

Mukarba ChowK-Panipat Toll Roads Limited

April 26, 2022

Ratings

| Facilities / Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Long Term Bank Facilities | 1,375.00 | CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 1,375.00 (Rs. One Thousand Three Hundred Seventy- Five Crore Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 29, 2021, placed the rating(s) of Mukarba ChowK-Panipat Toll Roads Limited (MCPTL) under the 'issuer non-cooperating' category as MCPTL 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. MCPTL continues to be non-cooperative despite repeated requests for submission of information through email dated December 15, 2021, December 25, 2021, January 04, 2022.

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).

Detailed description of the key rating drivers

Please refer to PR dated [January 29, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

About the Company

MCPTL is a special purpose vehicle (SPV) incorporated in August 2015 and a wholly owned by EIL. EIL has been awarded the project for carrying out eight laning from existing 6/8 lane of Mukarba Chowk (Km 15.5) to Panipat section (Km 86.0) of NH 1 in the state of Haryana under National Highways Development Project (NHDP) phase IV by National Highways Authority of India under design, build, finance, operate and transfer (DBFOT) – toll basis covering a length of approximately 70 kilo meter (km). During FY16, due to change in design from concretization to Bitumen has reduced total estimated project cost from Rs.2,343 crores to Rs.2,122 crore, which will be funded through a DER of 1.84:1 (Debt of Rs 1375 crores and equity of Rs.558 crore along with NHA grant of Rs189 crore). The project was awarded to MCPTL based on a lowest grant of Rs.189 crore quoted by EIL

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | FY22 (Prov.) |
|------------------------------|----------|----------|--------------|
| Total operating income | 79.62 | 0.00 | NA |
| PBILDT | -5.76 | -0.79 | NA |
| PAT | -268.18 | -10.70 | NA |
| Overall gearing (times) | 0.00 | 0.00 | NA |
| Interest coverage (times) | NM | NM | NA |

A – Audited, Prov. – Provisional, NM – Not meaningful, NA – Not available

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

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: Please refer Annexure-3

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

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|---------------------------|------|------------------|-------------|---------------|-------------------------------|-------------------------------------------|
| Fund-based - LT-Term Loan | - | - | - | March 2031 | 1375.00 | 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 (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2022-2023 | Date(s) & Rating(s) assigned in 2021-2022 | Date(s) & Rating(s) assigned in 2020-2021 | Date(s) & Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | 1375.00 | CARE D; ISSUER NOT COOPERATING* | - | - | 1)CARE D; ISSUER NOT COOPERATING* (29-Jan-21) | 1)CARE D; ISSUER NOT COOPERATING* (10-Dec-19) 2)CARE C (CE); Negative; ISSUER NOT COOPERATING* (28-Jun-19) |

*Issuer did not cooperate; Based on best available information

Annexure-3: Covenants of rated instrument/facility: Not applicable

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

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

Annexure-5: Bank Lender Details for this Company

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

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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 CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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