

MEP Sanjose Nagpur Ring Road 2 Private Limited

March 29, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	303.55	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated January 03, 2023, placed the rating(s) of MEP Sanjose Nagpur Ring Road 2 Private Limited (MSNRR2PL) under the 'issuer non-cooperating' category as MSNRR2PL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MSNRR2PL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 19, 2023, November 29, 2023, December 09, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Consolidated - CARE has adopted consolidated approach as by considering the financial metrics of MEP Infrastructure Developers Limited (MEPIDL) (*rating withdrawn vide press release dated April 19, 2021 based on No dues certificate issued by its lender*).

The operations of MEP and its subsidiaries are closely linked and same is underpinned by the centralized management and common treasury functions among various entities through which it operates in toll collection business.

Outlook: Not applicable

Detailed description of the key rating drivers:

Please refer to PR dated [January 03, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[CARE Ratings' criteria on consolidation & combined approach](#)

About the Company

MEP Infrastructure Developers Limited (MEPIDL)

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. 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.

MEP Sanjose Nagpur Ring Road 2 Private Limited

MSNRRPL is a Special Purpose Vehicle (SPV) promoted by MEP Infrastructure Developers Limited in Joint Venture with M/s Sanjose India Infrastructure and Construction Private Limited (74:26) for execution of project envisaging four laning of standalone Ring road/bypasses for Nagpur City, Package-II from km 34+500 to km 62+035 (Total Length - 28+035 km) in the State of Maharashtra on DBFOT (Hybrid Annuity) basis.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications.

MEP Infrastructure Developers Limited (Consolidated key financials)

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24 (UA)
Total operating income	967.37	245.06	43.38
PBILDT	503.70	-139.87	-91.63
PAT	-225.47	-267.62	-209.50
Overall gearing (times)	NM	NM	-
Interest coverage (times)	1.74	NM	-

A: Audited; NM: Not Meaningful; UA: Unaudited, Note: 'the above results are latest financial results available'

MEP Sanjose Nagpur Ring Road 2 Private Limited (Standalone financials):

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)
Total operating income	45.65	24.42
PBILDT	17.30	18.60
PAT	-12.12	-9.48
Overall gearing (times)	2.50	4.22
Interest coverage (times)	0.64	0.61

A: Audited; Note: 'the above results are latest financial results available'

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 the covenants of the rated instruments/facilities is given in Annexure-3**Complexity level of various instruments rated for this company:** Please refer Annexure-4**Lender details:** Annexure 5**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	November 2035	303.55	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	303.55	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-Jan-23)	1)CARE D; ISSUER NOT COOPERATING* (08-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Aug-20)
2	Un Supported Rating-Un Supported Rating (Long Term)	LT	-	-	-	-	1)Withdrawn (08-Oct-21)	1)CARE D; ISSUER NOT COOPERATING* (20-Aug-20)

*Issuer did not cooperate; Based on best available information

LT: Long term

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

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

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About us:

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