

## Jabalpur MSW Private Limited

April 28, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	117.36	<b>CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>117.36 (Rs. One Hundred Seventeen Crore and Thirty-Six Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 05, 2021, placed the rating(s) of Jabalpur MSW Private Limited (JMPL) under the 'issuer non-cooperating' category as JMPL 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. JMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 22, 2021, January 01, 2022, January 11, 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 [February 05, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

### About the Company

Jabalpur MSW Private Limited (JMPL) is a special purpose vehicle (SPV) promoted by Essel Infraprojects Limited (EIL) and Arrow Ecology & Engineering Overseas (1999) Ltd. JMPL was incorporated on January 23, 2013 for development of a processing plant for conversion of municipal solid waste (MSW) into energy. The company is a direct subsidiary of EIL which holds 90% stake in the company. JMPL has set up a waste-to-energy plant of 580 TPD capacity, using incineration-based technology of Hitachi Zosen Group at village Kathonda, Jabalpur on Design, Build, Own, Operate and Transfer (DBOOT) basis. Pursuant to competitive bidding conducted by Jabalpur Municipal Corporation (JMC), the MSW project was awarded to consortium of EIL and Arrow Ecology & Engineering Overseas (1999) Ltd on Nov 30, 2012. The concession agreement was executed between JMC and JMPL on February 5, 2013. As per the Concession Agreement, JMC shall provide 450 TPD of MSW, progressively increasing to 580 TPD of MSW for a period of 20 years, in accordance with the Concession Agreement. Further, as per the terms of the Concession Agreement, JMC shall supply the unsegregated municipal solid waste free-of-cost to the Company at the plant site for a period of 20 years from the commercial operation date. The construction of the plant was completed on May 11, 2016 as against scheduled COD which was fixed at 24 months from the appointed Date i.e. February 20, 2016. The total project cost is Rs.177 crore and funded in debt to equity ratio of 2.05:1. The debt repayment is for a tenor of 10.5 years, starting in May 31, 2017 and ending in August 31, 2027, which gives the project a tail period of 9.5 years. On September 18, 2014, The JMPL has signed a Power Purchase Agreement (PPA) with M.P Power Management Co. Ltd (MPPMCL) at a fixed tariff of Rs.6.39 per KWh for a period of 20 years.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	18.40	NA	NA
PBILD	6.77	NA	NA
PAT	-15.48	NA	NA
Overall gearing (times)	NM	NA	NA
Interest coverage (times)	0.53	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available; NM: Not Meaningful

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

\*Issuer did not cooperate; Based on best available information

**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	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	August, 2027	112.36	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	5.00	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	112.36	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (05-Feb-21)	1)CARE D; ISSUER NOT COOPERATING * (12-Dec-19) 2)CARE C (CE); ISSUER NOT COOPERATING * (09-Jul-19)
2	Fund-based - LT-Cash Credit	LT	5.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (05-Feb-21)	1)CARE D; ISSUER NOT COOPERATING * (12-Dec-19) 2)CARE C (CE); ISSUER NOT COOPERATING * (09-Jul-19)

\*Issuer did not cooperate; based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

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

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	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](mailto:care@careedge.in) for any clarifications.

## Contact us

### Media Contact

Name – Mr. Mradul Mishra  
Contact no. - +91-22-6754 3596  
Email ID - [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

### Analyst Contact

Name – Ms. Shachee Vyas  
Contact No.: +91-79-4026 5665  
Email ID – [shachee.tripathi@careedge.in](mailto:shachee.tripathi@careedge.in)

### Relationship Contact

Name -Saikat Roy  
Contact no. -9820998779  
Email ID: [saikat.roy@careedge.in](mailto:saikat.roy@careedge.in)

### About CARE Ratings Limited:

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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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