

November 04, 2024

KMC Constructions Limited: Continues to remain under issuer non-cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	255.00	255.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Non-Fund Based-Others	426.00	426.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	274.00	274.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	955.00	955.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term ratings of KMC Constructions Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with KMC Constructions Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple 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, the rating has been continued to the "Issuer Not Cooperating" category. The rating is 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, Key Financials 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Construction
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Initially known as Krishna Mohan Constructions, the company was promoted as a partnership firm in 1970. Subsequently the company was converted into a public limited company in 1996 and the name was changed to KMC Constructions Ltd. Currently, all the major strategic decisions of the company are taken by Mr. Raja Mohan Reddy (founder) and his two sons (Mr. Vikram Reddy and Mr. Pruthvi Kumar Reddy) while the day to day management is conducted by the second generation. KMC has a track record in roads and bridges sector with long experience in development of highways, roads & bridges, earth movement projects and development & maintenance of airport runways and taxi tracks. Its customers include several government and public-sector organization across the country.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years				
	Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022		
			04-November-2024			28-September-2023	24-March-2023	28-March-2022
1 Fund Based-Cash Credit	Long Term	255.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	
2 Non-Fund Based-Others	Long Term	426.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	
3 Unallocated	Long Term	274.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA] B+(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Fund Based-Cash Credit	Simple
Non-Fund Based-Others	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	Fund Based-Cash Credit	NA	NA	NA	255.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund Based- Others	NA	NA	NA	426.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING
NA	Unallocated	NA	NA	NA	274.00	[ICRA] B+(Stable); ISSUER NOT COOPERATING

Source: KMC Constructions Limited

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

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

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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.

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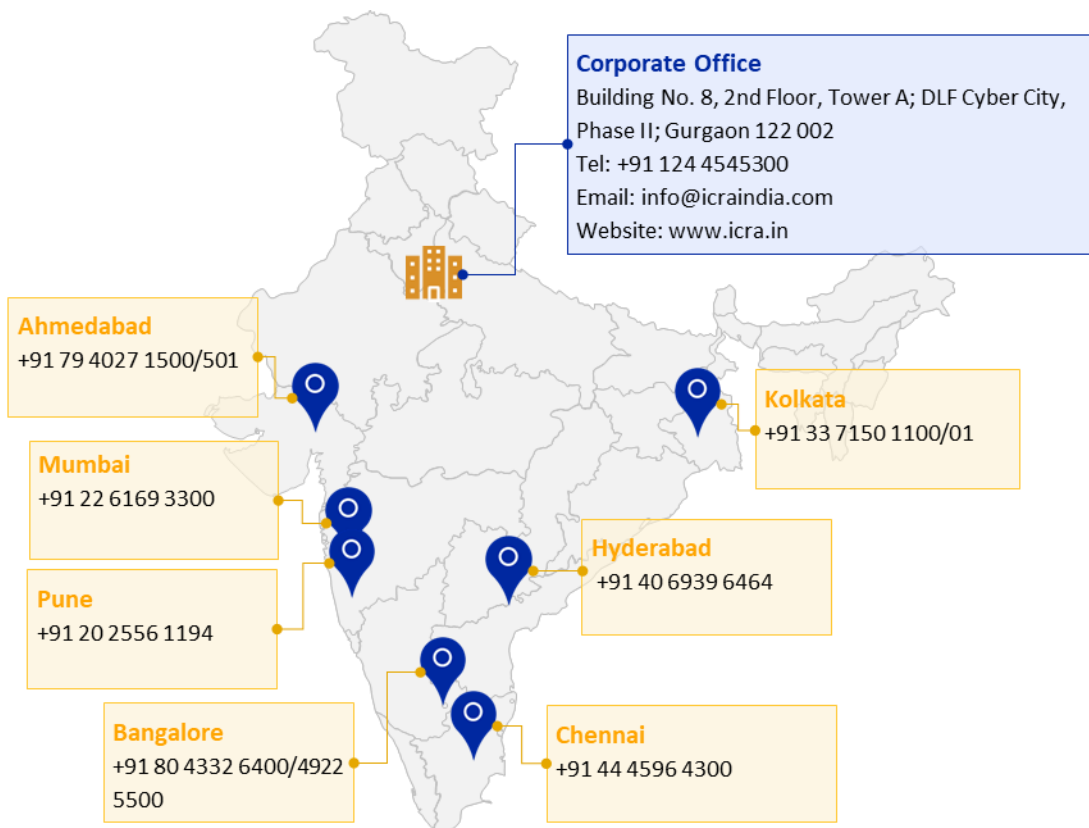
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