

Hindustan Waste Treatment Private Limited (Revised)

January 02, 2023

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	72.85	CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+ (CE); ^ Stable; [Double B Plus (Credit Enhancement)]; Outlook: Stable]
Short Term Bank Facilities	7.35	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4+ (CE); [A Four Plus (Credit Enhancement)]
Total Bank Facilities	80.20 (₹ Eighty Crore and Twenty Lakhs Only)		

Details of instruments/facilities in Annexure-1

^based on the credit enhancement in the form of unconditional and irrevocable corporate guarantee extended by SMC Infrastructures Private Limited (SMCIPL rated CARE BB-; Stable/ CARE A4; Issuer Not Cooperating) to the lenders of Hindustan Waste Treatment Private Limited (EIPL)

Unsupported Rating	Withdrawn [Withdrawn]
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Note: Unsupported Rating does not factor in the explicit credit enhancement.

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated April 06, 2021, placed the ratings of Hindustan Waste Treatment Private Limited (HWTPL) under the 'issuer non-cooperating' category as HWTPL had failed to provide information for monitoring of the ratings as agreed to in its Rating Agreement. HWTPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter dated December 22, 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 ratings.

The guarantor, SMCIPL's rating is being downgraded to CARE BB-;Stable INC /CARE A4 INC as the company failed to provide requisite information to undertake review of the ratings. Further, HWTPL has not provided sufficient information to undertake review, based on the best available information, the standalone ratings are being downgraded to CARE BB-;Stable INC / CARE A4 INC. Since the standalone rating of HWTPL is equal to that of the Guarantor, Rating based on credit enhancement is no longer required, accordingly CE symbol has been removed for the standalone rating, while withdrawing the unsupported rating.

Detailed description of the key rating drivers

At the time of last rating on October 05, 2021, the rating strengths and weaknesses were linked to the guarantor. However on account of revision of ratings and removal of credit enhancement, rating strengths and weaknesses of HWTPL cannot be assessed due to unavailability of requisite information.

Key Rating Weaknesses: Not Available

Key Rating Strengths: Not Available

Analytical approach: CARE Ratings have revised the analytical approach from guarantor assessment based on consolidated financials of SMC Infrastructures Private Limited to Standalone financials of Hindustan Waste Treatment Private Limited

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

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)
[Policy on default recognition](#)
[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Credit Watch](#)
[Policy on withdrawal](#)

About the Company

HWTPPL is a SPV floated by SMC IPL (51%) and Navitas Waste Treatment Private Limited (NWTPL) (49%) for setting up a 100 ton per day (TPD) Municipal Solid Waste (MSW) Processing Facility at Calungute, North Goa on Design, Build, Finance, Operate and Transfer (DBFOT) basis awarded by Goa State Industrial Development Corporation (GSIDC) under the Government of Goa. Project was complete at a total cost of Rs.156.16 crore funded vide Debt (Rs.117.12 crore) to Equity ratio (Rs.39.04 crore) (DER) of 3x. The completion certificate was received in May, 2016.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	H1FY23
Total operating income	124.99	102.91	NA
PBILDT	88.52	10.83	NA
PAT	9.49	5.63	NA
Overall gearing (times)	0.00	0.14	NA
Interest coverage (times)	14.68	9.00	NA

A: Audited; NA: Not Applicable

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors of CARE Ratings Ltd.: Not Applicable

Disclosure of Interest of Managing Director & CEO: Not Applicable

Rating History for last three years: Please refer 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 for this company: Annexure 4

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		-	-	31-03-2025	72.85	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	7.35	CARE A4; ISSUER NOT COOPERATING*
Un Supported Rating- Un Supported Rating (LT/ST)		-	-	-	0.00	Withdrawn

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 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	72.85	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+ (CE); Stable; ISSUER NOT COOPERATING* (05-Oct-21) 2)CARE BBB (CE); Stable; ISSUER NOT COOPERATING* (06-Apr-21)	1)CARE BBB (CE); Stable (05-Oct-20) 2)CARE BBB+ (CE); Stable (02-Apr-20)	1)CARE A-(SO); Stable (04-Apr-19)
2	Non-fund-based - ST-Bank Guarantee	ST	7.35	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+ (CE); ISSUER NOT COOPERATING* (05-Oct-21) 2)CARE A3 (CE); ISSUER NOT COOPERATING* (06-Apr-21)	1)CARE A3 (CE) (05-Oct-20) 2)CARE A3+ (CE) (02-Apr-20)	1)CARE A2+ (SO) (04-Apr-19)
3	Un Supported Rating-Un Supported Rating (LT/ST)	LT/ST*	-	-	-	1)CARE BB / CARE A4; ISSUER NOT COOPERATING* (05-Oct-21) 2)CARE BBB-; Stable / CARE A3; ISSUER NOT COOPERATING* (06-Apr-21)	1)CARE BBB-; Stable / CARE A3 (05-Oct-20) 2)CARE BBB-; Stable / CARE A3 (02-Apr-20)	-

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:NA**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple
3	Un Supported Rating-Un Supported Rating (LT/ST)	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 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**Media Contact**

Name: Mradul Mishra

Phone: +91-22-6754 3596

E-mail: mradul.mishra@careedge.in

Analyst contact

Name: Prasanna Krishnan L

Phone: +91-11-45333236

E-mail: prasanna.krishnan@careedge.in

Relationship contact

Name: Mr. Saikat Roy

Phone: +91-22-6754 3404

E-mail: saikat.roy@careedge.in

About us:

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