

## National Highways Infra Trust

June 18, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	11,850.00	CARE AAA; Stable	Reaffirmed
Issuer rating Issuer Rating	0.00	CARE AAA; Stable	Reaffirmed
Non Convertible Debentures ^	1,500.00	CARE AAA; Stable	Assigned
Non Convertible Debentures	1,500.00	CARE AAA; Stable	Reaffirmed
Zero Coupon Bonds ^	500.00	CARE AAA; Stable	Assigned
Zero Coupon Bonds ^	500.00	CARE AAA; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

^The proposed Zero coupon bond (ZCB) of ₹1,000 crore and proposed Non convertible Debentures (NCD) of ₹1,500 crore will be utilised for refinancing of the existing term debt and will not result in additional increase in the total debt.

### Rationale and key rating drivers

In order to arrive at ratings of debt facilities of National Highways Infra Trust (NHIT), CARE Ratings Limited (CARE Ratings) has applied a consolidated approach of NHIT and its underlying project assets.

The ratings assigned to the proposed instruments of ₹2,000 crore and reaffirmation of ratings assigned to bank facilities, long-term instruments and Issuer rating of NHIT continues to derive strength from the experienced and established track record of the Trust's sponsor – National Highways Authority of India (NHAI; rated CARE AAA; Stable) – in the roads and highways sector and its strategic importance to the Government of India (GoI) as a proposed vehicle for monetising road assets. The investment manager – National Highways Infra Investment Managers Private Limited (NHIIM) – comes under the Ministry of Road Transport & Highways (MoRTH), while the project manager –National Highways Invit Project Managers Private Limited (NHIPMPL) – is a wholly owned subsidiary of NHAI. Ratings are underpinned by a geographically diversified portfolio of mature toll road assets with an operational history of 6-20 years.

NHIT's five toll road assets acquired under round-1 are held through a project special purpose vehicle (SPV), NHIT Western Projects Pvt Ltd (NWPPL; erstwhile known as National Highways Infra Projects Private Limited, NHIPPL) which has signed a 30-year concession agreement (CA) with NHAI for operating road assets under the toll-operate-transfer (TOT) mode and commenced toll collections from December 16, 2021. NWPPL also holds the three toll road assets of NHIT acquired under round-2, with a similar TOT arrangement with NHAI for 20 years and commenced toll collections on October 29, 2022, taking the portfolio to eight assets. NHIT through another project SPV, NHIT Eastern Projects Private Limited (NEPPL) has signed a 20-year CA with NHAI for operating the seven road assets acquired under round-3, thereby increasing the portfolio size to fifteen toll road assets with an aggregate length of 1,525 km.

Geographically well-diversified portfolio with healthy toll collection, benefits of cashflow pooling under the InvIT structure, favourable capital structure, and strong debt coverage metrics of the Trust with presence of debt service reserve account (DSRA) equivalent to one-quarter of debt servicing to be maintained throughout the loan tenor are other credit positives.

However, ratings are partially tempered by the exposure to inherent risks of constituent toll road projects, including varying traffic growth and the linkage of toll rate revision (which is linked to WPI movement), inherent operation and maintenance (O&M) and major maintenance (MM) risks, and inherent interest rate fluctuation risk.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Not applicable

#### Negative factors

- Lower-than-envisioned toll collections in underlying SPVs, adversely impacting the combined debt service coverage ratio (DSCR) below 1.50x on a sustained basis.
- Increase in O&M and MM expenses, adversely impacting profitability and cash accruals in the future.
- Non-adherence of sanction terms.
- Adversely changing capital structure leading to a debt-to-enterprise value exceeding 49%.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

- Traffic diversion adversely impacting the project stretch, resulting in the combined average DSCR below 1.50x on a sustained basis.

### **Analytical approach: Consolidated**

The InvIT holds 100% stake in NWPPL, which in turn, has signed a CA with NHAI for concessions of the following assets – Palanpur-Abu Road, Abu Road-Swaroopganj, Chittorgarh-Kota, Kothakota-Kurnool, Belgaum-Kagal, Agra-bypass, Borkhedi-Kelapur, and Shivpuri-Jhansi. NWPPL has given a cross-guarantee for the debt raised at NHIT, thus the entire cashflow across eight assets are available for pooling, and hence, consolidated. The InvIT holds 100% stake in another SPV, NEPPL, which in turn has signed CA with following seven additional road assets – Rewa-Katni-Jabalpur-Lakhnadon, Mohgaon-Khawasa, Chichra-Kharagpur, Orai-Barah, Assam Package, Galia, and Haveri-Hebbalu-Chitradurga. Hence, these too are consolidated. The list of entities consolidated is annexed as Annexure-6.

### **Outlook: Stable**

CARE Ratings expects NHIT's business and financial risk profiles to remain stable, aided by healthy toll collections, comfortable leverage indicators, and strong liquidity.

### **Detailed description of the key rating drivers:**

#### **Key strengths**

##### **Experienced sponsor with strategic importance to the GoI**

The NHIT was set up by the NHAI in October 2020 as an InvIT for monetising its road assets. NHIT was authorised by the Union Cabinet and announced by the finance minister in Union Budget 2021. As a principal vehicle proposed for monetising road assets in the country under the National Asset Monetisation Pipeline, the InvIT holds significant importance for the GoI.

NHAI is the nodal agency responsible for developing and maintaining National Highways. It was constituted under Section 3(1) of the National Highways Authority of India Act, 1988, and commenced operations in February 1995 for developing, maintaining, and managing National Highways in the country. The NHAI is vested with executive powers for developing National Highways in India by the MoRTH. The charter of NHAI is set out in the National Highways Act, 1956, and the National Highways Authority of India Act, 1988. The GoI has a 100% stake in NHAI, with the authority receiving continuous support from the GoI in the form of capital grants, allocation of cess funds, additional budgetary support (ABS), and has extended guarantees to the latter's market borrowing programmes.

##### **Geographically diversified portfolio of toll road projects with healthy toll collection**

NHIT currently has fifteen toll road project assets – the Palanpur-Abu Road, Abu Road-Swaroopganj, Chittorgarh-Kota, Kothakota-Kurnool, Belgaum-Kagal (five assets under round-1), Agra Bypass, Borkhedi-Kelapur, and Shivpuri-Jhansi (three assets under round-2), Rewa-Katni-Jabalpur-Lakhnadon, Mohgaon-Khawasa, Chichra-Kharagpur, Orai-Barah, Assam Package, Galia, and Haveri-Hebbalu-Chitradurga (seven assets under round-3, referred as Leap assets). The project assets are located at diversified geographical locations spread across ten states i.e. Gujarat, Rajasthan, Maharashtra, Telangana, Andhra Pradesh, Karnataka, Madhya Pradesh, Uttar Pradesh, Assam and West Bengal. Such geographical diversification significantly mitigates the InvIT's business risk by reducing the potential impact of any region-specific economic slowdown or force majeure events, or specific risks of individual projects. CARE Ratings expects no single asset to contribute more than 20% of the total toll revenue, further mitigating the revenue concentration risk.

The five projects under round-1 and three projects under round-2 possess an operational track record of 14-20 years and 6-14 years, respectively, while the seven toll road assets subsumed under round-3 have an operational track record of 4-14 years.

Toll collections for assets under round-1 commenced on December 16, 2021, while for those under round-2 commenced on October 29, 2022. During FY24 (FY refers to April 1 to March 31), the InvIT reported toll collection of Rs.944 crore with an average daily toll collection (ADTC) of ₹2.58 crore. Post adding round-2 assets (in October 2022), toll collection and ADTC significantly jumped to ₹690 crore and ₹2.40 crore per day respectively during FY23 as compared to ₹140 crore and ₹1.33 crore per day in FY22, respectively. Furthermore, toll collection for assets under round-3 commenced from April 01, 2024.

##### **CA providing long-term revenue visibility**

The NHIT holds the entire shareholding in project assets through its 100% subsidiaries, NWPPL and NEPPL. NWPPL has signed a 30-year CA (five assets round-1) and 20-year CA (ten assets under round-2 and round-3) with NHAI on a TOT basis, providing long-term revenue visibility. The required concession fees for all fifteen road assets have been remitted, with appointed date and

commencement for road assets (round -1) as December 16, 2021, road assets (round-2) as on October 29, 2022 and road assets (round-3) as April 01, 2024.

### **Strong debt coverage with the presence of DSRA**

NHIT has received debt sanction limits for ₹13,357 crore, of which it has raised about ₹11,852 crore up to March 31, 2024. NHIT has raised a capital of ₹14,713 crore towards R1, R-2 and R-3 assets. Proceeds have been utilised for NHAI concession fee payment, as specified in the CA. This apart, NHIT is also planning to raise debt in a phased manner during the concession period for meeting the required MM expenses of the underlying project highways.

Surplus cashflows after meeting operational expenses of all project highways will be available to the NHIT. Owing to long debt tenor and strong structural features, debt coverage indicators are expected to be robust in the projected period. The consolidated debt (basis outstanding debt as on March 31, 2024 and including the undrawn debt) to enterprise value remained at 47.77% as on March 31, 2024 as per the valuation report dated May 27, 2024.

The DSRA to the tune of ₹95 crore for debt raised for existing eight assets under R-1 and R-2 is created in the form of a fixed deposit (FD) as on March 31, 2024, which is equivalent to one-quarter of debt and interest servicing. In lines with sanction conditions, NHIT shall create and maintain a one-quarter DSRA equivalent to principal, interest, fees, and all other obligations due and payable of the facility during the subsequent quarter. DSRA for loan availed under R-3 assets shall be created within six months of disbursement. Maintenance of DSRA is one of the restricted payment conditions for distributing surplus cashflows to unitholders by the InvIT, which is viewed as a strong structural feature.

Thus, the long-tenor loan, reserve requirement, and availability of a tail period of about five years at InvIT level imparts significant financial flexibility. However, adverse changes in the capital structure or debt coverage indicators, triggered by additional debt raised by the InvIT beyond the expected level of 49% (refers to consolidated debt-to-enterprise value) for supporting existing or acquiring additional assets, will be a key rating monitorable.

### **Key weaknesses**

#### **Inherent O&M and MM risks with interest rate risk**

Underlying assets are exposed to inherent routine and periodic maintenance to be undertaken over the concession period. CARE Ratings understands that the O&M (both, routine and periodic maintenance) of project highways under the InvIT will be carried out based on a pre-agreed mechanism, in which the project manager will be responsible for the O&M and the same will be captured under appropriate InvIT agreements.

For both, routine and periodic maintenance, CARE Ratings has primarily relied on the O&M cost assumptions, as specified by the technical consultant for the respective project stretches. The routine O&M costs are superior while periodic maintenance costs assumptions are largely comparable to CARE Ratings' benchmark. Besides, the aforesaid risk is largely mitigated due to NHAI's vast experience in the road construction and development sector.

Notably, majority debt raised at the InvIT level carries floating interest rate and is subject to a periodic reset, exposing the Trust to adverse changes in interest rates in future. NHIT plans to refinance its existing bank debt by way of ZCBs and NCDs at fixed coupon rate, which is envisaged to mitigate the risk partially.

#### **Inherent traffic risk**

Toll revenues are a function of toll rates and traffic volumes. Traffic volumes are directly or indirectly dependent on multiple factors, including project location (connecting areas and their commercial importance), the growing automobile sector, affordability of automobiles, and the quality, convenience, and travel efficiency of alternative routes outside the network of toll roads, among others. With no actual traffic data for past years, CARE Ratings has relied on traffic studies conducted by consultants and data available for past three years from earlier NHAI toll contracts on project stretches. However, any adverse divergence between the estimates considered and the actual traffic flow on the stretches and its consequent bearing on the debt coverage metrics constitute a key rating monitorable.

#### **Liquidity: Strong**

NHIT's liquidity is strong with available surplus cashflows from the underlying project stretches and low repayment obligations at the NHIT level debt arising out of a long amortisation period. Provision of DSRA maintenance equivalent to one-quarter of debt repayment obligations to the tune of ₹95 crore in the form of lien-marked fixed deposits (FDs) as on March 31, 2024, provides liquidity support. NHIT had a free cash and bank balance (including liquid investments) of ₹108 crore as on April 30, 2024 besides

Rs.158 crore set aside for DSRA towards R-3 assets and Rs.93 crore earmarked towards distribution to unit holders. Cashflow of all assets are available for pooling, providing added comfort.

**Environment, social, and governance (ESG) risks:** Not applicable

### Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Issuer Rating](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Infrastructure Investment Trusts \(InvITs\)](#)

[Infrastructure Sector Ratings](#)

[Road Assets-Toll](#)

### About the company and industry

#### Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Services	Services	Transport infrastructure	Road assets–Toll, annuity, hybrid-annuity

NHIT is registered as an irrevocable Trust under the Indian Trust Act 1882 and is registered as an InvIT under SEBI (Infrastructure Investment Trust) Regulations 2014. Currently, five road projects (Round-1)– Palanpur-Abu Road, Abu Road-Swaroopganj, Chittorgarh-Kota, Kothakota-Kurnool, and Belgaum-Kagal – with a total stretch of 388.83 km, three road assets (Round-2) - Agra-bypass, Borkhedi-Kelapur, and Shivpuri-Jhansi with total stretch of 247 km are transferred to the InvIT. NHIT has transferred additional seven road assets – Rewa-Katni-Jabalpur-Lakhnadon, Mohgaon-Khawasa, Chichra-Kharagpur, Orari-Barah, Assam Package, Galia, and Haveri-Hebbalu-Chitradurga under the InvIT. NHIT, through a project SPV, NWPPL, has signed a CA with the NHA for 30 years on a TOT basis for round-1 assets and for 20 years for round-2 and round-3 assets. The InvIT was listed in November 2021. All five project assets under round-1, three project assets under round-2 and seven project assets under round-3 have received appointed date as December 16, 2021, October 29, 2022 and April 01, 2024, respectively, and have commenced tolling operations.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	700.87	974.63
PBILDT	545.52	731.89
PAT	256.89	294.20
Overall gearing (times)	0.40	0.82
Interest coverage (times)	3.28	2.61

A: Audited; Note: These are the 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 to 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:** Please refer to Annexure-4

**Lender details:** Please refer to 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
Bonds-Zero Coupon Bonds		Proposed	Proposed	Proposed	500.00	CARE AAA; Stable
Bonds-Zero Coupon Bonds		Proposed	Proposed	Proposed	500.00	CARE AAA; Stable
Debentures-Non Convertible Debentures		Proposed	Proposed	Proposed	1500.00	CARE AAA; Stable
Fund-based - LT-Term Loan		-	-	31-03-2042	850.00	CARE AAA; Stable
Fund-based - LT-Term Loan		-	-	31-03-2042	9000.00	CARE AAA; Stable
Fund-based - LT-Term Loan		-	-	31-03-2041	2000.00	CARE AAA; Stable
Issuer Rating-Issuer Ratings		-	-	-	0.00	CARE AAA; Stable
NCD	INE0H7R07017	25-10-2022	7.9%	25-10-2035	450.00	CARE AAA; Stable
NCD	INE0H7R07025	25-10-2022	7.9%	25-10-2040	450.00	CARE AAA; Stable
NCD	INE0H7R07033	25-10-2022	7.9%	25-10-2047	600.00	CARE AAA; Stable

**Annexure-2: Rating history for the 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 2024-2025	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
1	Fund-based - LT-Term Loan	LT	2000.00	CARE AAA; Stable	1)CARE AAA; Stable (04-Apr-24)	1)CARE AAA; Stable (20-Feb-24) 2)CARE AAA; Stable (20-Dec-23)	1)CARE AAA; Stable (11-Oct-22) 2)CARE AAA; Stable (26-Aug-22)	1)CARE AAA; Stable (02-Feb-22) 2)Provisional CARE AAA; Stable (24-Aug-21)

						3)CARE AAA; Stable (05-Jul-23)		3)Provisional CARE AAA; Stable (01-Apr-21)
2	Issuer Rating-Issuer Ratings	LT	0.00	CARE AAA; Stable	1)CARE AAA; Stable (04-Apr-24)	1)CARE AAA; Stable (20-Feb-24) 2)CARE AAA; Stable (20-Dec-23) 3)CARE AAA; Stable (05-Jul-23)	1)CARE AAA; Stable (26-Dec-22) 2)CARE AAA (Is); Stable (11-Oct-22) 3)CARE AAA (Is); Stable (26-Aug-22)	1)CARE AAA (Is); Stable (02-Feb-22) 2)Provisional CARE AAA (Is); Stable (24-Aug-21)
3	Fund-based - LT-Term Loan	LT	850.00	CARE AAA; Stable	1)CARE AAA; Stable (04-Apr-24)	1)CARE AAA; Stable (20-Feb-24) 2)CARE AAA; Stable (20-Dec-23) 3)CARE AAA; Stable (05-Jul-23)	1)CARE AAA; Stable (11-Oct-22) 2)Provisional CARE AAA; Stable (26-Aug-22)	-
4	Debentures-Non Convertible Debentures	LT	1500.00	CARE AAA; Stable	1)CARE AAA; Stable (04-Apr-24)	1)CARE AAA; Stable (20-Feb-24) 2)CARE AAA; Stable (20-Dec-23) 3)CARE AAA; Stable (05-Jul-23)	1)CARE AAA; Stable (11-Oct-22) 2)Provisional CARE AAA; Stable (26-Aug-22)	-
5	Fund-based - LT-Term Loan	LT	9000.00	CARE AAA; Stable	1)CARE AAA; Stable (04-Apr-24)	1)Provisional CARE AAA; Stable (20-Feb-24) 2)Provisional CARE AAA; Stable (20-Dec-23) 3)Provisional CARE AAA; Stable (05-Jul-23)	-	-
6	Bonds-Zero Coupon Bonds	LT	500.00	CARE AAA; Stable	1)CARE AAA; Stable (04-Apr-24)	1)CARE AAA; Stable (20-Feb-24)	-	-

						2)CARE AAA; Stable (20-Dec-23)		
7	Debentures-Non Convertible Debentures	LT	1500.00	CARE AAA; Stable				
8	Bonds-Zero Coupon Bonds	LT	500.00	CARE AAA; Stable				

LT: Long term;

**Annexure-3: Detailed explanation of 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	Bonds-Zero Coupon Bonds	Simple
2	Debentures-Non Convertible Debentures	Simple
3	Fund-based - LT-Term Loan	Simple
4	Issuer Rating-Issuer Ratings	Simple

**Annexure-5: Lender details**

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

**Annexure-6: List of all the entities consolidated**

Sr. No.	Name of Entity	Extent of Consolidation	Rationale for Consolidation
1	NWPPL	Full	Round-1 and round-2 road assets (eight) are held under NWPPL and entire cashflow across eight road assets are available for pooling, and hence, consolidated.
2	NEPPL	Full	Round-3 road assets (seven) are held under NEPPL and entire cashflow across seven road assets are available for pooling, and hence, consolidated.

**List of assets under above SPVs**

Project Stretch	State	Length (in Km)
<b>Assets under round 1 held through SPV NEPPL</b>		
Palanpur-Abu Road	Gujarat/Rajasthan	45
Abu Road-Swaroopganj	Rajasthan	31
Chittorgarh-Kota	Rajasthan	161
Kothakota-Kurnool	Telangana/Andhra Pradesh	75
Belgaum-Kagal	Karnataka	78
<b>Assets under round 2 held through SPV NEPPL</b>		
Agra Bypass	Uttar Pradesh	33
Borkhedi-Kelapur	Maharashtra	138
Shivpuri-Jhansi	Madhya Pradesh	75
<b>Assets under round 3 held through SPV NWPPL</b>		
Rewa-Katni-Jabalpur-Lakhnadon	Madhya Pradesh	306
Mohgaon-Khawasa	Madhya Pradesh	107
Chichra-Kharagpur	West Bengal	56
Orai-Barah	Uttar Pradesh	114
Assam Package (Patgaon & Dahlapara)	Assam	27
Assam Package (Galia)	Assam	63
Haveri-Hebbalu-Chitradurga	Karnataka	214

**Note on the complexity levels of the rated instruments:** 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.



### Contact us

<b>Media Contact</b>  Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a>	<b>Analytical Contacts</b>  Rajashree Murkute Senior Director <b>CARE Ratings Limited</b> Phone: 022-6837 4474 E-mail: <a href="mailto:rajashree.murkute@careedge.in">rajashree.murkute@careedge.in</a>
<b>Relationship Contact</b>  Saikat Roy Senior Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3404 E-mail: <a href="mailto:saikat.roy@careedge.in">saikat.roy@careedge.in</a>	Maulesh Desai Director <b>CARE Ratings Limited</b> Phone: 079-4026 5605 E-mail: <a href="mailto:maulesh.desai@careedge.in">maulesh.desai@careedge.in</a>
	Setu Gajjar Assistant Director <b>CARE Ratings Limited</b> Phone: 079-4026 5615 E-mail: <a href="mailto:setu.gajjar@careedge.in">setu.gajjar@careedge.in</a>

### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For the detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**