

## Press Release

### Neccon Power And Infra Limited



February 07, 2019

### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 411.83 Cr.#
<b>Long Term Rating</b>	ACUITE BBB- Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE A3 Issuer not co-operating*

#Refer Annexure for details

\*The issuer did not co-operate; based on best available information.

Acuité has reviewed the long-term rating of '**ACUITE BBB-**' (**read as ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (**read as ACUITE A three**) to the Rs. 411.83 crore bank facilities of NECCON POWER AND INFRA LIMITED (NPIL). This rating is now an indicative rating and is based on best available information.

NPIL, erstwhile North Eastern Cables & Conductors Pvt. Ltd., was incorporated in 1984. The company manufactures aluminum conductors used for overhead transmission and distribution of electricity. The company also executes EPC contracts for state electricity boards (SEBs) and power distribution companies (PDCs). NPIL caters to state power utilities of Assam, Gujarat, Uttar Pradesh, and Haryana, among others.

#### Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities -<https://www.acuite.in/view-rating-criteria-4.htm>

#### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity - Key Financials

	Unit	FY16 (Provisional)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	366.73	313.46	334.92
EBITDA	Rs. Cr.	27.60	23.63	26.52
PAT	Rs. Cr.	9.92	7.39	10.45
EBITDA Margin	(%)	7.53	7.54	7.92
PAT Margin	(%)	2.70	2.36	3.12
ROCE (%)	(%)	13.55	12.91	17.48
Total Debt/Tangible Net Worth	Times	0.59	0.59	0.46
PBDIT/Interest	Times	2.36	2.39	2.76
Total Debt/PBDIT	Times	2.68	2.93	1.74
Gross Current Assets (Days)	Days	248	223	138

**Status of non-cooperation with previous CRA (if applicable)**

None

**Any other information**

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

**Rating History (Up to last three years)**

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
13-Dec-2017	Cash Credit	Long Term	65.00	ACUITE BBB- Issuer not co-operating*
	Term Loan	Long Term	5.83	ACUITE BBB- Issuer not co-operating*
	Bank Guarantee	Short Term	313.52	ACUITE A3 Issuer not co-operating*
	Letter of Credit	Short Term	27.48	ACUITE A3 Issuer not co-operating*
19-Sept-2016	Cash Credit	Long Term	65.00	ACUITE BBB-/Negative
	Term Loan	Long Term	5.83	ACUITE BBB-/Negative
	Bank Guarantee	Short Term	313.52	ACUITE A3/Stable
	Letter of Credit	Short Term	27.48	ACUITE A3/Stable
24-Mar-2015	Cash Credit	Long Term	65.00	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	5.83	ACUITE BBB-/Stable (Assigned)
	Bank Guarantee	Short Term	313.52	ACUITE A3/Stable (Assigned)
	Letter of Credit	Short Term	27.48	ACUITE A3/Stable (Assigned)

**#Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.90	ACUITE BBB- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	23.30	ACUITE BBB- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BBB- Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	0.80	ACUITE BBB- Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	5.83	ACUITE BBB- Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	214.22	ACUITE A3 Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	41.33	ACUITE A3 Issuer not co-operating*

Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	57.97	ACUITE A3 Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	9.60	ACUITE A3 Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	14.67	ACUITE A3 Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.21	ACUITE A3 Issuer not co-operating*

\*The issuer did not co-operate; based on best available information.

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## About Acuité Ratings & Research:

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