

July 02, 2024

KEC Spur Infrastructure Private Limited: Change in limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term/Short Term – Non-fund-based limits	467.00	527.00	[ICRA]A+ (Stable)/[ICRA]A1+; Outstanding
Long term – Fund based working capital limits	38.00	73.00	[ICRA]A+ (Stable); Outstanding
Long term/Short Term – Interchangeable Limits – CC Limits	(15.00)	-	-
Long term/Short Term – Unallocated Limits	95.00	-	-
Total	600.00	600.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, the liquidity position and rating sensitivities, environmental and social risks, and key financial indicators. [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Construction
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial profile of the company. The list of companies that are consolidated to arrive at the rating are given in Annexure 2 below.

About the company

KEC Spur Infrastructure Private Limited (KSIPL), a wholly owned subsidiary of KEC International Limited (KEC), is an Indian EPC company engaged in the setting up of cross-country oil & gas pipelines and city gas distribution networks. The company was incorporated in March 2016 as Spur Infrastructure Private Limited and was acquired by KEC in October 2021 post which the name of the company was changed to KEC Spur Infrastructure Private Limited in February 2022. KSIPL is executing projects for customers such as Indian Oil Corporation Limited (IOCL), Gas Authority of India Limited (GAIL), IHB Ltd., Indraprastha Gas Limited (IGL) and Bharat Gas Resource Limited (BGRL). Further, KSIPL's acquisition will provide KEC access to the parent's technical knowhow and relevant pre-qualifications which will enable it to capture growth opportunities in the oil and gas cross country pipeline EPC sector.

KEC was established in 1945 and was taken over by R. P. Goenka (RPG) Enterprises in 1982 and renamed KEC International Limited in 1984. The company executes power transmission and distribution, railways, civil and solar projects on an EPC basis.

It also manufactures power and telecom cables. KEC is one of the largest power transmission EPC companies in the world with presence in over 70 countries and a strong presence in India, the Middle East, Africa, South Asia the Americas and Central Asia. In September 2010, KEC acquired SAE Towers LLC, headquartered in Houston (USA), which is involved in the business of design, manufacture and supply of transmission towers. At present, KEC has three tower manufacturing facilities in India (Nagpur, Jaipur and Jabalpur) and one tower manufacturing facility each in Mexico, Brazil and Dubai, with a combined manufacturing capacity of 3,62,200 metric tonnes per annum (MTPA). KEC also has cable manufacturing (power and telecom) facilities in Mysore and near Vadodara with a combined capacity of 48,000 MTPA in addition to 12,000 MTPA of solar manufacturing capacity.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Date & rating in FY2025		Date & rating in FY2024	Date & rating in FY2023			
			Jul 02, 2024	May 06, 2024		Mar 31, 2023	Feb 22, 2023	Sep 06, 2022	Apr 27, 2022
1 Non-fund-based limits	Long term/Short Term	527.00	[ICRA]A+ (Stable)/[ICRA]A1+	[ICRA]A+ (Stable)/[ICRA]A1+	-	[ICRA]AA- (Negative)/[ICRA]A1+	[ICRA]AA- (Negative)/[ICRA]A1+	[ICRA]AA- (Stable)/[ICRA]A1+	-
2 Fund based working capital limits	Long term	73.00	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	-	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA- (Stable)	-
3 Interchangeable Limits – CC Limits	Long term/Short Term	-	[ICRA]A+ (Stable)/[ICRA]A1+	[ICRA]A+ (Stable)/[ICRA]A1+	-	[ICRA]AA- (Negative)/[ICRA]A1+	-	-	-
4 Unallocated Limits	Long term/Short Term	-	[ICRA]A+ (Stable)/[ICRA]A1+	[ICRA]A+ (Stable)/[ICRA]A1+	-	[ICRA]AA- (Negative)/[ICRA]A1+	[ICRA]AA- (Negative)/[ICRA]A1+	[ICRA]AA- (Stable)/[ICRA]A1+	Provisional [ICRA]AA- (CE) (Stable)/Provisional [ICRA]A1+ (CE)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term/Short Term – Non-fund-based limits	Very Simple
Long term – Fund based working capital limits	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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term/Short Term – Non-fund-based limits	NA	NA	NA	527.00	[ICRA]A+ (Stable)/[ICRA]A1+
NA	Long term – Fund based working capital limits	NA	NA	NA	73.00	[ICRA]A+ (Stable)

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	LTHL Ownership	Consolidation Approach
RPG Transmission Nigeria Limited	100.00%	Full Consolidation
KEC Investment Holdings, Mauritius	100.00%	Full Consolidation
KEC Global Mauritius	100.00%	Full Consolidation
KEC Power India Private Limited	100.00%	Full Consolidation
SAE Towers Holdings LLC, United States (along with step-down subsidiaries)	100.00%	Full Consolidation
KEC International (Malaysia) SDN BHD	100.00%	Full Consolidation
Al-Sharif Group and KEC Ltd. Co, Saudi Arabia	51.1%	Equity
KEC Towers LLC, Dubai, UAE	100.00%	Full Consolidation
KEC EPC LLC, Dubai, UAE	100.00%	Full Consolidation
KEC Spur Infrastructure Private Limited (formerly known as Spur Infrastructure Private Limited)	100.00%	Full Consolidation

Source: Company

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