

Press Release

Bansal Pathways Private Limited

November 26, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 25.00 Cr. #
Long Term Rating	ACUITE BB+ Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded long-term rating to '**ACUITE BB+**' (**read as ACUITE double B plus**) from '**ACUITE A-**' (**read as ACUITE A minus**) on the Rs. 25.00 crore bank facilities of BANSAL PATHWAYS PRIVATE LIMITED. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

Bansal Pathways Private Limited is a special-purpose vehicle (SPV) sponsored by Bansal Construction Works Private Limited. The company was incorporated in 2011 to undertake construction of 2-lane road between Garakota-Rehli-Devri (49.30Km) and Rehli-Gorjhamar (18.08 Km) in Madhya Pradesh. The project road is a section of State Highway-14 with a total length of 67.38 kilometres. The project has been awarded by Madhya Pradesh Road Development Corporation (MPRDC) to be executed under BOT on a build-operate-transfer (Toll plus Annuity) basis. The concession period is 15 years and the construction period was 2 years and based on semi-annual annuity payment. The project cost was Rs.118.52 crore and was funded through term loans of Rs.82.00 crore, equity of Rs.25.00 crore and quasi capital of Rs.11.52 crore. Further, the company has achieved the COD on October 28, 2013 and has received around 9 annuities as on May 2018.

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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.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). Acuité endeavoured 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 request.

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

None

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
21-Aug-2019	Term Loan	Long Term	25.00	ACUITE A- (Indicative)
19-Jun-2018	Term Loan	Long Term	25.00	ACUITE A- / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term loans	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB+ (Downgraded from ACUITE A-) Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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 6,000 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 Mumbai.

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