

Adani Gas Limited

September 28, 2020

Rating

Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Commercial Paper (CP) Issue	-	-	Withdrawn
Total Instruments	-		

Details of instruments in Annexure – 1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding rating of 'CARE A1+' (A One Plus) assigned to the commercial paper issue of Adani Gas Limited (AGL) with immediate effect. The above action has been taken at the request of company and confirmation of no amount outstanding received from the Issuer and Paying Agent that have extended the instruments rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Adani Gas Limited, incorporated in 2005, is in the CGD business, which involves marketing and distribution of natural gas (piped and compressed). At present, AGL supplies PNG to industrial, commercial and domestic customers; and CNG to the transport sector in Ahmedabad, Vadodara (both in Gujarat), Faridabad (Haryana) and Khurja (Uttar Pradesh). Previously AGL was a 100% directly owned by Adani Enterprises Limited (AEL). However, pursuant to a scheme of arrangement, AGL was demerged from AEL and independently listed on stock exchanges under automatic route on November 05, 2018. AGL has also received authorisations to establish the CGD network in the 15 new geographical areas (GAs) from the 9th and 10th bid rounds combined. AGL has also entered into a 50:50 JV with Indian Oil Corporation Limited, with the JV, IOAGPL, engaged in the implementation of the CGD network in several other GAs across India. In February 2020, Total Holdings SAS completed acquisition of 37.4% in AGL from existing promoters as part of share purchase agreement.

Brief Financials – AGL (Rs. Crore)	FY19 (A)	FY20 (A)
Total operating income	1,794	1,910
PBILDT	530	631
PAT	229	436
Overall gearing (times)	0.36	0.29
Interest coverage (times)	5.95	15.57

A: Audited;

As per published results, AGL reported profit after tax of Rs.46.33 crore on TOI of Rs.214.94 crore in Q1FY21 against net profit of Rs.79.27 crore on TOI of Rs.489.71 crore in Q1FY20.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not Applicable

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

Annexure-1: Details of Instruments

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper-Commercial Paper (Standalone)	-	-	7-364 days	-	Withdrawn

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

Annexure-2: Rating History of last three years

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Commercial Paper- Commercial Paper (Standalone)	ST	-	Withdrawn	-	1) CARE A1+ (09-Oct-19)	1)CARE A1+ (08-Oct-18) 2)CARE A1+ (12-Jun-18)	1)CARE A1+ (22-Sep-17) 2)CARE A1+ (05-Jul-17)

Annexure -3: Complexity level for various rated instruments for this company

Sr. No.	Name of the Instrument	Complexity Level
1.	Commercial Paper- Commercial Paper (Standalone)	Simple

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

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About CARE Ratings:

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