

Mr. Y. D. Murthy
Executive Vice President (Finance)
NCC Limited
NCC house, Madhapur,
Hyderabad-500081,
Telangana.

October 7, 2019

Kind Attn: Mr. Y. D. Murthy, Executive Vice President (Finance)

Dear Sir,

Re: Rating Letter for NCC Limited

India Ratings and Research (Ind-Ra) has placed NCC Limited's Long-Term Issuer Rating of 'IND A' on Rating Watch Negative (RWN). The Outlook on the earlier rating was Stable. The instrument-wise rating actions are as follows:

Instrument Type	Size of Issue (billion)	Rating/Rating Watch	Rating Action
Fund-based working capital limits	INR20.58	IND A/RWN/IND A1/RWN	Placed on RWN
Non-fund-based limits	INR93.0	IND A/RWN/IND A1/RWN	Placed on RWN
Non-fund-based limits*	INR5.54	IND A/RWN/IND A1/RWN	Assigned & Placed on RWN
Term loans	INR3.0	IND A/RWN	Placed on RWN
Proposed non fund-based working capital limits#	INR0.88 (reduced from INR6.42)	Provisional IND A/RWN/ Provisional IND A1/RWN	Placed on RWN

#The ratings are provisional and shall be confirmed upon the sanction and execution of the loan documents for the above facilities by NCC to the satisfaction of Ind-Ra.

*The final ratings have been assigned based on the sanction and execution of the loan documents by NCC to the satisfaction of Ind-Ra.

Details of division wise bank facilities mentioned in the annexure

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.



Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts.

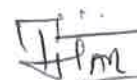
As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient



Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

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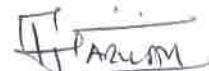
We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4000 1700.

Sincerely,

India Ratings



Rakesh Valecha
Senior Director



Prashant Tarwadi
Director

Annexure: Details of Bank Facilities as on October 07th 2019

Bank	INR bn	Rating
Fund Based Limits		
State Bank of India	6.23	IND A/RWN/IND A1/RWN
Canara Bank	1.73	IND A/RWN/IND A1/RWN
Andhra Bank	1.73	IND A/RWN/IND A1/RWN
Syndicate Bank	2.51	IND A/RWN/IND A1/RWN
Indian Overseas Bank	0.60	IND A/RWN/IND A1/RWN
Allahabad Bank	0.86	IND A/RWN/IND A1/RWN
ICICI Bank	1.00	IND A/RWN/IND A1/RWN
IDBI Bank	1.22	IND A/RWN/IND A1/RWN
Standard Chartered Bank	3.00	IND A/RWN/IND A1/RWN
Punjab National Bank	0.50	IND A/RWN/IND A1/RWN
Oriental Bank of Commerce	0.50	IND A/RWN/IND A1/RWN
Union Bank of India	0.40	IND A/RWN/IND A1/RWN
Punjab & Sind Bank	0.30	IND A/RWN/IND A1/RWN
Total(A)	20.58	
Non- Fund Based Limits		
State Bank of India	26.66	IND A/RWN/IND A1/RWN
Canara Bank	15.00	IND A/RWN/IND A1/RWN
Andhra Bank	8.05	IND A/RWN/IND A1/RWN
Syndicate Bank	11.23	IND A/RWN/IND A1/RWN
Indian Overseas Bank	7.90	IND A/RWN/IND A1/RWN
Allahabad Bank	6.59	IND A/RWN/IND A1/RWN
ICICI Bank	3.35	IND A/RWN/IND A1/RWN
IDBI Bank	3.12	IND A/RWN/IND A1/RWN
Standard Chartered Bank	4.50	IND A/RWN/IND A1/RWN
Punjab National Bank	1.64	IND A/RWN/IND A1/RWN
Oriental Bank of Commerce	2.75	IND A/RWN/IND A1/RWN
Union Bank of India	2.60	IND A/RWN/IND A1/RWN
Punjab & Sind Bank	2.15	IND A/RWN/IND A1/RWN
IndusInd Bank	3.00	IND A/RWN/IND A1/RWN
Total(B)	98.54	
Term Loans		
Canara Bank	1.83	IND A/RWN
A K Capital	0.20	IND A/RWN
Hero FinCorp	0.80	IND A/RWN
Unallocated Limits	0.17	IND A/RWN
Total (C)	3.00	
Proposed Non Fund Based Limits (D)	0.88	Provisional IND A/RWN/ Provisional IND A1/RWN
Total(A+B+C+D)	123.00	
Source : NCC		