

Inkel Limited

March 26, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	5.00	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	85.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Fixed Deposit	40.00	CARE C; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated December 30, 2024, placed the ratings of Inkel Limited under the 'Issuer non cooperating' category as Inkel Limited had failed to provide information for monitoring of the rating. Inkel Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a email dated December 5, 2025. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders, and the public at large) are hence requested to exercise caution while using the above rating.

The rating continues to be tempered by volatility in revenues due to project-based nature of its business, exposure to Joint ventures/subsidiaries generating lower return on investments, weak credit risk profile of subsidiaries with instances of delays in debt servicing and risk associated with large sized HAM based road project. The ratings continue to draw strength from Inkel's business association with Government of Kerala (GOK) entities, diverse board of directors supported by an experienced senior management, potential for development of infrastructure facilities in the state of Kerala and comfortable capital structure.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on December 30, 2024, the following were the rating strengths and weaknesses. (updated with FY25 financials obtained from company website)

Key weakness

Volatility in revenue due to project-based nature of its business

Since inception, Inkel was primarily engaged in construction of Inkel Tower and Mallappuram Community Centre. During FY15-FY16, Inkel towers contributed to major portion of income. With Inkel forming new ventures and these ventures securing new orders, Inkel's revenue stream witnessed a diversification. Inkel had significant presence in project management consultancy (PMC), facility management and solar division. However, it is to be noted that income level is likely to remain volatile unless the projects developed in PMC division are completed periodically and new projects are being taken in PMC division. Also, regular inflow of orders in solar division is also key to improve the revenue.

Exposure to joint venture and associates which are generating lower return on investments

Total investments and loans & advances in JV/partnerships stood at Rs.114.71 crore (PY: Rs.113.71 crore) translating to 48% (PY: 53%) of net worth as on March 31, 2025. During FY25, Inkel reported interest and dividend income of Rs.13.53 crore (PY: Rs.10.56 crore), corresponding to interest income from advances extended to group entities and investment in JV/ Associates. However, Inkel was yet to reap any significant benefits from these investments.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Weak credit profile of subsidiaries and delays in debt servicing by its subsidiaries

Inkel had earlier extended corporate guarantee to its Subsidiaries/ Joint ventures. It is to be noted During FY20, SICL defaulted in their repayment obligations. Lenders of Seguro-Inkel had invoked corporate guarantee extended by Inkel Ltd to its bank facilities. Inkel had availed an interest-free loan from the Kerala Industrial Infrastructure Development Corporation (KINFRA), the nodal agency of the Government of Kerala, under the ASIDE scheme, which is not rated by CARE. The company has continued to delay repayments on this facility. The loan was repayable in three annual instalments of ₹1 crore each, due before March 31, 2019, March 31, 2020, and March 31, 2021, respectively. As of March 31, 2025, the total overdue amount stands at ₹3 crore.

Risk associated with large sized HAM based road project

National Highway Authority of India (NHAI) on February 26, 2018 had awarded the contract for six laning of 28.4 km stretch between Vengalam to Ramanattukara By-pass road to KMC Constructions Ltd (KMC) based on Hybrid Annuity Model (HAM). KMC had entered into a JV with Inkel wherein 51% of the total shares was held by KMC and the remaining 49% of the total shares by Inkel for executing the project. Investment by KMC in this project would be limited to Rs.5.1 crore and rest of promoter contribution (Rs.264 crore) for the project would be made by Inkel. However, there had been delay in achievement of financial closure. Consequently, Inkel has planned to exit the project. It is to be noted that Inkel has submitted a performance guarantee amounting to Rs.85 crore to NHAI which exposes the company to risk of BG invocation in case of any unfavourable outcome.

Key strengths**Association with Government of Kerala entities**

Inkel was formed as a PPP initiative for setting up infrastructure facilities to address the requirements of industrialists and entrepreneurs in the state of Kerala. Inkel has received support from GoK by way of funding (in the form of share capital), director board membership, tie-ups with government undertakings such as KINFRA and KSIDC and also by way of allotment of land on long term lease basis through these entities for developing the infrastructure. Further, Inkel had been selected as nodal agency by GoK for conducting feasibility studies on certain projects and implementation of certain projects in the state. As on March 31, 2025, GoK holds 22.78%, Bismi Holdings Limited: 6.19%, Shri Yusuffali MA: 17.02%, Shri Varghese Kurian: 7.59% and Dr. P. Mohamad Ali: 5.91%.

Diverse board of directors

There are twelve directors on the board of Inkel, of which three are representatives of GoK and the rest of the members are from the business fraternity in the state of Kerala. The government nominated directors include Managing Director, Chairman and a nominee director.

Comfortable capital structure

Total debt outstanding as on March 31, 2025 stood stable at Rs.28.83 crore. Overall gearing stood comfortable at 0.12x as on March 31, 2025 as against 0.23x as on March 31, 2024.

Potential for infrastructure facilities in Kerala

The state of Kerala holds significant potential for development of infrastructure facilities especially for small-scale export based units, educational institutions, warehouses, service-based industries. Most of the businesses are small-scale units which require processing capacity, warehousing facility and office space. With the initial cost of purchasing land/building cut down significantly, the projects by Inkel may find interest among the buyers in the small/medium scale businesses

Assumptions/Covenants: Not Applicable**Environment, social, and governance (ESG) risks: Not Applicable****Applicable criteria**

[Definition of Default](#)

[Investment Holding Companies](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Hybrid Annuity Model based road projects](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Diversified	Diversified	Diversified	Diversified

Incorporated in the year 2007, Inkel Limited (Inkel) is a public private partnership initiative by Government of Kerala (GoK) established with the objective of channelizing private capital and professional expertise into large scale infrastructure projects which includes setting up of industrial parks, special economic zone, trade centers and construction of roads and bridges required for various manufacturing and service-based industries in the state. Inkel achieves its objectives by forming joint ventures with various companies which has expertise in their respective fields since the company does not have the technical expertise to bid for certain Infrastructure projects. Apart from this, other major divisions which contribute to Inkel's revenue are the project management consultancy division and solar division.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	67.33	66.06	48.55
PBILDT*	5.49	14.27	14.90
Profit after tax (PAT)	12.88	16.25	22.60
Overall gearing (x)	0.22	0.23	0.12
Interest coverage (x)	1.66	2.65	4.06

A: Audited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA:

ACUITE Ratings has reviewed the ratings of Inkel Limited and classified into 'issuer not cooperating' category based on best available information vide PR dated January 08, 2026. The reason provided by ACUITE Ratings is non-furnishing of requisite information needed to conduct the rating exercise

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fixed Deposit		-	-	-	40.00	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	85.00	CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fixed Deposit	LT	40.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Dec-24)	1)CARE C; Stable; ISSUER NOT COOPERATING* (26-Dec-23)	1)CARE C; Stable; ISSUER NOT COOPERATING* (17-Nov-22) 2)CARE C; Stable (22-Jun-22)
2	Non-fund-based - ST-BG/LC	ST	85.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (30-Dec-24)	1)CARE A4; ISSUER NOT COOPERATING* (26-Dec-23)	1)CARE A4; ISSUER NOT COOPERATING* (17-Nov-22)
3	Fund-based - LT-Cash Credit	LT	5.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Dec-24)	1)CARE C; Stable; ISSUER NOT COOPERATING* (26-Dec-23)	1)CARE C; Stable; ISSUER NOT COOPERATING* (17-Nov-22)

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

LT: Long term; ST: Short term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable
Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fixed Deposit	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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