

Press Release

Ayodhya Gorakhpur Sms Tolls Private Limited

May 07, 2021



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 115.00 Cr. #
Long Term Rating	ACUITE BBB+ (Downgraded & Withdrawn; Issuer not co-operating*)

Refer Annexure for details

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

Acuité has downgraded and withdrawn the long-term rating to '**ACUITE BBB+** (read as **ACUITE triple B plus**) from '**ACUITE A+** (read as **ACUITE A plus**) on the Rs. 115.00 crore bank facilities of Ayodhya Gorakhpur Sms Tolls Private Limited (AGPL). The rating withdrawal is in accordance with Acuité's policy on withdrawal of rating. The rating is now indicative rating and is downgraded on account of information risk.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

AGPL is a Special Purpose Vehicle (SPV), promoted by SMS Limited (100 per cent stake) to undertake a road development project on Operate Maintain and Transfer (OMT) basis. The scope includes operating and maintaining a 116.10 km four-lane road project (137.970 km to 252.860 km) on NH - 28 in the state of Uttar Pradesh (UP). The project was awarded by National Highways Authority of India (NHAI) on Toll collection basis, with a concession period of 9 years starting from March 2013. The project achieved its Commercial Operation Date in August 2013 and the premium payable to authority was Rs. 79.02 crore in the first year with an annual escalation of 10 per cent.

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.

Applicable Criteria

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

Liquidity Position

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

Rating Sensitivities

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

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)

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
06-Feb-2020	Term Loan	Long Term	115.00	ACUITE A+/Stable (Assigned)
	Proposed Long Term Loan	Long Term	73.00	ACUITE A+ (Withdrawn)
09-Jan-2020	Proposed Long Term Loan	Long Term	188.00	ACUITE Provisional A+/Stable (Reaffirmed)
21-Aug-2019	Proposed Long Term Loan	Long Term	188.00	ACUITE Provisional 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/Outlook
Term Loan	27-Dec-19	Not Applicable	30-Apr-22	115.00	ACUITE BBB+ (Downgraded & Withdrawn; 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 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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