

March 28, 2024

## Kalthia Engineering and Construction Limited: Ratings Withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	30.00	30.00	[ICRA]BB+(Stable); ISSUER NOT COOPERATING; Withdrawn
Short Term-Non-Fund Based	300.00	300.00	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn
Short Term-Unallocated	15.00	15.00	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn
<b>Total</b>	<b>345.00</b>	<b>345.00</b>	

\*Instrument details are provided in Annexure-1

### Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Kalthia Engineering and Construction Limited at the request of the company and based on the No Objection Mail/Closure Certificate received from the bankers. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers Drivers and their description, Liquidity Position, Rating Sensitivities, Key Financial Indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">ICRA Policy on Withdrawal of Credit Ratings</a> <a href="#">Rating Methodology -Construction</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

### About the company

Established in 1960 as a partnership firm in Bhavnagar, Gujarat, KECL was converted into a limited company in 1996. It is promoted by Mr. Ratilal Kalthia. The company is primarily involved in civil construction (mainly roads, pipe laying, building bridges, etc). KECL is recognised as an AA-class (highest in the scale of AA to E) contractor by the Public Works Department (PWD) of the Government of Gujarat. The company's registered office is in Ahmedabad (Gujarat). Its major clients include the NHAI, R&B Division (Jamnagar), R&B Division (Rajkot), Gujarat Urban Development Corporation and Executive Engineer (GIDC Bharuch), among others.

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 FY2021	
					Mar 28, 2024	Mar 15, 2023	Dec 31, 2021	Sep 25, 2020	
1	Cash Credit	Long Term	30.00	-	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]A-(Stable)	[ICRA]A-(Stable)	
2	Non-Fund based	Short Term	300.00	-	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A2+	[ICRA]A2+	
3	Unallocated	Short Term	15.00	-	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A2+	-	

### 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-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	NA	NA	NA	30.00	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn
NA	Non-Fund based	NA	NA	NA	300.00	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn
NA	Unallocated	NA	NA	NA	15.00	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn

Source: Kalthia Engineering and Construction Limited

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

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