

March 21, 2024^(Revised)

PSK Infrastructures and Projects Private Limited: Rating Moved to ISSUER NON-COOPERATING category; Ratings downgraded based on best available information; outlook revised to Stable from Negative

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	33.00	33.00	[ICRA]BB+ ISSUER NOT COOPERATING*; Outlook revised to Stable from Negative, Rating downgraded from [ICRA]BBB and moved to the 'ISSUER NOT COOPERATING' category
Long Term - Non-Fund Based	184.00	184.00	[ICRA]BB+ ISSUER NOT COOPERATING*; Outlook revised to Stable from Negative, Rating downgraded from [ICRA]BBB and moved to the 'ISSUER NOT COOPERATING' category
Long Term - Unallocated	8.00	8.00	[ICRA]BB+ ISSUER NOT COOPERATING*; Outlook revised to Stable from Negative, Rating downgraded from [ICRA]BBB and moved to the 'ISSUER NOT COOPERATING' category
Total	225.00	225.00	

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

[^]Instrument details are provided in Annexure I

Rationale

ICRA has downgraded and moved the ratings of PSK Infrastructures and Projects Private Limited (PSK) to the 'Issuer Not Cooperating' category due to the lack of adequate information regarding PSK's performance and hence, the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its ratings and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using these ratings as the ratings may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with PSK, ICRA has been trying to seek information from the entity to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with ICRA's aforesaid policy, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, rating sensitivities and 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	Corporate Credit Rating Methodology Policy in respect of Non-cooperation by a rated entity Rating Methodology - Construction
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has consolidated the financials of PSK and its subsidiaries—Korlam Kantakapalle Expressway Private Limited, PSK Nandikotkur Expressways Private Limited, PSK Atmakur Expressways Private Limited, PSK Chandikhole Expressways Private Limited

About the company

PSK Infrastructures & Projects Private Limited (PSK) was started as a proprietorship concern in 1979 and was converted into a private limited company in April 2013. The company is promoted by Mr. P. Sudhakar and his family members. It was earlier involved in execution of irrigation projects for the Andhra Pradesh Government. From 2000, PSK started executing road projects besides irrigation projects. From 2005, the company shifted its focus completely towards execution of road projects. The scope of work includes construction of four-lane road, strengthening or road widening and upgrading of four-lane roads to six-lane roads, overlaying work, special repair works, which includes relaying and re-carpeting of the roads and is carried out every five years. Further, it has diversified into irrigation projects since FY2016.

Status of non-cooperation with previous CRA: Not Applicable

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 as on March 15, 2024 (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2022	Date & Rating in FY2021	
					March 21, 2024	April 17, 2023	Mar 11, 2022	Feb 25, 2021	
1	Fund-based / CC	Long-term	33.0	--	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*	[ICRA]BBB (Negative)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	
2	Non-fund based	Long-term	184.0	--	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*	[ICRA]BBB (Negative)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	
3	Unallocated limits	Long-term	8.0	--	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*	[ICRA]BBB (Negative)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	

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

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund-based /CC	Simple
Non-fund based	Very Simple
Unallocated limits	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
-	Fund based -Cash Credit	NA	NA	NA	33.0	[ICRA]BB+(Stable) ISSUER NOT COOPERATING
-	Non-fund based	NA	NA	NA	184.0	[ICRA]BB+(Stable) ISSUER NOT COOPERATING
-	Unallocated Limits	NA	NA	NA	8.0	[ICRA]BB+(Stable) ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Korlam Kantakapalle Expressway Private Limited	100%	Full Consolidation
PSK ATMAKUR Expressways Private Limited	100%	Limited consolidation
PSK ATMAKUR Expressways Private Limited	100%	Limited consolidation
PSK CHANDIKHOLE Expressways Private Limited	100%	Limited consolidation

Corrigendum

The complexity indicator of Non-fund based instrument is corrected to Very Simple in the revised version.

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About ICRA Limited:

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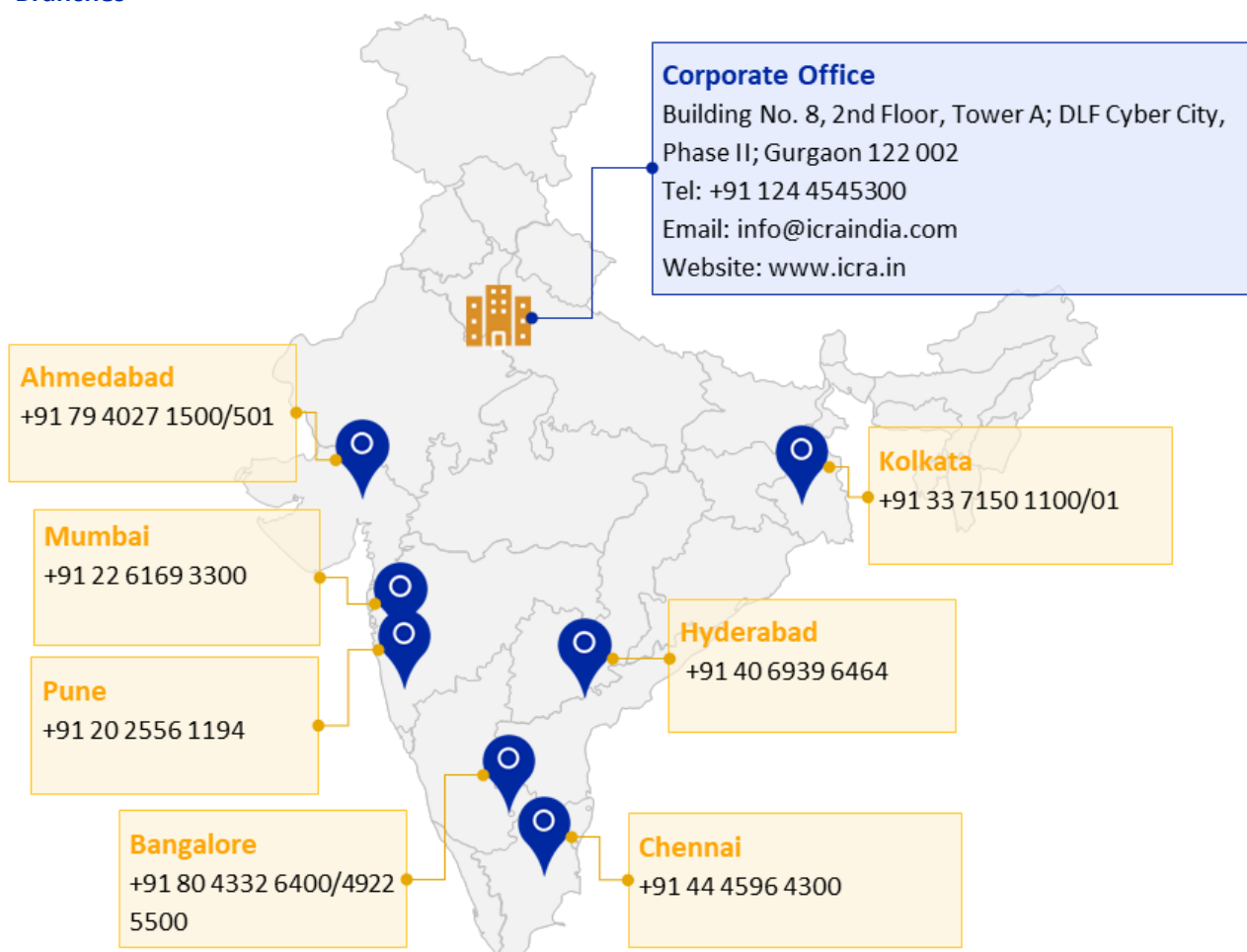
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