



## Press Release

### Material Event Update

### Adani Infrastructure Management Services Limited

November 29, 2024

#### Ratings

Instrument / Facilities	Amount (Rs. crore)	Ratings outstanding	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	283.02	IVR AA- (CE)* / Stable (IVR Double A Minus (Credit Enhancement) with Stable Outlook)	Complex
<b>Total</b>	<b>283.02</b> <b>(Rupees Two hundred eighty-three crore and two lakh only)</b>		

\*CE Rating based on corporate guarantee provided by Adani Properties Pvt. Ltd. (APPL).

<b>Unsupported Rating #</b>	Long Term Bank Facilities	IVR BBB /Stable (IVR Triple BBB with Stable Outlook)
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# *Unsupported rating does not factor in the explicit credit enhancement in the form of Corporate Guarantee from Adani Properties Pvt Ltd.*

**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

#### Update:

The United States Department of Justice (DoJ) issued an indictment against Mr. Gautam S. Adani, Founder & Chairman of Adani Group; Mr. Sagar R. Adani, and Mr. Vneet S. Jaain, executives of Adani Green Energy Ltd (AGEL) with conspiracies to commit securities and wire fraud and substantive securities fraud for their roles in a multi-billion-dollar scheme to obtain funds from U.S. investors and global financial institutions on the basis of false and misleading statements on November 20, 2024 in United States. The criminal indictment alleges that the above formulated to pay more than \$250 million in bribes to Indian government officials to obtain lucrative solar energy supply contracts with the Indian government. In its civil complaint, the United States Securities and Exchange Commission (US SEC) has alleged false/misleading statements pertaining to the company's anti-corruption/anti-bribery efforts in some of the materials for the bond offerings in September 2021. The indictment and the civil complaint were filed in the United States District Court for the Eastern District of New York,



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USA. In response, Adani group has refuted these allegations through an official statement issued to the stock exchange on November 21, 2024.

Consequently, the events triggered a decline in the market capitalisation of the listed entities of the group, and also fall in foreign currency bond prices which has a bearing on the financial flexibility of the group. The group also withdrew a \$600 million bond offering of AGEL after the event.

Infomerics Ratings notes that the level of pledged promoter holdings is low and there is no outstanding debt backed by pledged of shares at promoter level as on date. The management has also clarified that there are no event of default/acceleration covenants in any of the capital market instruments which can be triggered by the indictment.

Adani group has combined debt of around Rs.2.58 lakh crore; of which 23% is global capital market issuances and 27% are from global banks and a total cash balance of Rs. 53,024 crore representing 20.53% of gross debt outstanding as on September 30, 2024. In addition, there is cash flow visibility from operational infrastructure assets. Infomerics Ratings will continue to monitor the events and its impact on the rated entities. Any moderation in financial flexibility of Adani group due to aforesaid indictment and its sustained impact on group's leverage, any government or regulatory action shall be key rating monitorable.

### **Analytical Approach: Standalone and credit enhancement**

**Credit Enhancement:** Credit Enhancement Rating based on unconditional and irrevocable guarantee given by Adani Properties Pvt Ltd (Rated IVR A1+) to the bank facilities of AIMSL. Standalone rating is after considering the parent linkages.

### **Applicable Criteria:**

[Criteria of assigning Rating Outlook](#)

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria on Default Recognition](#)

[Rating Methodology for Structured Debt Transaction \(Non-Securitisation Transaction\)](#)



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### About the company

Adani Infrastructure Management Services Limited incorporated on June 9, 2017, and headquartered at Ahmedabad, Gujarat provides Operation and Maintenance (O&M) services to infrastructure development companies of the Adani Group in generation (thermal and renewable), transmission and distribution and roads and ports. Apart from O&M Service, AIMSIL provides performance consulting services, inspection and testing service, commissioning services etc. AIMSIL is a wholly owned subsidiary of Adani Properties Pvt Ltd.

### Financials (Standalone):

			(Rs. crore)
For the year ended / As On*	31-03-2023 (Audited)	31-03-2024 (Audited)	
Total Operating Income	704.42	839.82	
EBITDA	49.07	39.68	
PAT	65.21	66.04	
Total Debt	2726.32	595.80	
Tangible Net worth	925.61	991.94	
<b>Ratios</b>			
EBITDA Margin (%)	6.97	4.72	
PAT Margin (%)	7.76	6.65	
Overall Gearing Ratio (x)	2.95	0.60	
Interest Coverage (x)	0.45	0.34	

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

### Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating (s) assigned in 2021-22
1.	Fund Based Bank Facilities- Term Loan	Long Term	283.02	IVR AA-(CE)/ Stable  Unsupported: IVR BBB/ Stable	(March 21, 2024) IVR AA-(CE)/ Stable  Unsupported: IVR BBB/ Stable	(February 02, 2023) IVR AA-(CE)/ Stable  Unsupported: IVR BBB/ Positive	-



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating (s) assigned in 2021-22
						(January 24,2023) IVR AA-(CE)/ Stable  Unsupported: IVR BBB/ Positive  (April 11,2022) IVR AA-(CE)/ Stable  Unsupported: IVR BBB-/ Stable	

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.



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For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long term fund- based facility – Term Loan	-	-	-	May 2026	283.02	IVR AA-(CE)/ Stable  Unsupported: IVR BBB/ Stable

### Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Adani-Infrastructure-29nov24.pdf>

### Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

List of covenants:

- Unconditional and irrevocable Corporate Guarantee of Adani Properties Private Limited.
- Pledge of shares of Adani Energy Solution Limited (AESL) (erstwhile Adani Transmission Ltd) providing a security cover of 1.5 time the outstanding amount.
- Pledge of 30% of equity shares and Non-Disclosure Undertaking over balance 70% equity shares of the borrower in Favor of rupee term loan lenders.

### Annexure 4: List of companies considered for consolidated analysis: Not Applicable



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**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

