

## IL&FS Engineering and Construction Company Limited

January 21, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	902.81	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short-term bank facilities	2,188.52	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

IL&FS Engineering and Construction Company Limited (IECCL) has not serviced its debt obligations since September 2018. The same remains according to the annual report of the company ending March 31, 2024.

CARE Ratings Limited (CARE Ratings) had, vide its press release dated March 27, 2019, placed the ratings of IECCL under the 'issuer non-cooperating' category as IECCL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. IECCL continues to be non-cooperative despite repeated requests for submission of information through e-mails. In line with the extant Securities and Exchange Board of India (SEBI) guidelines, CARE Ratings has reviewed the rating on the basis of the best available information, which, however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating. CARE Ratings on IECCL's long-term and short-term bank facilities continue to be denoted as **CARE D; ISSUER NOT COOPERATING**.

**Users of this rating (including investors, lenders, and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Analytical approach: Consolidated

Entities considered for consolidating financials are listed in Annexure-6.

**Outlook:** Not applicable

### Detailed description of the key rating drivers:

At the time of last rating on October 23, 2023, the following were the rating strengths and weaknesses (updated for the information available from stock exchange).

### Key weakness

#### Default in debt servicing obligations

There are continued delays and defaults on IECCL's principal and interest payments per annual report of FY24. IECCL has been classified as an NPA since 2019.

#### Liquidity: Poor

The liquidity profile of the company is poor as reflected by the ongoing delays in the debt servicing.

**Assumptions/Covenants:** Not applicable

**Environment, social, and governance (ESG) risks:** Not applicable

### Applicable criteria

[Policy in respect of non-cooperation by issuers](#)

[Definition of Default](#)

[Consolidation](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

[Rating Outlook and Rating Watch](#)  
[Construction](#)  
[Infrastructure Sector Ratings](#)  
[Short Term Instruments](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

IECCL promoted by Infrastructure Leasing & Financial Services Limited group (IL&FS, rated 'CARE D', holds 42.25%), and rest is held by public (57.75%). As on March 31, 2021, IL&FS group had exposure of ₹2,047.07 crore in IECCL in form of equity and loans and advances.

IECCL is engaged in infrastructure development which includes construction and project management services operating across different countries. The company also undertakes construction of roads, buildings and industrial structures, irrigation canals projects.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	177.10	258.54
PBILDT	-124.17	-169.19
PAT	-124.00	-77.47
Overall gearing (times)	-0.86	-0.84
Interest coverage (times)	-5.38	-12.57

A: Audited; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	31-03-2023	352.81	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits		-	-	-	550.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Working Capital Limits		-	-	-	2188.52	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	352.81	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE D; ISSUER NOT COOPERATING* (01-Aug-22)	1)CARE D; ISSUER NOT COOPERATING* (13-Aug-21)
2	Fund-based - LT-Working Capital Limits	LT	550.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE D; ISSUER NOT COOPERATING* (01-Aug-22)	1)CARE D; ISSUER NOT COOPERATING* (13-Aug-21)
3	Non-fund-based - ST-Working Capital Limits	ST	2188.52	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (23-Oct-23)	1)CARE D; ISSUER NOT COOPERATING* (01-Aug-22)	1)CARE D; ISSUER NOT COOPERATING* (13-Aug-21)

\*Issuer did not cooperate; based on best available information.

\*LT: Long term; ST: Short term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT-Working Capital Limits	Simple
3	Non-fund-based - ST-Working Capital Limits	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Annexure-6: List of entities forming part of consolidated financial (as on March 31, 2024)**

Sr. No.	Name of the Entity	Extent of consolidation	Rationale for Consolidation
1	Maytas Infra Assets Limited	Full	Subsidiary
2	Maytas Metro Limited	Full	Subsidiary
3	Maytas Vashista Varadhi Limited	Full	Subsidiary
4	Angeerasa Greenfields Private limited	Full	Subsidiary
5	Saptaswara Agro-Farms Private Limited	Full	Subsidiary
6	Ekadanta Greenfields Private Limited	Full	Subsidiary
7	Maytas Infra Saudi Arabia Company (Limited liability Company) (MISA)	Moderate	Subsidiary
8	NCC-Maytas (JV)	Moderate	Joint Venture
9	NEC-NCC-Maytas(JV)	Moderate	Joint Venture
10	Maytas-NCC (JV)	Moderate	Joint Venture
11	NCC-Maytas (JV) (Singapore Class Township)	Moderate	Joint Venture
12	Maytas-CTR (JV)	Moderate	Joint Venture
13	NCC-Maytas-ZVS (JV)	Moderate	Joint Venture
14	Hill County Properties Limited	Moderate	Associate

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

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### About us:

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### Disclaimer:

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