

May 13, 2025

NED Energy Limited: Update on entity

Summary of rating(s) outstanding

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Long-Term Fund Based – Cash Credit	7.00	7.00	[ICRA]BBB-(Stable)
Short-Term Non-Fund Based	3.00	3.00	[ICRA]A3
Total	10.00	10.00	

*Instrument details are provided in Annexure I

Rationale

Material Event

On May 3, 2025, Time Technoplast Limited (TTL, rated [ICRA]A1+) announced on stock exchanges that its subsidiary NED Energy Limited (NEL, rated [ICRA]BBB- (Stable)/[ICRA]A3) received approval from the National Company Law Tribunal (NCLT) for its merger with its wholly owned subsidiary Power Build Batteries Private Limited (PBBPL), in a reverse merger scheme.

Impact of Material Event

Under the approved merger scheme, NEL will merge into PBBPL with Time Technoplast Limited holding 97.03% ownership in the merged entity. The management expects that the merger will help in simplifying the corporate structure, streamline decision making and optimise resource utilisation. The management will continue to undertake manufacturing at all units of NEL and will continue the support services.

Currently, ICRA Assigned ratings for NEL are based on the consolidated financials of NEL which includes its wholly owned subsidiary (WOS) PBBPL and also factors in implicit support from TTL, which holds 97.03% ownership. Thus given the structure of the merger, ICRA does not expect any material impact on the credit profile of NEL.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Parent/Group Company: Time Technoplast Limited The ratings consider the likelihood of the parent TTL extending support to NED Energy, should the need arise
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of NED Energy Limited. The company had one subsidiary that is enlisted in Annexure-2

About the company

NED Energy Limited (NED), incorporated in 1998, is a subsidiary of Time Technoplast Limited (TTL, rated [ICRA]A1+), which has a 97% shareholding in the company. NED manufactures Valve Regulated Lead Acid (VRLA) batteries that are primarily used in

the telecom industry, UPS, solar, railways, inverter and industrial applications. NED has a 100% subsidiary, Power Build Batteries Private Limited, based out of Karnataka, which manufactures low maintenance lead acid (LMLA) batteries and mainly supplies to the Indian Railways.

Key financial indicators (audited)

NED (consolidated)	FY2023	FY2024
Operating income	90.5	98.9
PAT	2.3	-29.2
OPBDIT/OI	-1.0%	10.4%
PAT/OI	2.5%	-29.6%
Total outside liabilities/Tangible net worth (times)	0.5	0.5
Total debt/OPBDIT (times)	-43.7	1.8
Interest coverage (times)	-0.2	5.1

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore ; 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

Current (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	May 13, 2025	Date	Rating	Date	Rating	Date	Rating
Fund Based –Cash Credit	Long term	7.00	[ICRA]BBB-(Stable)	Apr 26, 2024	[ICRA]BBB-(Stable)	-	-	Jan 24, 2023	[ICRA]A-(CE) (Stable); rating withdrawn and simultaneously [ICRA]BBB-(Stable) assigned
								Oct 31, 2022	[ICRA]A-(CE) (Stable)
Fund Based –Term Loans	Long term	0.00	-	-	-	-	-	Jan 24, 2023	[ICRA]A-(CE) (Stable); rating withdrawn and simultaneously [ICRA]BBB-(Stable) assigned
								Oct 31, 2022	[ICRA]A-(CE) (Stable)
Non-Fund Based		3.00	[ICRA]A3					Jan 24, 2023	[ICRA]A2+(CE); rating withdrawn

Short term						and simultaneously assigned
	Apr 26, 2024	[ICRA]A3	-	-	Oct 31, 2022	[ICRA]A2+(CE)

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-Term Fund Based –Cash Credit	Simple
Short-Term Non-Fund Based	Very Simple

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 are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Cash Credit	-	-	-	7.00	[ICRA]BBB-(Stable)
NA	Overdraft limit	-	-	-	3.00	[ICRA]A3

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Power Build Batteries Private Limited	100%	Full Consolidation

Source: Company

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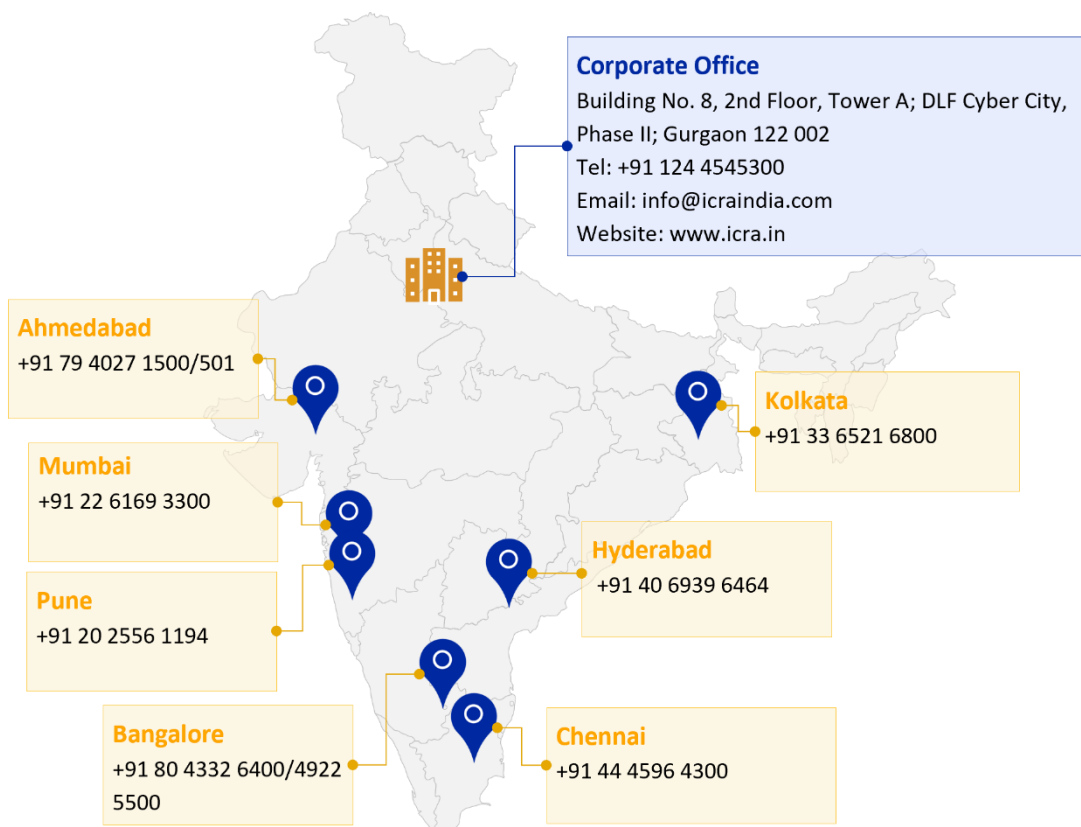


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