

RATING RATIONALE

30 June 2020

Aban Holdings Pte. Ltd. (AHPL)

Brickwork Ratings reaffirms the rating for the Bank Loan Facilities of aggregating to US\$ 2017.278 mn of Aban Holdings Pte. Ltd. (AHPL) based on best available information, as the issuer did not cooperate.

Particulars

Facilities/ Instrument**	Amount (US\$ mn)		Tenure	Rating*	
	Previous	Present		Previous (Apr 2018)	Present
Fund Based – Standby Letter of Credit (SBLC) / Foreign Currency Term Loans (FCTL)/ BG	2017.278	2017.278	Long Term	BWR D 'Issuer Not Cooperating'	BWR D 'Issuer Not Cooperating' (Reaffirmed)
Total	2017.278	2017.278	US\$ Two Thousand and Seventeen million and Two hundred and Seventy-Eight thousand Only		

^Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

** Details of Bank Loan facilities/NCD/Bonds/Commercial Paper is provided in Annexures-I

RATING ACTION / OUTLOOK/ NATURE OF NON-COOPERATION

The rating was due for a review in Apr 2019, BWR took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the Company has not provided the same. In the absence of adequate information from the issuer/Company, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. The company has not provided any information to perform the review of the rating. Hence, on account of inadequate information, lack of management cooperation and taking into account available information in public domain, Brickwork Ratings has reaffirmed the rating of the said bank loan facilities at **BWR D continue with 'ISSUER NOT COOPERATING' category.**

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the

assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

COMPANY/COUNCIL PROFILE

Aban Holding Pte. Ltd. (“AHPL”), a company incorporated in Singapore in 2007 as a 100% subsidiary of Aban Offshore Ltd (AOL), acts as the holding company for the group’s offshore subsidiaries. AHPL through its step-down subsidiaries in Singapore, provides offshore rigs for oil and gas drilling and support services. AHPL owns and operates 11 rigs (10 Jack up rigs and one drill ship). AHPL operates through its WOS Aban Singapore Pte. Ltd. (ASPL), which holds the Group’s overseas business including all the subsidiaries of Aban Group in Singapore and Norway.

KEY FINANCIAL INDICATORS (in INR Crs) (As available in public domain)

As per the FY20 consolidated financials, the company has reported operating revenues of Rs.974.04 Crs in FY20 against Rs.848.27 crs in FY19 with a negative EBITDA of Rs.9399.88 Crs in FY20 against Rs.5217.16 crs in FY19. It has reported a loss of Rs.8972.61 Crs during FY20, as compared to loss of Rs.5273.45 Crs in FY19. Its total debt stood at Rs.20330.44 Crs with a negative net-worth of -Rs.15320.70 Crs as on FY20.

FINANCIAL INDICATORS – ISSUER

Key Parameters	Units	FY19	FY20
Result Type		Audited	Audited
Operating Income	Rs. Crs	848.27	974.04
EBITDA	Rs. Crs	-5217.16	-9399.88
PAT	Rs. Crs	-5273.45	-8972.61
Tangible Net-worth	Rs. Crs	-5308.63	-15320.70
D: E Ratio	Times	-3.32	-1.33
Current Ratio	Times	0.13	0.09

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED

The terms of the sanction of loans from all banks and financial institutions include standard covenants normally stipulated for such facilities by Banks/FIs. As per audited financials, the group’s rigs with carrying amount of US\$ 450.00 mn have been pledged as security for the borrowings of the group and of the company. As per auditor, they are unable to obtain bank confirmations for the group’s and the company’s bank borrowings of US\$ 978.36 mn and US\$843.22 mn respectively as on FY20.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

S. No.	Instrument	Current Rating			Rating History					
		Type (Long Term/ Short Term)	Amount Outstanding (US\$ mn)	Rating	2019		2018		2017	
					Date	Rating	Date	Rating	Date	Rating
1.	Fund Based – Standby Letter of Credit (SBLC) / Foreign Currency Term Loans (FCTL)/BG	Long Term	2017.278	BWR D ‘Issuer Not Cooperating’ (Reaffirmed)*	NA	NA	20 Apr 2018	BWR D ‘Issuer Not Cooperating’	31 Jan 2017	BWR D
	Total		2017.278	US\$ Two Thousand and Seventeen million and Two hundred and Seventy-Eight thousand Only						

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

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Infrastructure Sector](#)

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Aban Holdings Pte. Ltd. (AHPL)

ANNEXURE I
Details of Bank Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (US\$ mn)	Short Term (US\$ mn)	Total (US\$ mn)
1.	SBM, Mumbai	SBLC/FCTL/BG	9.55	-	9.55
2.	Axis Bank	SBLC/FCTL/BG	142.12	-	142.12
3.	BOB	SBLC/FCTL/BG	43.78	-	43.78
4.	IOB, Chennai	SBLC/FCTL/BG	189.05	-	189.05
5.	SBI, Chennai	SBLC/FCTL/BG	366.51	-	366.51
6.	SBT, Chennai	SBLC/FCTL/BG	24.50	-	24.50
7.	EXIM, Mumbai	SBLC/FCTL/BG	60.27	-	60.27
8.	Corporation Bank	SBLC/FCTL/BG	50.05	-	50.05
9.	IDBI, Chennai	SBLC/FCTL/BG	42.93	-	42.93
10.	ICICI	SBLC/FCTL/BG	359.97	-	359.97
11.	SBH, Chennai	SBLC/FCTL/BG	50.06	-	50.06
12.	BOI	SBLC/FCTL/BG	166.15	-	166.15
13.	OBC, Chennai	SBLC/FCTL/BG	98.40	-	98.40
14.	Indian Bank	SBLC/FCTL/BG	86.10	-	86.10
15.	PNB, Chennai	SBLC/FCTL/BG	252.48	-	252.48
16.	Canara Bank	SBLC/FCTL/BG	46.97	-	46.97
17.	PNB, London	SBLC/FCTL/BG	5.04	-	5.04
18.	Union Bank of India, Dubai	SBLC/FCTL/BG	14.60	-	14.60
19.	Syndicate Bank, London	SBLC/FCTL/BG	8.75	-	8.75
TOTAL					2017.28

Total US\$ Two Thousand and Seventeen million and Two hundred and Seventy-Eight thousand only.



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