



Press Release

Kalyan Toll Infrastructure Limited (KTIL)

March 13, 2024

Ratings:

Instrument / Facility	Amount (INR Crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	158.70	IVR BB/ Negative; ISSUER NOT COOPERATING * (IVR Double B with Negative Outlook; Issuer Not Cooperating)	Rating downgraded and continued under Issuer Not Cooperating category	Simple
Long Term / Short Term Bank Facilities	210.88	IVR BB/ Negative; ISSUER NOT COOPERATING * / IVR A4; ISSUER NOT COOPERATING * (IVR Double B with Negative Outlook; Issuer Not Cooperating / IVR A Four; Issuer Not Cooperating)	Rating downgraded and continued under Issuer Not Cooperating category	Simple
Total	369.58 (Rupees Three Hundred Sixty Nine crore and Fifty Eight lakh only)			

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

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics has downgraded the ratings of KTIL due to lack of adequate information available, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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.



Press Release

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications February 27, 2024 and March 12, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted some of the essential details.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank facilities of KTIL aggregating Rs.369.58 crore has been downgraded and continued under 'ISSUER NOT COOPERATING' to IVR BB/ Negative; ISSUER NOT COOPERATING / IVR A4; ISSUER NOT COOPERATING category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for infrastructure companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of Rating Outlook](#)

[Policy of default recognition](#)

About the Company

KTIL is a public limited company incorporated in 2002 as a special purpose entity for developing and operating road projects under BOT (Build-Operate-Transfer) model basis by Ketil Constructions India Limited. The company has its office in Indore, Madhya Pradesh and all the projects executed by the company since inception have been mostly in the states of Maharashtra and Madhya Pradesh. The company is primarily engaged in infrastructure construction, mainly roads, pipelines, buildings on BOT-Toll basis and Hybrid Annuity Model basis under which 60% of the project costs are paid by the government upfront and the remaining 40% is made in annuity payments. The company has a CLASS A contractor classification certificate which enables them to participate in state level special building



Press Release

contracts and the company will be able to take part in contracts without any cap for five years from the date of issue.

Financials (Standalone):

(Rs. crore)

For the year ended/* As On	31-03-2019 (Audited)	31-03-2020 (Audited)
Total Operating Income	588.41	814.77
EBITDA	102.90	183.70
PAT	49.90	102.25
Total Debt	261.06	159.32
Tangible Net-worth	531.96	563.70
Ratios:		
EBITDA Margin (%)	17.49	22.55
PAT Margin (%)	8.36	12.23
Overall Gearing Ratio (x)	0.49	0.43

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

S. No	Name of Instrument/ Facilities	Current Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21 (March 12, 2021)
1.	Long Term Bank Facilities – Term Loan	Long Term	107.70	IVR BB/ Negative; Issuer Not Cooperating *	<ul style="list-style-type: none"> IVR BB+/ Negative; INC (Feb 17, 2023) IVR BBB+; INC (June 1, 2022) 	-	IVR A/ Stable
2.	Long Term Bank Facilities – Cash Credit	Long Term	51.00	IVR BB/ Negative; Issuer Not Cooperating *	<ul style="list-style-type: none"> IVR BB+/ Negative; INC (Feb 17, 2023) IVR BBB+; INC (June 1, 2022) 	-	IVR A/ Stable



Press Release

3.	Long Term/Short Term Bank Facilities – Bank Guarantee	Long Term / Short Term	210.88	IVR BB/ Negative; Issuer Not Cooperating * / IVR A4; Issuer Not Cooperating *	<ul style="list-style-type: none">• IVR BB+/ Negative; INC / IVR A4+; INC (Feb 17, 2023)• IVR BBB+; INC / IVR A2; INC (June 1, 2022)	-	IVR A/ Stable / IVR A1
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**Issuer did not cooperate; based on best available information*

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we



Press Release

accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Instruments / Facilities

Name of Instruments / Facilities	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan	-	-	Upto 2025	107.70	IVR BB/ Negative; Issuer Not Cooperating *
Long Term Bank Facilities – Cash Credit	-	-	-	51.00	IVR BB/ Negative; Issuer Not Cooperating *
Long Term/Short Term Bank Facilities – Bank Guarantee	-	-	-	210.88	IVR BB/ Negative; Issuer Not Cooperating * / IVR A4; Issuer Not Cooperating *

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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.