

AJR Infra & Tolling Limited
(Formerly known as Gammon Infrastructure Projects Limited)

December 06, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long term Bank Facilities- Fund based	25.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating moved to ISSUER NOT COOPERATING category
Short term Bank Facilities- Non fund based	35.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating moved to ISSUER NOT COOPERATING category
Total	60.00 (Rs. Sixty crore only)		

Details of facilities as per Annexure-1

Detailed Rationale & 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 August 11, 2021, November 25, 2021 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 October 05, 2020 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 overdraws 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 RGLB. 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](#)

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

About the company

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

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

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 (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	H1FY22(UA)
Total operating income	31.38	39.31	18.36
PBILDT	20.27	34.55	2.94
PAT	-11.47	6.25	2.64
Overall gearing (times)	0.17	0.17	0.13
Interest coverage (times)	0.75	9.05	98

A: Audited; UA: Unaudited

Status of non-cooperation with previous CRA: NA

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

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

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	25.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees		-	-	-	35.00	CARE D; ISSUER NOT COOPERATING*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Cash Credit	LT	25.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (05-Oct-20)	-	-
2	Non-fund-based - ST-Bank Guarantees	ST	35.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (05-Oct-20)	-	-

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities-NA

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Non Fund based- ST- Letter of Credit	Simple

Annexure 5: Bank Lender Details for this Company

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

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

Contact us

Media Contact

Name: Mradul Mishra
 Contact no.: +91-22-6754 3573
 Email ID: mradul.mishra@careratings.com

Analyst Contact

Name: Arunava Paul
 Contact no.:
 Email ID: arunava.paul@careratings.com

Relationship Contact

Name: Saikat Roy
 Contact no.: +91-98209 98779
 Email ID: saikat.roy@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**