

Press Release

Bijapur Hungund Tollway Private Limited (BHTPL)

December 16, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 846.50 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB/ Stable) Issuer not co-operating*

Refer Annexure for details`

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

Acuité has downgraded the rating of Bijapur Hungund Tollway Private Limited to '**ACUITE BB+** (read as **Acuité double B plus**) from '**ACUITE BBB**' (read as **Acuité triple B**). The rating downgrade is on account of information risk.

BHTPL is a Special Purpose Vehicle (SPV), promoted by Sadbhav Engineering Ltd (SEL) through its step down subsidiary Sadbhav Infrastructure Project Limited (SPL) (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 (NH13). 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.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of BHTPL to arrive at this rating.

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/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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 endeavored 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 attempts.

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

Not applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated

requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
06-Oct-2018	Term Loan	Long Term	846.50	ACUITE BBB (Indicative)
19-Jan-2017	Term Loan	Long Term	846.50	ACUITE BBB (Indicative)
25-May-2015	Term Loan	Long Term	846.50	ACUITE BBB/Stable (Upgraded)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	846.50	ACUITE BB+ (Downgraded from ACUITE BBB) 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 ACUITE 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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