



Rating Rationale

Krishna Bhagya Jala Nigam Limited

30 June 2021

Brickwork Ratings withdraw the ratings for the non-convertible debentures/bonds issue of Rs. 644.50 Crs of Krishna Bhagya Jala Nigam Limited.

Particulars

Instrument**	Previous Limits (Rs. Crs)	Present Limits (Rs. Crs)	Tenure	Previous Ratings (11-Dec-2020)	Review Ratings*
Bonds	644.50	0.00	Long Term	BWR AA- (CE) [#] /Stable	Withdrawn [^]
Total	644.50	0.00			

*Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings

[^]KBJNL has exercised the call option and paid the entire principal Bond amount with applicable interest to all the bond holders on 15-Feb-2021

[#]Credit Enhancement (CE) is assigned based on an unconditional and irrevocable guarantee from the Government of Karnataka for timely debt obligation

** Details of Bonds are provided in Annexure

RATING ACTION/WITHDRAWAL

The said bonds have been completely redeemed due to exercise of call option as per agreed terms and the trust has paid the entire principal bond amount with applicable interest to all the bond holders on 15-Feb-2021. The principal bond balance is nil as on date and the client has requested to withdraw the rating assigned to said bonds.

The debenture trustee has confirmed that the entire bond balance along with the applicable interest has been paid to the bondholders in full and no grievances from the bondholders have been received. The bond balance is nil as on 15-Feb-2021 and the no dues certificate has been received from the debenture trustee by BWR.

Based on the complete redemption of bonds in full and withdrawal request made by the client and no dues certificate issued by the debenture trustee, BWR has withdrawn the rating of BWR AA- (CE) / Stable and Unsupported rating of BWR BBB- /Stable assigned to the said bonds of Rs. 644.50 Crs. Thus, the ratings have been withdrawn in line with the withdrawal policy of BWR

ABOUT THE COMPANY

Krishna Bhagya Jala Nigam Limited (KBJNL or the company) was incorporated on 19 August 1994 under the Companies Act, 1956, as a company, wholly owned by the GoK (Government of Karnataka), for the implementation of the Upper Krishna Project (UKP) in Karnataka state. The company is responsible for the planning, investigation, estimation, execution, operation and

maintenance of all irrigation projects under the UKP. The company is also entrusted with the responsibility of the rehabilitation and resettlement of people affected by the projects. The company is authorised to sell water and recover revenues from individuals and groups of farmers, including those in command areas, towns, city municipalities and industries. KBJNL is being promoted by the GoK and held 100% share in the company.

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

Any other information - Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)

S.No	Instrument /Facility	Current Rating (2021)			Chronology of Rating History for the past 3 years (Rating Assigned and Press Release date) along with outlook/ Watch, if applicable		
		Type (Long Term/ Short Term)	Amount (Rs. Crs)	Rating	Date(s) & Rating(s) assigned in 2020	Date(s) & Rating(s) assigned in 2019	Date(s) & Rating(s) assigned in 2018
1	NCD/ Bonds	Long Term	0.00	Withdrawn	BWR AA-(CE) / Stable (11-Dec-2020)	BWR AA-(CE) / Stable (16-Dec-2019) BWR AA-(SO) / Stable (16-Jul-2019)	BWR AA-(SO) / Stable (23-Jul-2018)
Total			0.00				

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Infrastructure Sector](#)

For any other criteria obtain [hyperlinks](#) from website



Analytical Contacts	
Sowmya Yatham Manager - Ratings Board: 080 - 40409940 Ext: 309 sowmya.y@brickworkratings.com	Vipula Sharma Director – Ratings and Head- Infrastructure Ratings Board: 080 - 40409940 Ext: 330 vipula.s@brickworkratings.com
1-860-425-2742	I media@brickworkratings.com

KRISHNA BHAGYA JALA NIGAM LIMITED

ANNEXURE

INSTRUMENT (NCD/Bonds) DETAILS

Instrument	Issue Date	Amount Rs. Crs.	Coupon Rate	Maturity Date	ISIN Particulars	Ratings
NCD/ BONDS	15-Feb-201 4	644.50	10% PA	15-Feb-2024	INE990D07296	Withdrawn [^]

[^]KBJNL has exercised the call option and paid the entire principal Bond amount with applicable interest to all the bond holders on 15-Feb-2021

For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER : Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.



BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "BWR Party") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.