February 02, 2022

NCC Limited: Rating Withdrawn

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund Based Term Loan	83.43	83.43	[ICRA]A(Stable); Withdrawn
Fund Based Working Capital Facilities	2088.00	2088.00	[ICRA]A(Stable); Withdrawn
Non-Fund Based Limits	9824.00	9824.00	[ICRA]A(Stable); Withdrawn
Unallocated Limits	304.57	304.57	[ICRA]A(Stable); Withdrawn
Total	**12300.00**	**12300.00**	

^Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of **NCC Limited** at the request of the company and based on the no objection certificate received from its banker, and in accordance with ICRA's policy on withdrawal of credit rating. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position and Rating Sensitivities have not been captured as the related instruments are being withdrawn.

The previous detailed rating rationale is available at the following link: Click Here

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology Methodology for Construction Entities
Parent/Group Support	NA
Consolidation/Standalone	NA

About the company

NCC Limited (NCC) was established as a partnership firm in 1978, which was subsequently converted into a limited company in 1990. The operations can be broadly classified into EPC business, BOT projects in infrastructure, and real estate development. Under EPC, buildings division accounted for 55.8% of the outstanding order book as on March 31, 2021, while water supply, environment and railways together accounted for 18.7%, irrigation 6.4%, electrical 6.4%, roads 5.2% and others 7.5%. The shares of the company were listed on the stock exchanges in India in 1992.

Key financial indicators (audited)

	FY2020	FY2021
Operating Income (Rs. crore)	8901.1	7494.4
PAT (Rs. crore)	324.7	281.8
OPBDIT/OI (%)	12.2%	11.6%
PAT/OI (%)	3.6%	3.5%
Total Outside Liabilities/Tangible Net Worth (times)	1.6	1.5
Total Debt/OPBDIT (times)	2.0	2.3
Interest Coverage (times)	2.0	1.9

Source: NCC; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)					Chronology of Rating History for the past 3 years					
		Type	Amount Rated (Rs. crore)	Amount Outstanding	Date & Rating in		Date & Rating in 2021		Date & Rating in 2020			Date & Rating in 2019
					Feb-2-2022	Jun-17-2021	Jan-5-2021	Apr-1-2020	Sep-23-2019	Jun-10-2019	May-13-2019	Jun-15-2018
1	Term Loan	Long Term	83.43	-	[ICRA] A (Stable); Withdrawn	[ICRA] A (Stable)	[ICRA] A- (Stable)	[ICRA] A- (Negative)	[ICRA] A&	[ICRA] A (Stable)	[ICRA] A (Stable)	[ICRA] A (Stable)
2	Working Capital Facilities	Long Term	2088.00	-	[ICRA] A (Stable); Withdrawn	[ICRA] A (Stable)	[ICRA] A- (Stable)	[ICRA] A- (Negative)	[ICRA] A&	[ICRA] A (Stable)	[ICRA] A (Stable)	[ICRA] A (Stable)
3	Non-Fund Based Limits	Long Term	9824.00	-	[ICRA] A (Stable); Withdrawn	[ICRA] A (Stable)	[ICRA] A- (Stable)	[ICRA] A- (Negative)	[ICRA] A&	[ICRA] A (Stable)	[ICRA] A (Stable)	[ICRA] A (Stable)
4	Unallocated Limits	Long Term	304.57	-	[ICRA] A (Stable); Withdrawn	[ICRA] A (Stable)	[ICRA] A- (Stable)	[ICRA] A- (Negative)	[ICRA] A&	[ICRA] A (Stable)	[ICRA] A (Stable)	[ICRA] A (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund based-Term Loan	Simple
Fund based- CC	Simple
Non-fund based-BG/LC	Very Simple
Unallocated	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	October 2017	NA	December 2021	83.43	[ICRA]A(Stable); Withdrawn
NA	Working Capital Facilities	NA	NA	NA	2088.00	[ICRA]A(Stable); Withdrawn
NA	Non-Fund Based Limits	NA	NA	NA	9824.00	[ICRA]A(Stable); Withdrawn
NA	Unallocated Limits	NA	NA	NA	304.57	[ICRA]A(Stable); Withdrawn

Source: NCC

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

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For more information, visit www.icra.in

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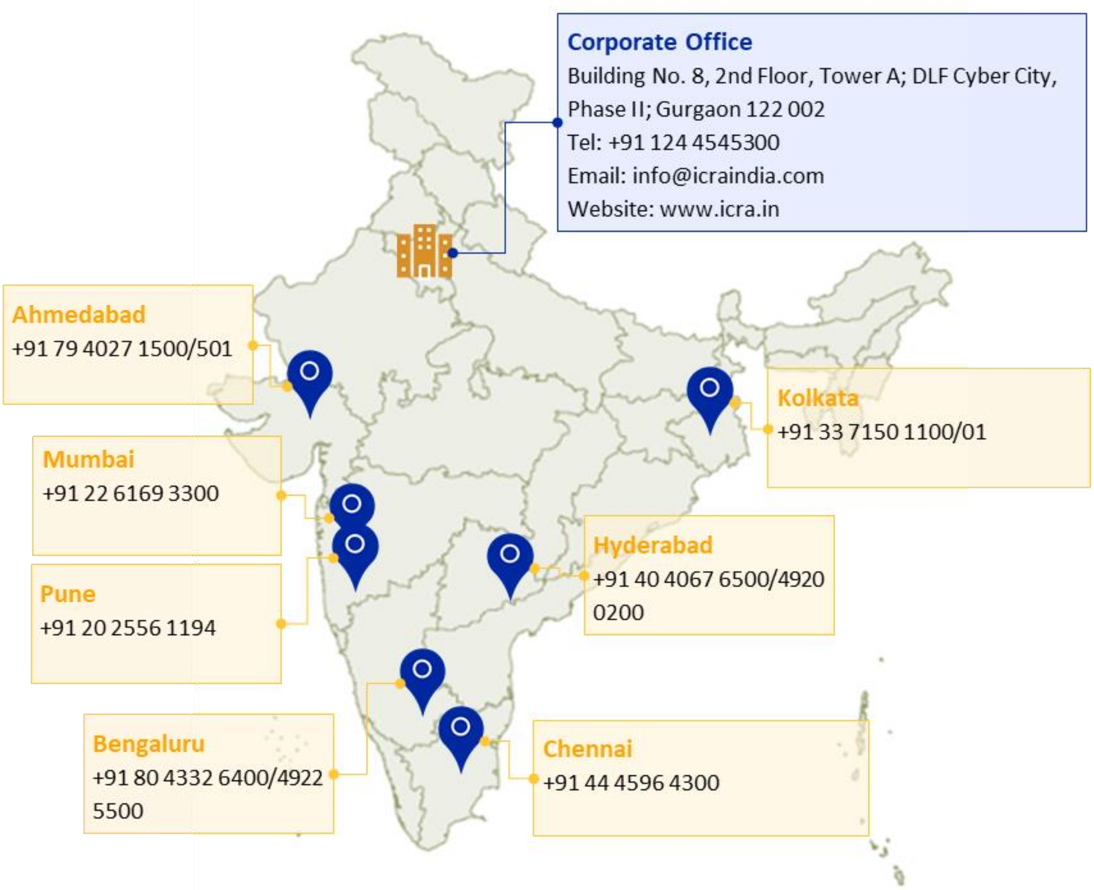

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