

Press Release
NEW CONSOLIDATED CONSTRUCTION COMPANY LIMITED
February 03, 2026
Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	200.00	ACUITE BBB+ Stable Reaffirmed	-
Bank Loan Ratings	300.00	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	500.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed its long-term rating of 'ACUITE BBB+' (read as ACUITE Triple B plus) and short-term rating of 'ACUITE A2' (read as ACUITE A two) on the Rs. 500.00 Cr. bank facilities of New Consolidated Construction Company Limited (NCCCL). The outlook is 'Stable'.

Rationale for reaffirmation

The rating reaffirmation takes into account the management buyout by Mr Mahesh Mudda and change in the company's promoter from Jasdanwalla family to Nisus Finance, leading to a fresh capital infusion of Rs.70.00 crore by Nisus group and Rs.11.72 crore by Mudda Family, thereby strengthening the company's overall financial risk profile. It also reflects the company's experienced management and its well-established presence in the construction industry spanning over seven decades. Additionally, the healthy order book from reputed clients provides strong revenue visibility in the near term. However, these positives are tempered by the company's moderate operating performance, with operating margins and profitability falling short of Acuite's expectations. The rating is further constrained by the company's intensive working capital requirements, as indicated by high gross current assets (GCA) of 336 days in FY25, along with challenges arising from industry competition, geographical concentration, and the predominance of long-duration residential and commercial projects in its order book.

About the Company

Founded in 1946 and headquartered in Mumbai, NCCCL is engaged into specialized civil construction especially high-rise residential and office towers. The company also constructs pharmaceutical and biotechnology plants, software technology parks, industrial and IT parks as well as hospitality-related developments for reputed clients. In September 2025, the company underwent a management buyout wherein stake of CEO, Mr Mahesh Mudda increased from 6.50% to 25.59%. Further, Nisus Finance Services Co. Ltd, involved in real estate and urban infrastructure finance was onboarded as new promoter (60.83% shareholding) by transfer of holdings from Jasdanwalla family.

The current directors of the company are Mr. Mahesh M. Mudda, Mr. Himanshu Vakharia, Mr. Amit Goenka, Mr. Vikas Modi, Mr. Manish Kumar Meena, Mr. Viraj Kulkarni, Ms. Khair Ull Nissa Sheikh and Mr. Surender Tuteja

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profile of NCCCL to arrive at the rating

Key Rating Drivers

Strengths

Established track record with experienced management

NCCCL has an established track record of operations for more than 78 years in the construction industry. The day-to-day operations of the company are currently managed by Mr. Mahesh Mudda, who is having an experience of close to 4 decades in the same field. The company has constructed more than 250 million square feet of area till date in various regions for reputed corporate clients across residential and commercial buildings, industrials, institutional, malls, hotels and special economic zones (SEZs).

Acuite believes that NCCCL will continue to benefit from its established track record along, presence of experience management and capabilities to construct varied types of projects.

Healthy order book and reputed client portfolio

NCCCL serves a diverse customer base including major real estate players and large corporates across multiple industries. The company has successfully executed several landmark projects, such as the Asian Paints Headquarters, HUL Corporate Office and VSNL Tower in Mumbai. Additionally, the company has a longstanding association with prominent real estate developers, including the Bagmane Group, Prestige Group and L&T Realty. In the industrial plant construction sector, the company has demonstrated significant expertise by delivering over 100 pharmaceutical plants for leading pharmaceutical companies in India. As of January 01, 2026, the company's outstanding order book stood at Rs. 2,183.86 crore, ~3.5 times of its operating income for FY25. Currently, its operations are primarily focused on private clients, with contracts awarded predominantly through direct negotiations.

Acuite believes the presence of marquee clientele and a healthy order book signifies the business credibility and sustained growth potential, reflecting the company's ability to secure and execute large-scale projects successfully.

Improved financial risk profile driven by equity infusion

The company's overall financial risk profile has improved following a fresh equity infusion of Rs.81.72 crores in September 2025, contributed by the Nisus Group (Rs.70.00 crore) and Mudda family (Rs.11.72 crore). This capital is deployed towards incremental working capital requirements and the repayment of unsecured loans of the existing promoter. As a result, the company's net worth is projected to rise to approximately Rs.235.44 crore by the end of FY26 (Est.) compared to Rs.141.78 crore as of March 31, 2025. This increase is expected to reduce the gearing ratio to around 0.85 times as on March 31, 2026, down from 1.37 times as of March 31, 2025. Despite this improvement, the company remains heavily reliant on working capital borrowings and long-term equipment loans, which is expected to keep the debt coverage indicators moderate.

Weaknesses

Moderate profitability albeit improving revenues

The company's revenue increased to Rs.610.57 crore in FY25 from Rs.572.76 crore in FY24, driven by improved execution. However, operating margins remained steady at 6.96% in FY25 owing to higher-than-expected provisions, thereby falling short of Acuite's projected level of ~8.6%, resulting in a decline in overall profitability. Further, the company is in negotiations with its dealers for reduction in raw material costs which is expected to be seen from FY27.

Going forward, sustained revenue growth through timely order execution, coupled with an improvement in operating margins, will remain a key rating sensitivity.

Intensive working capital operations

The working capital operations of the company is marked intensive on account of high GCA days of 336 days in FY25 (335 days in FY24). This is primarily because of the high inventory days, which stood at 171 days in FY25 (164 days in FY24) consisting of major raw materials like cement and steel, along with the shuttering materials (~38% of inventory). Further, the

debtor's days for the company are also high at 100 days in FY25 (98 days in FY24). Also, a significant amount of money is parked under retention (Rs.92.39 Cr in FY25 & Rs 102.84 Cr. in FY24) thereby affecting the liquidity. Moreover, as a recovery strategy, the company acquires ready to use property from the client wherein it encounters challenges in receivables. Acuite believes the working capital operations of the company is estimated remain intensive considering the nature of operations.

Competitive industry along with geographical and sectoral concentration risk

The engineering, procurement, and construction (EPC) industry is fragmented in nature with presence of many small and medium scale players. The current outstanding orderbook is significantly concentrated in Maharashtra (~75%) and Karnataka (~20%), risking the company's exposure to regional economic fluctuations and policy changes. Further, the company's major focus is on residential building construction (~70% of orderbook) which generally have long execution period requiring efficient cash flow management and sustained funding to mitigate any financial strain.

Rating Sensitivities

- Strong order book growth & timely completion of existing orders with improvement in revenue and margins.
- Any deterioration in financial risk profile affecting the coverage indicators.
- Any further stretch in the working capital requirements affecting liquidity

Liquidity Position

Adequate

The adequate liquidity position of the company is supported by a generation of sufficient net cash accruals (NCA) of Rs. 27.72 crore (including amortization expense of shuttering materials) for FY25 with a repayment obligation of Rs. 5.23 Cr. in the same period. Further, the NCAs are estimated to remain in the range of Rs. 30-45 crore for FY26 and FY27 as against repayments in the range of Rs. 5 - 9 Cr. over the same period. The current ratio for the company stood at 1.17 times as on March 31, 2025. Additionally, over the past 12 months as of December 2025, its fund-based limit utilization remained elevated at 86.08 percent, while non-fund-based limit utilization stood at 76.63 percent. Further, the company had low a cash and bank balance of Rs. 0.34 crore as on March 31, 2025.

Outlook : Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	610.57	572.76
PAT	Rs. Cr.	3.58	5.76
PAT Margin	(%)	0.59	1.00
Total Debt/Tangible Net Worth	Times	1.37	1.35
PBDIT/Interest	Times	1.55	1.64

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Jun 2025	Bank Guarantee (BLR)	Short Term	250.00	ACUITE A2 (Assigned)
	Proposed Short Term Bank Facility	Short Term	50.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	150.00	ACUITE BBB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	50.00	ACUITE BBB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Union Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	250.00	Simple	ACUITE A2 Reaffirmed
YES BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A2 Reaffirmed
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	150.00	Simple	ACUITE BBB+ Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.70	Simple	ACUITE BBB+ Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A2 Reaffirmed
SBM Bank (India) Ltd.	Not avl. / Not appl.	Term Loan	19 Sep 2024	Not avl. / Not appl.	30 Sep 2027	9.30	Simple	ACUITE BBB+ Stable Reaffirmed
SBM Bank (India) Ltd.	Not avl. / Not appl.	Term Loan	19 Sep 2024	Not avl. / Not appl.	30 Sep 2028	10.00	Simple	ACUITE BBB+ Stable Reaffirmed

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About Acuité Ratings & Research

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