

PNC Infratech Limited

October 30, 2024

Credit Update

In its public disclosure to the stock exchange dated October 19, 2024, PNC Infratech Limited (PIL) has communicated that Ministry of Road Transport and Highways (MoRTH) has disqualified PIL, PNC Khajuraho Highways Private Limited (SPV) and PNC Bundelkhand Highways Private Limited (SPV) from participating in the tender process of the Ministry for one year from October 18, 2024. This development is in relation to the chargesheets filed by Central Bureau of Investigation (CBI) on June 08, 2024, and August 08, 2024, against four personnel of the company alleging charges of corruption and bribing officials of National Highways Authority of India (NHAI).

According to disclosures made to stock exchanges, PIL and the two SPVs filed separate writ petitions before the Hon'ble High court of Delhi, challenging the MoRTH order dated October 18, 2024. The companies have also submitted applications requesting an interim stay on the MoRTH order until the writ petitions are resolved. Basis the public disclosures by the company, CARE Ratings Limited (CARE Ratings) estimates that the MoRTH order will not impact the ongoing development, construction, operations, and maintenance activities of PIL and its subsidiaries, including the two SPVs.

As mentioned in its earlier credit update on June 20, 2024 ([Press release](#)), will continue to monitor the ongoing developments and their potential impact on PIL's credit profile.

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