

February 18, 2022

Shankaranarayana Constructions Private Limited (erstwhile SNC Power Corporation): Ratings Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund based – Term Loan	45.00	45.00	[ICRA]A (Stable); Withdrawn
Long Term – Fund based - CC	142.00	142.00	[ICRA]A (Stable); Withdrawn
Long Term/Short Term – Non Fund Based	808.00	808.00	[ICRA]A (Stable)/[ICRA]A1; Withdrawn
Long Term/Short Term – Unallocated	200.00	200.00	[ICRA]A (Stable)/[ICRA]A1; Withdrawn
Total	1195.00	1195.00	

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Shankaranarayana Constructions Private Limited (erstwhile SNC Power Corporation) at the request of the company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Position, Key Financial Indicators and Rating Sensitivities have not been captured as the related instruments are being withdrawn.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	Not Applicable
Consolidation/Standalone	Not Applicable

About the company

Shankaranarayana Constructions Private Limited (SNC, formerly known as SNC Power Corporation Private Limited) was incorporated on March 24, 2006, as a private limited company to continue and run the business as a successor with the assets and liabilities of a partnership firm, known as Sri Shankaranarayana Construction Co (SSNC). SSNC, founded by Mr C. Narayana Shetty, had been into the construction business since 1960. SNC executes civil works of infrastructure projects viz. thermal power, hydro power, irrigation and building projects.

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 (Rs. Crore)	Date & Rating in Feb 18, 2022	Date & Rating in FY2021			Date & Rating in FY2020	Date & Rating in FY2019		
						Dec 17, 2020	Dec 09, 2020	Jun 08, 2020	Nov 22, 2019	Oct 29, 2018	Apr 16, 2018	
1	Fund based – Term Loan	Long-Term	45.00	-	[ICRA]A (Stable); Withdrawn	[ICRA]A (Stable)						
2	Fund based - CC	Long-Term	142.00	-	[ICRA]A (Stable); Withdrawn	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Positive)
3	Non-Fund Based	Long-Term & Short-Term	808.00	-	[ICRA]A (Stable)/[ICRA]A1; Withdrawn	[ICRA]A (Stable) /[ICRA]A1	[ICRA]A (Stable) /[ICRA]A1					
4	Unallocated	Long-Term & Short-Term	200.00	-	[ICRA]A (Stable)/[ICRA]A1; Withdrawn	[ICRA]A (Stable) /[ICRA]A1	[ICRA]A (Stable) /[ICRA]A1	[ICRA]A (Stable)/[ICRA]A1	[ICRA]A (Stable)/[ICRA]A1			

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund based – Term Loan	Simple
Fund based - CC	Simple
Non-Fund Based	Very Simple
Unallocated	Not Applicable

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	Long Term – Fund based – Term Loan	NA	NA	NA	45.00	[ICRA]A (Stable); Withdrawn
NA	Long Term – Fund based - CC	NA	NA	NA	142.00	[ICRA]A (Stable); Withdrawn
NA	Long Term/Short Term – Non-Fund Based	NA	NA	NA	808.00	[ICRA]A (Stable)/[ICRA]A1; Withdrawn
NA	Long Term/Short Term – Unallocated	NA	NA	NA	200.00	[ICRA]A (Stable)/[ICRA]A1; Withdrawn

Source: company

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

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