

Rating Rationale

Adani Transmission (Rajasthan) Ltd.

28 June 2017

Brickwork Ratings reaffirms and assigns ratings for the Bank Loan Facilities of Rs. 140 Crore Adani Transmission (Rajasthan) Ltd.

Particulars

Facility*	Previous Limits (Rs. Cr)	Current Limits (Rs. Cr)	Tenure	Previous Rating* (MAY 2017)	Rating based on current review*
	Fund Based Limits				
Term Loan	120	120	Long Term	BWR A- (Pronounced as Single A Minus) Outlook Stable	BWR A- (Pronounced as Single A Minus) Outlook Stable Reaffirmation
Non Fund Based Limits					
Letter of Credit**	30	Long Term	BWR A- (Pronounced as Single A Minus) Outlook Stable	withdrawn
Letter of Credit**	(108)	Long Term	Assignment of BWR AA-(SO) (Pronounced as BWR DOUBLE AA MINUS SO (Outlook Stable))
LER (Loan Equivalent Risk)	10	10	Long Term	BWR A- (Pronounced as Single A Minus) Outlook Stable	BWR A- (Pronounced as Single A Minus) Outlook Stable Reaffirmation
Bank Guarantee	10	10	Long Term	BWR A- (Pronounced as Single A Minus) Outlook Stable	BWR A- (Pronounced as Single A Minus) Outlook Stable Reaffirmation
TOTAL	170	140 (One Hundred Forty Crores)			

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

** Letter of Credit of Rs.108 Crore is the sublimits of term loan of Rs,120 Crore. For this LCs, PTC India Financial Service Ltd. have given Letter of Comfort



BWR has reviewed the rating of Adani Transmission (Rajasthan) Ltd. (ATRL) based on the sanction letter of PTC India Financial Services LTD (PIF), wherein PIF has agreed to issue Letters of Comfort to banks for Letters of Credit (LC) facility upto 90% of the amount of the term loan sanctioned by PIF i.e., Rs. 108 Crore.

As such, the rating of LC facility of has been revised to map with the ratings of PIF [[rated BWR AA \(Stable\) as per rationale dated March 31, 2017](#)].

These LCs are capex LCs which will be there for initial 2-3 years of the project period and will eventually be met out of the term loan from PTC Financial Services Ltd. Given these LCs are actually sub-limits of the main term loan, the company can actually avail these LCs for upto Rs.108cr.

Adani Transmission (Rajasthan) Ltd.

Adani Transmission Rajasthan Ltd (ATRL) is a 100% subsidiary of Adani Transmission Ltd (ATL), which is owned by the promoters of Adani Group of Companies. Mr. Gautam Adani is the majority share-holder of ATL.

ATRL proposes to set up a 139km 400 Kv Double Circuit twin ACSR Moose Transmission line from Suratgrah Thermal Power Station (operated by Rajasthan Rajya Vidyut Prasaran Nigam Ltd.) to Bikaner for evacuation of power from 2 X 660 MW Units 7 and 8 of supercritical thermal power plant at Suratgarh with design capacity to transfer electrical power equivalent to 1066 MW. The estimated Project Cost of Rs. 160 Cr is proposed to be funded in Debt: Equity proportion of 75:25. PTC India Financial Services Ltd. Has sanctioned a TL of Rs 120 Crs. Repayment of the loan will start from August 2019 (1 year after COD, expected in August 2018) and will be for 15 years. The LC facilities from RBL Bank and Axis Bank will be met out of the said TL, based on the Letter issued by PIF favouring the LC opening banks.

For other financial details, including the holding company Adani Transmission Ltd., kindly refer to the [rationale dated May 5, 2017](#).

Rating History for the last three years: (including withdrawn/suspended ratings)

Sl. No.	Instrument /Facility	Type (Long Term/Short Term)	Current Rating (Year 2017)				Rating History		
			Amt (June 2017) (Rs Crs)	Amt (April 2017) (Rs Crs)	Rating (June 2017)	Rating (April 2017)	2016	2015	2014
1.	Term Loan	Long Term	120	120	BWR A-(Stable)	BWR A-(Stable)	-	-	-
2.	Letter of Credit	Long Term	(108)	30	BWR AA-(SO) (Stable)	BWR A-(Stable)			
3.	LER	Long Term	10	10	BWR A-(Stable)	BWR A-(Stable)			
4.	BG	Long Term	10	10	BWR A-(Stable)	BWR A-(Stable)			

Status of non-cooperation with previous CRA (if applicable): Reason and comments N/A

Any other information: N/A

Hyperlink/Reference to Applicable Criteria

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

For any other criteria obtain hyperlinks from website

Analytical Contacts	Media
MSR Manjunatha Head – Ratings Administration	media@brickworkratings.com
analyst@brickworkratings.com	Relationship Contact bd@brickworkratings.com
Phone: 1-860-425-2742	

For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

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BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

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