

Press Release Kannur International Airport Limited

November 25, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 892.00 Cr #
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuite has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) On the Rs.892.00 crore bank facilities of Kannur International Airport Limited (KIAL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Government of Kerala (GoK) had proposed in 1998 to build an international greenfield airport at Kannur (Kerala), keeping in view the aviation scenario, the potential for trade and tourism development. Kannur International Airport Limited (KIAL) is a public limited company set up by GoK in December 2009 to build, own and operate the airport. The proposed airport at Kannur would cater to the requirements from three northern districts – Kannur, Wayanad and Kasargod. There was an increase in the total cost of the project (phase I) from Rs.1892.00 crore to Rs.2124.00 crore, which is proposed to be funded through equity of Rs.1232.00 crore and the balance through debt of Rs.892.00 crore from banks/financial institutions. The company has incurred Rs.1778.00 crore till date, which is funded through equity of Rs.1065.00 crore and remaining through debt.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
16 September, 2019	Term Loan	Long Term	892.00	ACUITE BB-Issuer not co-operating*
2 May 2018	Term Loan	Long Term	892.00	ACUITE BB-/stable (Reaffirmed)
23 January 2017	Term Loan	Long Term	892.00	ACUITE BB-/stable (Reaffirmed)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Term Loan	Not Available	Not Applicable	Not Available	892.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuité Ratings & Research:

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