

MEP Infrastructure Developers Limited

April 19, 2021

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	0.00		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding ratings of 'CARE D; Issuer Not Cooperating' [Single D; Issuer Not Cooperating] assigned to the bank facilities of MEP Infrastructure Developers Ltd. (MEPIDL) with immediate effect. The above action has been taken at the request of MEPIDL and 'No Dues Certificate' received from the lender of bank facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated in 2002, MEP Infrastructure Developers Limited (MEPIDL) started out with road project contracts for toll collection and OMT (Operate, Maintain & Transfer). However, it has now evolved into an integrated road infrastructure developer with 17 current ongoing projects: 3 long term tolling projects, 10 HAM (Hybrid annuity model) projects, 3 OMT projects and 1 BOT project as on 31st March 2019. The toll collection and OMT projects are for a period of one year to sixteen years. The company at standalone level executes toll collection projects with tenure of upto one to three years. In case of projects beyond one to three years are executed through Special Purpose Vehicles (SPVs). The financing of these SPVs is actively managed by MEPIDL, which has substantial exposure in the form of investments as well as advances. Additionally, the company is undertaking road BOT project through its subsidiary (Baramati Tollway Private Limited) in Maharashtra. Also, the group through its subsidiary MEP Highway Solutions Private Limited does in-house Engineering Procurement Construction (EPC) towards repair and maintenance work of roads as a part of some of the contracts awarded to few SPVs.

Brief Consolidated Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	2877.84	2236.11
PBILDT	1022.84	537.26
PAT	55.98	-86.12
Overall gearing (times)	11.57x	-1.56x
Interest coverage (times)	2.20x	1.30x

A: Audited; Note: Financials are classified as per CARE's internal standards

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Working Capital Limits	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Non-fund-based - LT/ ST-Bank Guarantees	LT/ST	-	-	-	-	1)Withdrawn (26-Nov-19) 2)CARE BB+; Negative / CARE A4+ (07-Oct-19)	1)CARE BBB-; Stable / CARE A3 (27-Mar-19) 2)CARE BBB-; Stable / CARE A3 (06-Apr-18)
2.	Fund-based - LT-Working Capital Limits	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (13-Aug-20)	1)CARE BB+; Negative; ISSUER NOT COOPERATING* (26-Nov-19) 2)CARE BB+; Negative (07-Oct-19)	1)CARE BBB-; Stable (27-Mar-19) 2)CARE BBB-; Stable (06-Apr-18)

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities

Name of the Instrument	Detailed explanation
A. Non financial covenants	
I Regularly furnish stock statement and book debts	Regularly furnish statement of stocks and book debts on monthly basis every 25th of subsequent month
II Timelines to submit audited financials	Furnish not later than 180 days after the close of each financial year an original signed or certified true copy of complete audited financials

Annexure 4: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Working Capital Limits	Simple

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

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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