

## Press Release

Karnataka Power Corporation Limited

January 20, 2022



### Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	200.00	ACUITE BB+   Reaffirmed & Withdrawn   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	200.00	-	-

### Rating Rationale

Acuité has reaffirmed and withdrawn its long term rating of 'ACUITE BB+' (read as ACUITE Double B plus) to the Rs. 200.00 Cr bank facilities of Karnataka Power Corporation Limited (KPCL). This rating continues to be an indicative rating and is based on best available information.

The rating is being withdrawn based on the request received from the company and the NOC received from the banker as per Acuite's policy.

### About the Company

Karnataka Power Corporation Limited (KPCL), incorporated in 1970 is the state-owned power generation company of Karnataka. It is engaged in developing and operating power generation stations including thermal, hydro, solar and wind. This includes 3 thermal plants, 16 hydel stations, 5 mini hydel stations, 6 solar PV plants and 1 wind energy farm. The total installed capacity for KPCL is 8,738.305 MW.

### Non-cooperation by the issuer/borrower:

Acuité 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 due date. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

### 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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité 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.

### Rating Sensitivity

No information provided by the issuer/ available for Acuité to comment upon.

### Material Covenants

None

### Liquidity Position

No information provided by the issuer/ available for Acuité to comment upon.

### Outlook

Not Applicable

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 Aug 2021	Cash Credit	Long Term	200.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
04 Jun 2020	Cash Credit	Long Term	200.00	ACUITE BBB-   Stable (Assigned)

### Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	200.00	ACUITE BB+   Reaffirmed & Withdrawn   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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