

Press Release

Bijapur Hungund Tollway Private Limited (BHTPL)

19 January 2017

Rating Update

Total Bank Facilities Rated	Rs.846.50 Cr
Long Term Rating (Indicative)	SMERA BBB Issuer not co-operating*

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

Rating Action

SMERA has reviewed the rating of '**SMERA BBB**' (read as **SMERA triple B**) on the Rs.846.50 crore bank facilities of Bijapur Hungund Tollway Private Limited (BHTPL). This rating is now an indicative rating and is based on publicly available information.

Non-cooperation by the issuer/borrower: SMERA had requested for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. SMERA may have also requested for the payment of outstanding surveillance fee. Since the rated entity did not respond to SMERA's requests for information (and/or surveillance fee), this rating is now being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Infrastructure Sector <https://www.smera.in/criteria-infra.htm>
- Application of Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on the information furnished by the rated entity in May 2015. Due to non-submission of information, SMERA gathered information about the company / industry from sources available in the public domain. SMERA therefore records its caution to the lenders/investors/public regarding the outdated data/non-reliability of data, on which the indicative credit rating is based.

About the Rated Entity

BHTPL is a Special Purpose Vehicle (SPV), promoted by Sadbhav Engineering Ltd (SEL) through its step down subsidiary Sadbhav Infrastructure Project Limited (SIPL) (77 per cent stake) and Monte Carlo Construction Limited (MCL) (23 per cent stake) for implementing a 97.22 km four-laning road project under Build, Operate and Transfer (BOT) basis. The project envisaged four-laning of the Bijapur-Hungund section in the state of Karnataka on National Highway 13 (NH 13). The project highway starts from Bijapur (Km 102.00 of NH 13) and ends at Hungund (Km 202.00 of NH 13). The project was awarded by National Highways Authority of India (NHAI) on Toll collection basis, with a concession period of 20 years including the construction period of 910 days. The project achieved its COD in April 2012.

For FY2015-16, BHTPL registered operating income of Rs.114.77 crore and networth of Rs.207.89 crore as against operating income of Rs. 104.35 crore and networth of Rs.246.55 crore in FY2014-15. (Source of publicly available information: ACE Equity database)

Rating History for the last three years:

Name of Instrument /Facilities	2017			2016		2015		2014	
	Scale	Amt (Rs. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Term Loan	Long Term	846.50	SMERA BBB (Issuer not co-operating)	-	-	May 25, 2015	SMERA BBB/ Stable (upgraded)	April 30, 2014	SMERA BBB- / Stable (Assigned)

* Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Ratings
Term Loan	NA	NA	NA	846.50	SMERA BBB (Issuer not co-operating)

Contacts:

Analytical	Rating Desk
Mr. Vinayak Nayak Head – Ratings Operations, SMERA Bond Ratings Tel: 02267141190 Email: vinayak.nayak@smera.in Mr. Vishal Choudhary Rating Analyst Tel: 02267171111 Email: vishal.choudhary@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 Email: varsha.bist@smera.in

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

Disclaimer: *A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.smera.in) for the latest information on any instrument rated by SMERA.*