

Andhra Pradesh Township Infrastructure and Development Corporation Ltd

Brickwork Ratings revises the ratings for the Bank Loan Facilities of Rs. 5000.00 Crs. of Andhra Pradesh Township Infrastructure and Development Corporation Ltd.

Particulars:

Facilities**	Amount (Rs. Crs.)		Tenure	Rating*	
	Previous	Present		Previous (21-Dec-2018)	Present
Fund Based Proposed Term Loans	5000.00	4700.00	Long Term	Provisional BWR A+ (SO^)/ Stable	Provisional BWR A (CE)#/ Stable (Downgrade)
Fund Based Term Loans	--	300.00	Long Term	--	Affirmation at BWR A (CE)\$/ Stable (Downgrade)
Total	5000.00	5000.00	₹ Five Thousand Crores Only		

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

** Details of Bank Loan facilities is provided in Annexure- I

Note: Ratings migrated to Ratings not reviewed category on 23-Dec-2019

Unsupported Rating: BWR BBB- / Stable

^The suffix SO has been replaced with CE as per the SEBI guidelines June 13,2019 as on 14-Sep-2019

#Credit Enhancement (CE) was assigned based on the unconditional and irrevocable guarantee from State Government of AP (GoAP)

\$Credit Enhancement (CE) was assigned based on the proposed unconditional and irrevocable guarantee from State Government of AP.

Provisional rating will be affirmed once the financial closure, unconditional and irrevocable guarantee from State Government of AP is obtained and all the documentation is completed . The said rating has been assigned on the basis of the terms and conditions assumed in the draft term sheet including, repayment over 13 years with a moratorium of 2 years and irrevocable and unconditional guarantee with Structured payment mechanism.

RATING ACTION / OUTLOOK

The ratings downgrade takes into account the deterioration of the Andhra Pradesh state finances with respect to modest growth of revenue and capital expenditure, deteriorated fiscal balances, increase in committed expenses, high level of debt outstanding and guarantees and modest growth in demographic and socio infrastructure of the state. The ratings are also constrained by the delay in the execution of the project on account of political risks associated with change in the government. The ratings assigned derive its strengths from project being developed under



PMAY Scheme, experienced management, and financial support from Government of India (GoI) and Government of Andhra Pradesh (GoAP).

The outlook has been kept as Stable as the company's performance is likely to remain consistent in the medium term and continued support from the state government of Andhra Pradesh and Government of India in the form of grants.

Please [click here](#) for the detailed rating rationale published on 21-Dec-2018.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED : The terms of sanction include standard covenants normally stipulated for bank loan facilities. The term loan of Rs. 300.00 Crores sanctioned and availed by ICICI Bank has unconditional and irrevocable guarantee from the state government of Andhra Pradesh for the timely repayment of the debt obligations. Also for the proposed Rupee Term Loans (RTL) of Rs.4700.00 Crores would be secured by the Guarantee of Andhra Pradesh for both Principal and Interest repayment as per the G.O.Ms No.58 dated February 06, 2018.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY : Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (Rs. Crs.)	Rating	21-Dec-2018	2017	2016
Fund Based Term Loan	Long Term	300.00	Affirmation at BWR A (CE) / Stable Downgraded	--	--	--
Fund Based Proposed Term Loans	Long Term	4700.00	Provisional BWR A (CE)/ Stable Downgraded	Provisional BWR A+ (SO) / Stable	--	--
Total		5000.00	Rupees Five Thousand Crores Only			

Unsupported Rating: BWR BBB-/ Stable

Note: Ratings migrated to Ratings not reviewed category on 23-Dec-2019

^The suffix SO has been replaced with CE as per the SEBI guidelines June 13,2019 as on 14-Sep-2019



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](#)
- [Credit Enhancement](#)
- [Ratings based on Government Support](#)

Analytical Contacts	Investor and Media Relations
<p>Sowmya Yatham Manager- Ratings Board: 080 - 40409940 Ext: 309 sowmya.y@brickworkratings.com</p> <p>Vipula Sharma Director – Ratings Board: 080 - 40409940 Ext: 330 vipula.s@brickworkratings.com</p>	<p>M : +91 7738875550 B : +91 22 6745 6666 investordesk@brickworkratings.com</p>

ANDHRA PRADESH TOWNSHIP INFRASTRUCTURE AND DEVELOPMENT CORPORATION LTD

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Crs.)	Short Term (Rs. Crs.)	Total (Rs. Crs.)
1	ICICI Bank	Term Loans	300.00	--	300.00
2	Un-tied Portion	Term Loans (Proposed)	4700.00	--	4700.00
Total			5000.00	--	5000.00



Total Rupees Five Thousand Crores Only

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media

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