entertaining any time of the day. The hotel also provides banqueting and conference facilities, wellness, and spa centre and outside catering services.

The hotel completed its refurbishment program in 2017, thus getting the benefit in FY 2019 and 9MFY20.

The major contribution to revenue in HPH is from the F&B section. The hotel derives around 50% of its revenue from F&B on account of higher sale of food and beverages, arising out of quality food served by the hotel and its convenient location. Backstage lounge is a platform for local artists, promoting fashion and art shows, doing stand-up comedy and live concerts, thus, attracting a lot of people. Happy hour on Friday is very popular amongst the locals.

The hotel was operational during the lockdown for food & beverages services. The hotel is now open for accommodation, food & beverages, and other services.

The Address Boutique Hotel was built by Clifton group in 2007. The village comprises of 240 individual villas, 30 villas RES, and a 42-room hotel with 12 suites. The Hotel, since inception was incurring losses and was unable to make timely repayment of debts. In April 2013, the hotel property and the operations of the hotel were separated from the residential villas and put under Hotel Chambly Limited ("HCL").

In FY13-14, TPCL took over the management and the operations of the hotel. The hotel was renovated and refurbished in 2013 and was relaunched as a 4-star hotel as The Address Boutique Hotel ("The Address"). Under the management of TPCL, the performance has improved steadily.

The major contribution to revenue in The Address is from the F&B section. The attractive location (viewing the sea) of the hotel attracts lot of corporates, individual to conduct their meetings, conferences and celebrations making an increase in F&B revenue and contributing in overall revenue increase. While there was improvement in EBIDTA, the hotel was still incurring losses.

In January 2018, the financing structure of HCL was reviewed with TPCL taking over the hotel. Accordingly, TPCL acquired 100% stake in HCL in January 2018. The Non-Current Assets were impaired, and the existing debt was written off. The restructuration comprises of TPCL injecting Mur 40 million as equity, subscription by MCB of convertible bonds of Mur 28 million and subscription by MCB of non-convertible bonds of Mur 70 million.

The main activity of HCL is to own and operate The Address Boutique Hotel and to manage rental, provide housekeeping and maintenance services through Les Villas Chamblynes to a group of homeowners of villas and apartments located within the village.

The Address is 45km from the airport and is centrally located just 10 minutes from the capital, Port Louis, and 15 minutes from the beaches and attractions of the north of the island. The Address has a mix of classic rooms, superior rooms, and junior suites. The hotel offers Japanese and Mediterranean food in its 2 restaurants and bar. This hotel also provides banqueting facilities, wedding and corporate events, wellness and spa and other leisure facilities.

In FY2020, HCL's revenue decreased by 15% (increased by 6% in FY19) over FY19 due to the impact of global lockdown because of the pandemic. While the hotel is breaking even at EBIDTA level it is incurring losses at bottom line and GCA level.

Agreements with leading Online Travel Agents (OTAs)

TPCL has marketing and selling arrangement with various online travel agents namely, Booking.com, Expedia, TripAdvisor instant booking, Infinite hotels, Goibibo, Orbitz, Late rooms, Odigeo connect, Infinite hotel etc.

The company has a well operated internal sales and marketing team, headed by the sales and revenue manager, banquet manager and reservation manager. The team reports directly to Mrs. Stéphanie Fischhoff, Group Sales and Marketing Manager.

Financials and debt coverage indicators impacted by COVID-19

Pre COVID-19 crisis, Room revenue and F&B revenue contributes almost equally to the revenue of TPCL, followed by income from other sources. Revenue has increased steadily over last 3 primarily due to merger of Hennessy Park Hotel with and into TPCL.

Total revenue declined by 27% in FY20 over FY19, due to the impact of global lockdown because of the pandemic. Similarly, both EBITDA and PAT level also witnessed significant decline in FY20 over FY19. Gearing was comfortable at 0.60 as on June 30, 2020 (0.40 as on June 30, 2019). As on June 30, 2019, TPCL had a long-term debt of Mur 546 million, primarily used for renovation of the existing hotels.

Environmental risk

The properties of Labourdonnais Waterfront Hotel and Le Suffren Hotel & Marina are located on the seafront, making it be potentially vulnerable to changing climatic conditions, namely through sea level rise, amongst others. As reported in Special Investing Report of Mauritius by Financial Times, Sea levels in Mauritius are increasing at an average rate of 5.6 mm a year and represents a particular danger to the hotels located near the seafront. This in turn may affect the tourism sector of the country.

Foreign exchange risk

As per the management, TPCL receives approximately 15% of its revenue in Euro, exposing its profits to adverse MUR/EUR movements. The company uses around 30% of its Euro receipts in paying of its Euro expenses. The Euro balance amount is utilized by the group treasury to meet group's commitment, thus mitigating foreign currency fluctuation risk.

Hotel Industry in Mauritius

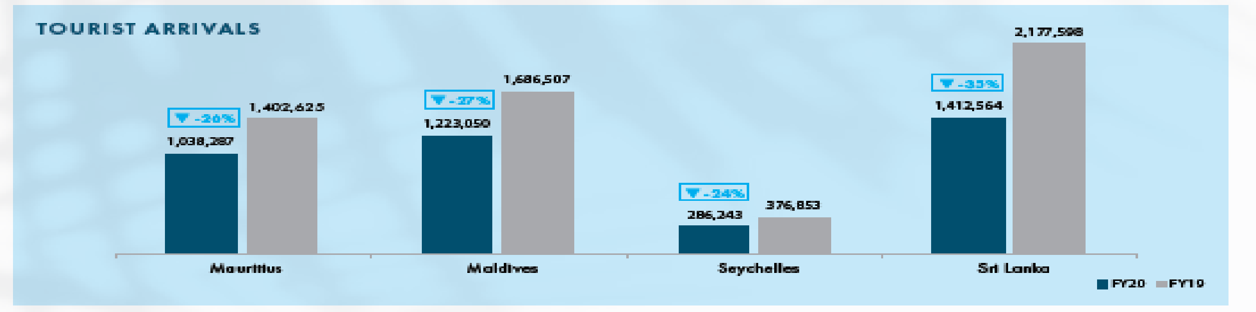
Hotel Industry: Tourism which is considered the third pillar of the economy of Mauritius after the E.P.Z. manufacturing sector and Agriculture, contributes significantly to economic growth and has been a key factor in the overall development of Mauritius. In the past two decades tourist arrivals increased at an average annual rate of 9% with a corresponding increase of about 21% in tourism receipts. Since March 20, 2020, Government of Mauritius has restricted the country's air and sea access and has imposed a curfew-like lockdown till June 1, 2020 to limit spreading of the novel Coronavirus. As a result, hotels have suspended their operations for an indeterminate period (until air access restrictions are lifted) to cut down variable costs because air and sea travel restrictions meant that there would be no tourist arrival and hence minimal revenue to the hotels until normal air access is restored.

The tourism sector has undergone a significant hit from the covid-19 pandemic through the interplay between several factors, namely, ramifications of containment measures deployed locally and internationally, restrictions on international travel, deteriorating health of the airline industry and decline in disposable income in European markets in the wake of pay cuts and/or job losses. Given the high degree of dependency of the Mauritian Hotel sector on the European tourist arrivals & European economy, Mauritian Hotel &

Hospitality sector has been significantly affected in 2020. The scenario is expected to last until H1FY21 or beyond. As the situation persists, the value of the hotel properties is being impacted with a spill over effect on the loan-to-value (LTV) covenants imposed by banks. Overall occupancy and average daily room rate (ADR) were also low since re-opening of the hotels.

Government of Mauritius introduced several measures to support economic operators across all sectors impacted by COVID-19. An amount of MUR 9 Billion has been earmarked to provide financial support at macroeconomic and cross sector level including tourism sector. A special relief fund of Mur 5 Billion was provided from 23 March 2020 to 31 July 2020 to economic operators at a discounted interest rate of 1.5% with 9 months moratorium on capital and interest repayment. A special Wage assistance scheme was provided by the government of Mauritius, whereby Government provided a wage subsidy to Employers, to ensure that all employees are duly paid their salary. While the Government is providing financing facilities to the hotel operators to ease their cash flow, it is yet to be determined whether the cash available should be applied toward payment of employees' salaries and maintaining employment thus avoiding a social crisis or on prompt settlement of the dues to the lenders.

The hotel industry of Mauritius is expected to post losses till full-fledged re-opening of borders by the Govt and inflow of tourists from Europe and other countries. For 12 months ended June 30, 2020, there was an overall decrease of 26% in tourist arrivals in the island. Mauritius and the competing neighbouring countries witnessed a drop of 24% to 35% for the 12 months ended 30th June 2020.



As compared to June 2019, there was 53.1% drop in tourist arrivals for the same period that is June 2020. Visitor arrivals in Mauritius for October 2020 were 1,149 and 1,177 for November 2020.

Prospects

TPCL's prospects depend upon ability to maintain the pre Covid-19 ARR and occupancy rate of its hotels post opening of the international borders and restoring the pre-covid business performance for the hotels. The rating is sensitive to any new debt funded acquisition & renovations and any new business hotel constructed in the nearby vicinity of the existing properties. The negative impact of the outbreak of the Covid-19 and uncertainty about its prolonged impact on the global tourism sector and the hotel sector of Mauritius is a key sensitive factor in near future.

Financial Performance - Tropical Paradise Co. Ltd (Standalone) **Mur Million**

For the year ended as on	Jun-18	Jun-19	Jun-20
		Audited	
Revenue	497.5	792.4	576.0
EBIDTA	100.5	162.1	29.5
Depreciation	31.8	64.3	68.8
Interest	19.5	25.5	32.2
PBT	49.2	58.9	(71.4)
PAT	42.0	47.9	(60.0)
Gross Cash Accruals (GCA)	81.0	123.2	(2.6)
Financial Position			
Equity share capital	1153.1	1153.1	1115.6
Tangible net worth	1208.2	1204.7	1162.1
Total debt	358.8	478.7	699.5
- Long term debt	228.6	299.3	546.3
- Short term debt	130.2	179.4	153.2
Cash & Bank balances	1.5	9.7	9.9
Key Ratios			
Profitability (%)			
EBIDTA / Total income	19.49	20.39	(2.44)
PAT / Total income	8.14	7.46	(10.03)
ROCE- operating (%)	4.00	5.69	(1.94)
RONW (%)	3.48	4.92	(5.20)
Solvency			
Long Term			
Long-term debt equity ratio	0.19	0.25	0.47
Overall gearing ratio	0.30	0.40	0.60
Interest coverage (times)	5.15	4.93	(0.45)
Long-term Debt/EBIDTA	2.18	1.63	(30.27)
Total debt/EBIDTA	3.33	2.58	(40.85)
Total debt/GCA	4.43	3.70	(14.97)
Liquidity			
Current ratio	0.81	0.65	0.93
Avg. Collection Period (days)	17	18	35
Avg. Inventory (days)	21	23	35
Avg. Creditors (days)	54	43	72
Op. cycle (days)	(16)	(2)	(2)

Financial Performance - Tropical Paradise Co. Ltd (Consolidated) **Mur Million**

For the year ended as on	Jun-18	Jun-19	Jun-20
		Audited	
Revenue	809	888	658
EBITDA	146	103	23
Depreciation & amortisation	54	26	75
Interest	27	30	37
PBT	64	46	(89)
PAT	52	35	(78)
Gross Cash Accruals (GCA)	119	72	(14)
Financial Position			
Equity share capital	1153	1116	1116
Tangible net worth	1191	1129	1127
Total debt	505	597	802
- Long term debt	336	428	639
- Short term debt	169	168	163
Cash & Bank balances	6	12	10

For the year ended as on	Jun-18	Jun-19	Jun-20
	Audited		
Key Ratios			
EBIDTA / Total income	18	12	-4
PAT / Total income	6	4	-11
ROCE- operating (%)	5	4	-4
RONW (%)	4	3	-7
Long term debt to equity ratio	0	0	1
Overall gearing ratio	0	1	1
Interest coverage (times)	5	3	-1
Long term Debt/EBITDA	2	4	-25
Total debt/EBITDA	3	6	-31
Total Debt/GCA	4	8	-13

Adjustments

1. GCA is calculated as PAT+ Depreciation + deferred tax+ other non-cash expenditure.
2. Overall Gearing ratio is calculated as total debt (long and short-term debt)/Tangible Net worth.

Details of Instrument

1. Details of Term Loan

Name of Bank	Amount (MUR million)	Tenure	Final repayment date	Debt Repayment Term
The Mauritius Commercial Bank Ltd	500	11 years	April 2032	Repayment in 40 quarterly installments starting from August 2022 (revised in October 2020)
The Mauritius Commercial Bank Ltd	3	7 years	November 2026	84 monthly installments starting from December 2019
Total	**503**			

Purpose of the Term Loan

TPCL borrowed a term loan of Mur 503 Million from Mauritius Commercial Bank in December 2019. Mur 500 Million has been utilized for refinancing of existing loan of Mur 335 Million from MCB, financing refurbishment of Le Suffren Hotel & Marina and financing of land acquisition of Labourdonnais Waterfront Hotel. The Mur 3 Million is utilized for the acquisition of an Electric Water Shuttle.