

December 22, 2023

KNK Nexgen Construction Pvt Ltd: 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	15.00	15.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Non Fund Based-Others	40.00	40.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	5.00	5.00	[ICRA]D; ISSUER NOT COOPERATING/[ICRA]D; ISSUER NOT COOPERATING *; Rating continues to remain under 'Issuer Not Cooperating' category
Total	60.00	60.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of KNK Nexgen Construction Pvt Ltd in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]D; ISSUER NOT COOPERATING/[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with KNK Nexgen Construction Pvt Ltd, 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 continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

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 Policy on Default Recognition Rating Methodology – Construction
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

KNK Nexgen Construction Private Limited was established in 2006, with its registered office in Bangalore, Karnataka. The company primarily operates as a civil contractor engaged in the construction of diversified projects—including the construction of multi-storeyed buildings, residential apartments, hotels, hospitals, commercial buildings, IT parks and factories. The company is a member of the Indian Green Building Council (IGBC) and has been associated with many energy efficient projects. The company has won three awards for adopting best safety practises at its construction sites from the National Safety Council for the years 2011, 2013 and 2014. KNK was set up in fiscal 2017 by merging the group companies, KNK Nexgen Construction Pvt Ltd and KNK Swami and Co. It constructs factories, industrial houses, and commercial and residential buildings for the Government of Karnataka and private entities outside the state.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	CRISIL D/CRISIL D; ISSUER NOT COOPERATING	September 22, 2023

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				22-Dec-2023	28-Oct-2022	24-Sep-2021	26-Jun-2020
1 Cash Credit	Long Term	15.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2 Non Fund Based	Short Term	40.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3 Unallocated	Long Term/	5.00	-	[ICRA]D; ISSUER NOT COOPERATING/	[ICRA]D; ISSUER NOT COOPERATING/	[ICRA]D; ISSUER NOT COOPERATING/	[ICRA]D; ISSUER NOT COOPERATING/
	Short Term			[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Non Fund Based	Very Simple
Unallocated	Not Applicable

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-I: 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	-	-	-	15.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	40.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	5.00	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING

Source: KNK Nexgen Construction Pvt Ltd

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

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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.

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