

May 21, 2020

## SKN- Haryana City Gas Distribution Pvt Ltd: Ratings withdrawn

### Summary of rating action

| Instrument*            | Previous Rated Amount<br>(Rs. crore) | Current Rated Amount<br>(Rs. crore) | Rating Action         |
|------------------------|--------------------------------------|-------------------------------------|-----------------------|
| Fund-based Cash Credit | 2.50                                 | 2.50                                | [ICRA]BB+ & Withdrawn |
| Fund-based Term Loan   | 4.58                                 | 4.58                                | [ICRA]BB+ & Withdrawn |
| Non-fund Based         | 10.00                                | 10.00                               | [ICRA]BB+ & Withdrawn |
| <b>Total</b>           | <b>17.08</b>                         | <b>17.08</b>                        |                       |

\*Instrument details are provided in Annexure-1

### Rationale

ICRA is withdrawing the rating assigned to SKN- Haryana City Gas Distribution Pvt Ltd at the request of the company and based on the no-objection certificate provided by its bankers. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

### Key rating drivers and their description

The key rating drivers have not been captured as the rated instruments are being withdrawn.

### Liquidity position

The liquidity position has not been captured as the rated instruments are being withdrawn.

### Rating sensitivities

The rating sensitivities have not been captured as the rated instruments are being withdrawn.

### Analytical approach

| Analytical Approach             | Comments   |
|---------------------------------|--|
| Applicable Rating Methodologies | <a href="#">Corporate Credit Rating Methodology</a><br><a href="#">ICRA's Policy on Withdrawal and Suspension of Credit Rating</a> |
| Parent/Group Support            | Not applicable   |
| Consolidation/Standalone        | Not applicable   |

### About the company

SKN is a part of the HCG Group. The company was established in 2015 by Mr. Satish Chopra as a partnership firm but was later changed to a private limited company. HCG was set up in 2005 by the SKN Bentex Group, promoted by Mr. Satish Chopra and Mr. Kapil Chopra. In 2008, HCG received authorisation from the state government to set up city gas distribution in Gurgaon and other parts of Haryana. Consequently, HCG signed a gas sale agreement with IGL and GAIL for the supply of natural gas in select cities of Haryana. SKN was formed after the split among the promoters of HCG in 2015 and is headed by Mr. Satish Chopra. Currently, the official licenses and approvals are in the name of HCG and the parent company has designated SKN to cater to the New Gurgaon area. As on March 31, 2018, SKN had 13 CNG stations, 15,000 PNG domestic connection and 90 commercial connections in New Gurgaon. On August 1, 2018, Petroleum and Natural Gas Regulatory Board (PNGRB) issued grant of authorisation to the subsidiary – HCGD – for CGD network development to lay, build, operate and expand the CGD network for Bhiwadi GA.

---

**Key financial indicators: Not applicable**

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

|   | Instrument             | Rating (FY2021) |              |                    |                       | Rating History for the Past 3 Years |             |                    |                   |
|---|------------------------|-----------------|--------------|--------------------|-----------------------|-------------------------------------|-------------|--------------------|-------------------|
|   |                        | Type            | Amount Rated | Amount Outstanding | Current Rating        | FY2020                              | FY2019      |                    | FY2018            |
|   |                        |                 |              |                    | 21-May-2020           |                                     | 13-Nov-2018 | 04-Sep-2018        |                   |
| 1 | Fund-based Cash Credit | Long Term       | 2.50         | 2.50               | [ICRA]BB+ & Withdrawn | -                                   | [ICRA]BB+ & | [ICRA]BB+ (Stable) | [ICRA]BB (Stable) |
| 2 | Fund-based Term Loan   | Long Term       | 4.58         | 4.58               | [ICRA]BB+ & Withdrawn | -                                   | [ICRA]BB+ & | [ICRA]BB+ (Stable) | [ICRA]BB (Stable) |
| 3 | Non-fund Based         | Long Term       | 10.00        | 10.00              | [ICRA]BB+ & Withdrawn | -                                   | [ICRA]BB+ & | [ICRA]BB+ (Stable) | [ICRA]BB (Stable) |

Amount in Rs. crore

### Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument details

| ISIN | Instrument Name  | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|------|------------------|-----------------------------|-------------|---------------|--------------------------|----------------------------|
| NA   | Cash Credit      | NA                          | NA          | NA            | 2.50                     | [ICRA]BB+ &; Withdrawn     |
| NA   | Term Loan        | FY2015                      | NA          | FY2020        | 4.58                     | [ICRA]BB+ &; Withdrawn     |
| NA   | Letter of Credit | NA                          | NA          | NA            | 10.00                    | [ICRA]BB+ &; Withdrawn     |

Source: SKN

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

## Analyst Contacts

**K. Ravichandran**

+91-44-45364301

[ravichandran@icraindia.com](mailto:ravichandran@icraindia.com)

**Manish Ballabh**

+91-124-4545812

[manish.ballabh@icraindia.com](mailto:manish.ballabh@icraindia.com)

**Vipin Jindal**

+91-124-4545355

[vipin.jindal@icraindia.com](mailto:vipin.jindal@icraindia.com)

**Jayesh Ghosh**

+91-124-4545392

[jayesh.ghosh@icraindia.com](mailto:jayesh.ghosh@icraindia.com)

## Relationship Contact

**Jayanta Chatterjee**

+91 80 4332 6401

[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## 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.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited

### Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: [info@icraindia.com](mailto:info@icraindia.com)

Website: [www.icra.in](http://www.icra.in)

### Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

### Branches

Mumbai + (91 22) 24331046/53/62/74/86/87  
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,  
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,  
Bangalore + (91 80) 2559 7401/4049  
Ahmedabad+ (91 79) 2658 4924/5049/2008  
Hyderabad + (91 40) 2373 5061/7251  
Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2020 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents