

March 15, 2023

## Kalthia Infra-con Private Limited: Moved to Non-Cooperating category, ratings downgraded based on best available information

### Summary of rating action

| Instrument <sup>^</sup>          | Previous Rated Amount<br>(Rs. crore) | Current Rated Amount<br>(Rs. crore) | Rating Action   |
|----------------------------------|--------------------------------------|-------------------------------------|---|
| Long Term - Fund Based Term Loan | 28.00                                | 28.00                               | [ICRA]BB+(CE) (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A-(CE) (Stable) and moved to the 'Issuer Not Cooperating' category |
| <b>Total</b>                     | <b>28.00</b>                         | <b>28.00</b>                        |   |

<sup>\*</sup>Issuer did not cooperate; based on best available information.

<sup>^</sup>Instrument details are provided in Annexure-1

Rating Without Explicit Credit Enhancement

[ICRA]BB ISSUER NOT COOPERATING

### Rationale

ICRA has downgraded the ratings of **Kalthia Infra-con Private Limited (KICPL)** and moved the rating to 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]BB+ (CE)(Stable) ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with KICPL, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

The rating downgrade is because of lack of adequate information regarding KICPL's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at [www.icra.in](http://www.icra.in). The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, key financial indicators, liquidity position and rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

| Analytical Approach             | Comments  |
|---------------------------------|---|
| Applicable rating methodologies | <a href="#">Corporate Credit Rating Methodology</a><br><a href="#">Policy in respect of non-co-operation by the rated entity</a><br><a href="#">Rating Methodology for BOT (Annuity) Roads</a><br><a href="#">Approach for rating debt instruments backed by third-party explicit support</a> |
| Parent/Group support            | The ratings are based on the unconditional and irrevocable corporate guarantee from the sponsor, KECL.  |
| Consolidation/Standalone        | Standalone  |

## About the company

KICPL is a wholly-owned subsidiary of KECL. KICPL, a special purpose vehicle (SPV), entered into a 13 years six months concession agreement on January 5, 2012 with the Road and Building Department, Government of Gujarat for the DBFOT of a 50 km road project for the widening and strengthening of the existing two-lane and paved shoulders of district border to Jasdan bypass (167.00 km to 198.20 km) and Lakhatar to Wadhwan (km 101.50 to 120.30 of SH-17) on state highway no. 17 in Gujarat. The project was completed on May 11, 2013, which was 227 days ahead of the scheduled commercial operation date of December 25, 2013.

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

**Any other information: None**

## Rating history for past three years

| Instrument         | Current rating (FY2023) |                          |   | Chronology of rating history for the past 3 years                |                          |                          |                          |
|--------------------|-------------------------|--------------------------|---|--|--------------------------|--------------------------|--------------------------|
|                    | Type                    | Amount rated (Rs. crore) | Amount outstanding as on Mar 31, 2021 (Rs. Crore) | Date & rating in FY2023  | Date & rating in FY2022  | Date & rating in FY2021  | Date & rating in FY2020  |
|                    |                         |                          |   | Mar 15, 2023   | Dec 31, 2021             | Sep 25, 2020             | Nov 15, 2019             |
| <b>1 Term Loan</b> | Long Term               | 28.00                    | 28.00   | <b>[ICRA]BB+(CE)<br/>(Stable)<br/>ISSUER NOT<br/>COOPERATING</b> | [ICRA]A-(CE)<br>(Stable) | [ICRA]A-(CE)<br>(Stable) | [ICRA]A-(CE)<br>(Stable) |

## Complexity level of the rated instruments

| Instrument                     | Complexity Indicator |
|--------------------------------|----------------------|
| Long Term Fund Based Term Loan | Simple               |

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 are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

| ISIN | Instrument Name | Date of Issuance | Coupon Rate | Maturity | Amount Rated (Rs. crore) | Current Rating and Outlook                    |
|------|-----------------|------------------|-------------|----------|--------------------------|---|
| NA   | Term Loan       | Dec 2014         | -           | FY2023   | 28.00                    | [ICRA]BB+(CE) (Stable) ISSUER NOT COOPERATING |

Source: Company

**Annexure II: List of entities considered for consolidated analysis: Not Applicable**

## ANALYST CONTACTS

**Rajeshwar Burla**  
+91 40 4547 4829  
[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)

**Ashish Modani**  
+91 22 6114 3414  
[ashish.modani@icraindia.com](mailto:ashish.modani@icraindia.com)

**Ritu Goswami**  
+91 12 4454 5826  
[ritu.goswami@icraindia.com](mailto:ritu.goswami@icraindia.com)

**Anurag Bhootra**  
+91 12 4454 5852  
[anurag.bhootra@icraindia.com](mailto:anurag.bhootra@icraindia.com)

## RELATIONSHIP CONTACT

**Jayanta Chatterjee**  
+91 80 4332 6401  
[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.