

AJR Infra & Tolling Limited

March 01, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	25.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	35.00	CARE D; 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 has been seeking information from AJR Infra & Tolling Limited (AITL) formerly known as Gammon infrastructure Projects Limited (GIPL) to monitor the rating(s) vide e-mail communications/letters dated November 11, 2022, November 01, 2022 & October 22, 2022 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The rating on AITL's bank facilities will now be denoted as **CARE D/CARE D; ISSUER NOT COOPERATING***.

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

Detailed description of the key rating drivers

At the time of last rating on December 06, 2021 the following were the rating strengths and weaknesses

Key Rating Weaknesses

Key Rating Weaknesses Ongoing delays in servicing of debt obligations

As per the interaction with the lender, there are on-going delays and defaults in the servicing of debt obligations and overdrafts in fund-based cash credit limits owing to strained liquidity position of the company. As per FY21 audit report (standalone and consolidated), there are defaults at standalone level as well as in various SPVs (Special Purpose Vehicles) where the accounts are classified as non-performing accounts (NPA) and some of the SPVs are undergoing Insolvency Resolution Process (IRP). During FY20, the consolidated revenue of AITL declined to Rs.395 crore as compared to Rs.526 crore in FY19 mainly on account of subdued performance of Vizag port, shortage of supply of bagasse during FY20 leading to lower power generation as well as poor toll collections in the MP road project and RGBL. Besides, the operations at the SPVs levels are stressed on account of delayed execution and stalled projects along with debt burden leading to constrained liquidity position of the company.

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry Classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Construction	Construction	Civil Construction

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

AITL, formerly known as (Gammon Infrastructure Projects Limited (GIPL)) is an infrastructure project development company, promoted by Gammon India Limited (GIL) (CARE D/ INC), one of the largest construction companies in India. Incorporated in 2001, AITL undertakes the development of infrastructure projects on a public-private partnership (PPP) basis under separate project-specific Special Purpose Vehicles (SPVs), having presence in project development, project advisory and sector-specific operations and maintenance. AITL is publicly listed entity on both recognized stock exchanges i.e BSE and NSE and its presence is pan-India with two decades of experience and technical expertise in the multi-purpose infrastructure segments with diverse portfolio across Roads, Power and Port sectors. The company is presently engaged in the development of various infrastructure projects in sectors like transportation, energy and urban infrastructure through several special purpose vehicles (SPVs). It is also engaged in carrying out operation and maintenance (O&M) activities for the transportation sector projects. The current portfolio of the Company comprises of four operational assets into Power, Ports and Road and six projects under different stages of development with majorly into Road projects. The Company's projects are spread across seven states in India.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total operating income	6.95	6.04	NA
PBILDT	2.19	0.70	NA
PAT	6.25	-556.75	NA
Overall gearing (times)	1.45	4.03	NA
Interest coverage (times)	0.57	10.03	NA

A: Audited; UA: Unaudited; NA: Not available

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of the various 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 along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	25.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	35.00	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the 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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	25.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (06-Dec-21)	1)CARE D (05-Oct-20)	-
2	Non-fund-based - ST-Bank Guarantee	ST	35.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (06-Dec-21)	1)CARE D (05-Oct-20)	-

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

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: NA
Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

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

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Disclaimer:

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