

July 21, 2023

Khosla Engineering Private Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	20.75	20.75	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	5.32	5.32	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	7.40	7.40	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Interchangeable	(10.50)	(10.50)	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	1.53	1.53	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	35.00	35.00	

^{*}Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Khosla Engineering Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING".

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 repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology – Primary Non - Ferrous Metal Manufacturers
Parent/Group Support	NA

Consolidation/Standalone	Standalone
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About the company

Incorporated in 1966, KEPL manufactures solder wires, zinc wires and aluminium wires. The company supplies zinc wires to reputed domestic ductile iron (DI) pipe manufacturers, while solder wires are sold to leading electronic component manufacturers across India. The manufacturing facilities of the company are located at Dhandore (near Pune) in Maharashtra. The overall production capacity of KEPL stands at ~19,200 MTPA (FY2020), with the company planning to expand its capacity over the near to medium term.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2020	
					21-Jul-2023	26-May-2022	26-Feb-2021	29-Aug-2019	31-May-2019
1	Cash Credit	Long Term	20.75	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable)	[ICRA]BB-(Stable), Removed from 'Issuer Not Cooperating' category	[ICRA]B+(Stable) ISSUER NOT COOPERATING
2	Term Loan	Long Term	5.32	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable)	[ICRA]BB-(Stable), Removed from 'Issuer Not Cooperating' category	[ICRA]B+(Stable) ISSUER NOT COOPERATING
3	Unallocated	Long term /Short Term	7.40	-	[ICRA]B+ (Stable) / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable) / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB(Stable) / [ICRA]A4+	[ICRA]BB-(Stable) / [ICRA]A4, Removed from 'Issuer Not Cooperating' category	[ICRA]B+(Stable) / [ICRA]A4 ISSUER NOT COOPERATING *
4	Interchangeable	Long term /Short Term	(10.50)	-	[ICRA]B+ (Stable) / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable) / [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB(Stable) / [ICRA]A4+	[ICRA]BB-(Stable) / [ICRA]A4, Removed from 'Issuer Not Cooperating' category	-
5	Non Fund Based	Short Term	1.53		[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+	[ICRA]A4, Removed from 'Issuer Not Cooperating' category	[ICRA]A4 ISSUER NOT COOPERATING *

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	Not Applicable
Interchangeable	Not Applicable
Non Fund Based	Very 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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	20.75	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Term Loan	Sep 2020	7.40%	Sep 2024	5.32	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	7.40	[ICRA]B+ (Stable) / [ICRA]A4; ISSUER NOT COOPERATING
NA	Interchangeable	-	-	-	(10.50)	[ICRA]B+ (Stable) / [ICRA]A4; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	1.53	[ICRA]A4; ISSUER NOT COOPERATING

Source: Khosla Engineering Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Jayanta Roy
+91 33 7150 1120
jayanta@icraindia.com

Subhechha Banerjee
+91 33 7150 1130
subhechha.banerjee@icraindia.com

Susmita Biswas
+91-033 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91-022-61693300
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

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

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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