



Press Release

KKSpun India Limited (KIL)

December 17, 2021

Ratings

Sl. No.	Instrument / Facility	Amount (INR Crores)	Rating*	Rating Action
1.	Long term Bank Facilities	209.13	IVR D	Revised from IVR A- /Credit watch with Developing Implications (IVR A Minus under Credit Watch with Developing Implications)
2.	Short term Bank Facilities	550.00	IVR D	Revised from IVR A2+ (IVR A Two Plus)
	Total	759.13 (Seven Hundred and Fifty-Nine Crore and Thirteen Lacs)		

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in ratings of the bank facilities of KKSpun India Limited takes into account the delays in servicing of its debt obligations as confirmed by some of its lenders.

Key Rating Sensitivities

- Continuous timely servicing of debt obligations for at least 90 days.

Analytical Approach: Standalone

Applicable Criteria:

Rating Methodology for Manufacturing companies

Financial Ratios & Interpretation (Non-Financial Sector)

Criteria on Default Recognition and Post-Default Curing Period

About the Group and Company



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KKSpun India Limited (KKSIL), established in 2006, promoted by Mr. Pramod Kumar Gupta, is a Delhi-based company manufacturing precast concrete pipes and fittings at its 8 plants spread across India. It is India's largest provider of precast concrete solutions for the Infrastructure Industry. It undertakes Government and private tenders linked to irrigation, sewerage network, and river interception. They have forward integrated into Engineering, Design, Manufacturing and Construction (EDMC) since 2012. Their comprehensive precast concrete business extends to include products such as RCC pipes, jacking pipes, shaft and tunnel segments, irrigation pipes etc. It also provides a range of proven precast solutions for Storm water drainage, better sewage, Box culverts solution for instant bridging for pedestrian, fauna, robust solution for agricultural water supply and irrigation needs, kerbing and barrier solution manufactured to local road authority specifications, solutions for catering to the telecom industry as well.

Financials (Standalone)*:

(INR crore)

For the year ended / As on	31-03-2018 (Audited)	31-03-2019 (Audited)	31-03-2020 (Audited)
Total Operating Income	401.03	431.63	599.56
EBITDA	72.31	74.12	90.61
PAT	19.61	19.86	20.89
Total Debt	119.05	131.17	182.96
Tangible Net-Worth	133.34	153.20	174.09
Ratios			
EBITDA Margin (%)	18.03	17.17	15.11
PAT Margin (%)	4.87	4.57	3.46
Overall Gearing Ratio (x)	0.89	0.86	1.05

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Brickwork Ratings have moved the rating of KKSpun India Limited into the Issuer Non-Cooperating (INC) category as per the Press Release dated October 14, 2021.

Any other information: Nil



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Rating History for last three years:

Sl. No.	Name of Instrument/Facilities	Type	Current Rating (Year 2021-22)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 20-21 (11/02/21)	Date(s) & Rating(s) assigned in 19-20 (29/11/19)	Date(s) & Rating(s) assigned in 18-19
1.	Long term Bank Facilities – Term Loan	Fund Based	59.13	IVR D	IVR A- /Credit watch with Developing Implications (IVR A Minus / Credit Watch with Developing Implications)	IVR A- /Stable Outlook (IVR A Minus with Stable Outlook)	--
2.	Long term Bank Facilities – CC/OD	Fund Based	85.00	IVR D	IVR A- /Credit watch with Developing Implications (IVR A Minus / Credit Watch with Developing Implications)	IVR A- /Stable Outlook (IVR A Minus with Stable Outlook)	--
3.	Long term Bank Facilities – Proposed CC/OD	Fund Based	65.00	IVR D	IVR A- /Credit watch with Developing Implications (IVR A Minus / Credit Watch with Developing Implications)	-	--
4.	Short term Bank Facilities – LC	Non-Fund Based	469.00	IVR D	IVR A2+ (IVR A Two Plus)	IVR A2+ (IVR A Two Plus)	



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5.	Short term Bank Facilities – Proposed LC/BG	Non-Fund Based	81.00	IVR D	IVR A2+ (IVR A Two Plus)	-	
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Name and Contact Details of the Rating Analyst:

Name: Ruchi Shah	Name: Prakash Kabra
Tel: (022) 62396023	Tel: (022) 62396023
Email: ruchi.shah@infomerics.com	Email: Prakash.kabra@infomerics.com

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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
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Long Term Bank Facilities – Term Loan	-	-	-	59.13	IVR D
Long Term Bank Facilities – Fund Based Limits – Cash Credit/OD	-	-	-	85.00	IVR D
Long Term Bank Facilities – Fund Based Limits – Proposed Cash Credit/OD	-	-	-	65.00	IVR D
Short Term Bank Facilities – Non-Fund Based Limits – LC/BG				469.00	IVR D
Short Term Bank Facilities – Non-Fund Based Limits – Proposed LC/BG				81.00	IVR D

Annexure 2: List of companies considered for consolidated analysis: Nil

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/KKSpun-India-lenders-dec21.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 5: Complexity level of the rated Instruments/Facilities

Sr No.	Instrument	Complexity Indicator
1.	Term Loan	Simple
2.	CC/OD	Simple
3.	LC/BG	Simple

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.