

July 26, 2023

## Kalya Constructions Private Limited: Continues to remain under issuer non-Cooperating category. Ratings downgraded based on best available information

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term- Fund Based-Cash Credit	6.00	6.00	[ICRA]B- (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B (Stable) and continues to remain in the 'Issuer Not Cooperating' category
<b>Total</b>	<b>6.00</b>	<b>6.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The rating downgrade is because of lack of adequate information regarding Kalya Constructions Private Limited performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at [www.icra.in](http://www.icra.in). The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating 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 Kalya Constructions Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance and ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due but despite repeated 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, 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 Key rating drivers and their description, Liquidity position, Rating sensitivities : [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	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Construction</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

## About the company

Kalya Constructions Private Limited (KCPL) was incorporated in 2009 as a private limited company under Mr. Ram Kalya and family. Mr. Ram Kalya has been acting as the managing director of the company along with Mr. Om Prakash Kalya. The company acts as a civil contractor for government, non-government and private entities. KCPL primarily does mining, earthwork and pipeline work for the entities. The company has also started trading activity of construction raw materials.

## Key financial indicators

Standalone	FY2021	FY2022
Operating Income (Rs. crore)	70.8	37.7
PAT (Rs. crore)	2.9	1.4
OPBDIT/OI (%)	8.4%	10.7%
PAT/OI (%)	4.1%	3.8%
Total Outside Liabilities/Tangible Net Worth (times)	3.7	2.4
Total Debt/OPBDIT (times)	3.2	4.1
Interest Coverage (times)	3.3	2.9

## Status of non-cooperation with previous CRA:

CRA	Rating Action	Date of Release
Brickworks	BWR C/BWR A4; ISSUER NOT COOPERATING	December 14, 2022

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
					26-July-2023	23-May-2022	-	15-March-2021
1	Fund Based-Cash Credit	Long Term	6.00	-	[ICRA]B-(Stable); ISSUER NOT COOPERATING	[ICRA]B(Stable); ISSUER NOT COOPERATING	-	[ICRA]B (Stable)

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based-Cash Credit	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, 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	Fund Based-Cash Credit	-	-	-	6.00	[ICRA]B-(Stable); ISSUER NOT COOPERATING

Source: Kalya Constructions Private Limited

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

## ANALYST CONTACTS

**Rajeshwar Burla**  
+91 40 4067 6527  
[rajeshwar.burla@icraindia.com](mailto:rajeshwar.burla@icraindia.com)

**Subhechha Banerjee**  
+91 33 7150 1130  
[subhechha.banerjee@icraindia.com](mailto:subhechha.banerjee@icraindia.com)

**Susmita Biswas**  
+91-033 7150 1182  
[susmita.biswas@icraindia.com](mailto:susmita.biswas@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+022-61693300  
[shivakumar@icraindia.com](mailto:shivakumar@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:

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## ICRA Limited



### Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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