

IRB Infrastructure Developers Limited

August 25, 2020

Ratings

Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Non-Convertible Debentures (NCDs)	200.00	CARE A+; Stable (Single A Plus; Outlook: Stable)	Assigned
Total Instruments	200.00	(Rs. Two hundred crore only)	

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers of IRB Infrastructure Developers Limited (IRB)

The rating assigned to the NCDs of IRB takes in to consideration the strength derived from the experience of promoters in the Build, Operate and Transfer (BOT) road projects, strong order book position, in-house project execution capability resulting in healthy profitability margin, demonstrated financial flexibility and moderate liquidity profile.

The rating also takes cognizance of the formation of Private InvIT (IRB Infrastructure Trust) with GIC affiliates and recent award of Mumbai-Pune Expressway along with old Mumbai-Pune highway –NH-48 (IRB MP Expressway Pvt. Ltd.) in February 2020 with achievement of on-time financial closure.

Private InvIT structure allows the up streaming of surplus cash flows to the sponsor and equity commitment required for completion of under implementation projects from the sponsor to the extent of their unit holding (i.e., 51%) which provides financial flexibility in making investment decisions. However, considering the delays in execution and lower than expected toll collection in the projects transferred to Private InvIT, availability of surplus cash flows for up streaming in next 2-3 years is key monitorable.

Although, the credit profile of IRB has strengthened by deleveraging through Private InvIT, the corporate guarantees extended by IRB to the respective lenders of these project SPVs still continue. As per the sanctioned terms, the corporate guarantee for five project Special Purpose Vehicles (SPVs) out of nine project SPVs would cease in case DSCR of 1.10x is achieved. Further, CARE understands that the management is in the process of refinancing the existing debt at individual SPV level by raising debt at Private InvIT level in FY 21 leading to automatic extinguishing of these corporate guarantees and thereby releasing IRB of any contingencies going forward. CARE will continue to monitor the updated position in this regard.

Continuation of premium deferment obligations for Ahmedabad-Vadodara project by hon'ble High Court until its arbitration is resolved has improved the cash flow position, however adverse outcome of arbitration panel may impact the financial position of IRB.

The credit perspective is, however, tempered by high leverage, large exposure to project SPVs leading to moderate debt protection metrics as well as delays in the execution in five of its SPVs(now part of Private InvIT) leading to significant cost overruns till FY20. Besides, rating continues to factor high capital intensity of in-house Engineering, Procurement and Construction (EPC) arm driven by robust order book level and subsequent refinancing risk arising out of the long gestation period of investments and medium-term loans being used to fund/support such investments; as well as contingent liabilities in the form of the corporate guarantees extended towards debt raised at the project level.

IRB's ability of winning/procuring new BOT road projects amidst subdued awarding environment thereby sustaining its order book growth, register satisfactory toll revenue growth in the underlying operational SPVs and timely completion of the projects under construction within the cost envisaged constitute the key credit monitorables.

IRB was under discussion with financial investor to execute the Mumbai Pune project with equity to be brought in 51:49 sharing between IRB and the financial investor. However, due to Covid-19 outbreak the decision regarding the same could not be undertaken. CARE has been informed by the management that the decision regarding the same is expected in FY 23. Delay in the finalization of investor shall be key rating monitorable.

Rating Sensitivities

Positive Sensitivities

- Significant improvement in the operational performance of BOT projects
- Significant reduction in working capital borrowing and term debt other than project asset of IRB group on sustain basis due to significant improvement in the collection efficiency, receipt of large claim and upstreaming of cash flows from SPVs.

Negative Sensitivities

- More than envisaged traffic underperformance and adverse impact on traffic due to completion of DFC as many stretches of IRB is on NH-8.

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

- *Elongation of working capital cycle and further delay in project execution leading to increased reliance on working capital borrowings*
- *Higher than expected equity support to group companies towards ongoing and future projects.*
- *Delay in the receipt of balance funds from GIC and adverse outcome of Ahmedabad Vadodara project impacting the funding requirement of IRB*

Detailed description of the key rating drivers of IRB

Key Rating Strengths

Robust experience and significant presence in infrastructure especially road sector

The promoter and CMD of the group, Mr Virendra D. Mhaiskar has more than two decades of experience in the infrastructure sector especially roads. Besides, he is well-supported by experienced professionals, having more than a decade's experience in their respective fields. As on March 2020, IRB has a portfolio of fully owned 3 BOT-Toll (Ahmedabad-Vadodara, Thane-Ghodbunder and Pune-Nashik), 1 TOT (Mumbai –Pune) and 1 HAM (Vadodara-Kim) assets aggregating to around 2,370 lane kms; 9 BOT-Toll projects of around 5,892 lane kms under Private InvIT with 51% holding and 7 operational BOT projects of around 4,055 lane kms with 16% holding in public InvIT. As on March 31, 2020, the total road length under portfolio stood at 12,317 lane kms (11,303 lane Km as on March 31, 2019) with 4,754 lane kms operational, 3,508 lane kms under development and under O&M (Operation & Maintenance) for InvIT assets of 4,055 lane kms. All 12 BOT-toll projects and 1 TOT project (including 9 projects transferred to Private InvIT) are revenue generating.

IRB has been awarded the Mumbai-Pune Expressway and old Mumbai-Pune Highway project on toll, operate, maintenance and transfer basis in February, 2020 with a concession bid value of Rs. 8,262 crores for a concession period of 10 years and 2 months. The total project cost at Rs 8683 crore is to be funded with a debt of Rs 6610 crore, sponsor contribution of Rs 1438 crore and internal accruals amounting to Rs 635 crore (debt equity ratio of 76:24). Entire sponsor contribution of Rs 1438 crore has been infused. Also, financial closure for the project has been achieved with a total debt of Rs 6610 crore been tied up in June 2020. The project is expected to generate an EBIDTA of Rs 1000 crore in FY 21. On August 02, 2020, IRB has received Letter of Award from NHAI for construction of eight lane access controlled expressway from Km 190.000 to Km 217.500 of Vadodara Mumbai Expressway (Gandeva to Ena Section) in the State of Gujarat on a hybrid annuity model for an operating tenor of 15 years.

IRB posted a CAGR of 9.78% in its consolidated operating income for the period FY18 to FY20. It posted income of Rs.7,033 crore and PAT Rs. 720 crore.

In-house project execution capability resulting in healthy profitability margins

Engineering Procurement, Construction (EPC) and Operation & Maintenance (O&M) works for IRB's SPVs are carried out by Modern Road Makers Pvt. Limited, (MRMPL) rated CARE A; Stable). IRB's policy of low dependence on subcontracting for order execution (approximately 10-15% of total order book) continues to enable the company to maintain healthy construction PBILDT margin as against its peers.

Strong order book providing healthy revenue visibility

The latest combined order book position as on March, 2020 stood at Rs. ~12,000 crore (representing 2.35x of construction revenue during FY20). Out of which, Rs. 7269 crore (61%) is towards O&M contracts and balance Rs. 4721 crore (39%) is towards EPC in ongoing BOT projects to be executed in next 2 years. EPC order book to construction revenue stands at 0.92x. The order book position has increased significantly in March 2020 as against an order book of Rs 6801 crore as on December 31, 2019, mainly due to inclusion of O&M contract corresponding to 9 project SPVs (transferred to Private InvIT) being a part of IRB order book now and award of Mumbai Pune expressway in February 2020. With letter of award for Vadodara Mumbai expressway by NHAI to IRB in August 2020, the order book position of IRB is expected to increase further.

With lower EPC order book, going forward, the company is expected of being more focused in bidding new BOT/HAM projects which will increase the construction revenue visibility for next 2-3 years. Thus, growth in the toll revenue combined with the growth in the profitable construction business remains crucial from the credit perspective for IRB.

Reduced exposure to project SPVs due to formalization of Private InvIT

During FY20, pursuant to the share purchase agreement between IRB and Private InvIT (IRB Infrastructure Trust), 9 project SPVs (includes 6 SPVs under CARE's portfolio) which were under IRB portfolio have been transferred to Private InvIT (IRB Infrastructure Trust) from February 26, 2020. IRB holds 51% stake in Trust and balance 49% is held by Affiliate of GIC. The EPC and O&M contracts will continue to be with IRB in the capacity of the project manager, these in-turn will be executed through MRMPL, being the captive EPC contractor for the IRB group.

In lieu of the transfer of its entire interest in 9 subsidiaries, IRB has received consideration in the form of 51% units in IRB Infrastructure trust (39.06 crore units @ Rs 100 each), cash consideration of Rs 753 crore and balance is receivable

amounting to Rs 3469 crore (in respect of transfer of part of unsecured debt and sub debt) against a net asset transferred valued at Rs 8068 crore. IRB has also transferred 49% stake in MMK Toll Road Pvt Ltd. (subsidiary company) to affiliate of GIC for a consideration of Rs 4.90 crore at a net asset valuation of Rs 10 crore. The IRB group's interest in IRB Infrastructure Trust (Private InvIT) is accounted for using the equity method as joint venture in consolidated balance sheet of IRB as on March 31, 2020. Accordingly, revenue, expenses as well as profit/ (loss) after tax in these companies have been included upto February 26, 2020 in the consolidated financial statements and derecognized the assets and liabilities of the ten subsidiaries post the date of transfer and has recorded a gain of Rs 57.39 crore on loss of control in such erstwhile subsidiaries.

As part of transfer of assets and liabilities pertaining to these project SPVs and reclassification thereof from 100% wholly owned subsidiary to Joint venture with 51% stake, the loans amounting to Rs 10,626 crore pertaining to these project SPVs have also been transferred to Private InvIT during FY20. Thus, the total consolidated project debt towards SPVs as on March 31, 2020 has reduced to Rs 2986 crore as against Rs 11,401 crore as on March 31, 2019. This has resulted in improved gearing indicators at the end of FY20. Thus, reduced debt on balance sheet has provided headroom for taking up growth opportunities with bigger appetite.

Although, the implementation risk attached to these SPVs which are under construction has reduced as the same has been transferred to Private InvIT, the corporate guarantee to the lenders still exists. The Management has informed that the same is expected to fall off in FY21. Any shortfall in debt servicing requiring shortfall support by virtue of these corporate guarantees from IRB is a key rating sensitivity.

Financial flexibility through InvIT structure

IRB launched its first InvIT in May, 2017. As on December, 2019, it transferred seven assets of its operational road BOT Projects to its InvIT and received upfront cash of ~ Rs.2200 crores and a 16% stake in the Trust.

On August, 2019 IRB announced investment from GIC of Rs. 4,400 crore in nine of its BOT projects. As on March, 2020 IRB has already transferred these nine assets under Private InvIT. As a part of the transaction GIC is 49% stakeholder in the Private InvIT and IRB owns 51% stake and also have management control in the Private InvIT. InvIT structure helps in upstreaming of surplus cash flows to the sponsors from the beginning of operations, providing flexibility in managing investment requirements. Further Private InvIT set up with GIC has helped the company reduce its equity requirements in the ongoing under-construction projects.

Key Rating Weaknesses

Revenue risks associated with toll based road projects:

Historically, the linkage of toll hike to WPI partially compensated for low traffic growth to an extent. However, after 2008, the toll rates are derived according to a formula which is 3% plus 40% of average WPI. With respect to IRB Mumbai Pune Expressway, toll hike is an absolute rise and not linked to WPI. It has received a toll hike of approx. 18% w.e.f April 01, 2020 and next hike of another 18% is due w.e.f April 01, 2023. During FY20, BOT income reduced by 18% Y-o-Y as compared to FY19. Such reduction in BOT income is attributed not only to disruption in toll collection due to covid-19 but also the fact that during FY20 majority of the projects like Chittorgarh-Gulabpura, Kishangarh-Gulabpura, Agra-Etawah, Kaithal-Rajasthan, Solapur-Yedeshi were in advance stage of construction. Due to ongoing construction on major structures, the traffic movement got impacted. However, with completion or near completion of construction activity in these projects, the flow of traffic is expected to improve going forward as witnessed by the group while executing projects in the past. Toll collection would improve on account of tariff revision on completion of construction as these project SPVs will be eligible to charge 100% toll rates post 6 laning (in case of 4-6 laning projects) as against only 75% of fee rates being charged currently without any annual rate revision during construction period. These companies would be eligible for cumulative tariff increase post completion of construction. The toll collection picked up substantially in Yedeshi Aurangabad project as Provisional Commercial Operation Date (PCOD) for the same was declared in March 2019. Ahmedabad Vadodara project and Chittorgarh –Gulabpura project continues to be major contributor to toll revenue. Mumbai-Pune project which remained the major toll revenue contributor till last year was handed over to MRSDC in August 2019. However, the project has been awarded again to IRB and toll collection has resumed from March 01, 2020.

The toll operations of the all the project SPVs were impacted due to Covid-19 with toll suspension w.e.f March 26, 2020 to April 19, 2020. The operations have resumed gradually from April 20, 2020 and based on the toll collection data submitted by the Company, the toll collection in the project SPVs (with respect to 4 subsidiaries) have already rebounded back to more than 75% of the toll collection in July 2020 as against toll collection of July 2019. Toll collections for the projects transferred to Private InvIT are not comparable as these projects were under various stages of implementation last year.

Uptick in the economic activity and free traffic movement shall have direct bearing on the traffic growth on key stretches in IRB's portfolio and the same remains one of the key monitorable.

Moderate execution risk in Joint Venture

As on March 31, 2020, with transfer of 9 BOT assets to Private InvIT, there is no toll road subsidiary with IRB which is under implementation. Out of the 9 road projects, construction is underway on 7 projects. Apart from existing delays in 5 projects

due to pendencies from the Authority, there are further delays due to Covid-19. The Company expects to receive claim from NHAI against such delays and setoff the cost overrun funded through IRB's internal accruals. COD delays due to Covid-19 would be covered under through extension of timelines by 3-6 months as per MoRTH guidelines.

However, considering that these delayed projects are in advance stages of construction they are expected to be completed by FY21. CARE believes that with formation of InvIT, the shortfall if any, will first get adjusted with the cashflows generated by these pool of assets as all projects are tolling also and any shortfall thereafter will be infused by IRB and its financial investor in the ratio of 51:49. Considering the scale and commitment towards these projects, the timely achievement of COD as well as reimbursement of claims from the Authority would be the key rating monitorable.

Presently, IRB faces execution risk in the Hybrid Annuity Model (HAM) project (Vadodara-Kim project) which is under nascent stage of implementation with a physical progress of 21.5% as of November 2019. The project cost of Rs 2043 crore is being funded by NHAI, debt and equity in a 40:48:12 ratio respectively. Of NHAI's share, 40% will be given on project milestone basis. Funding for the construction has been tied up and IRB has infused 50% of its equity commitment. The payment towards 2nd milestone from NHAI has been received. The scheduled COD for the project is January 2021.

Financial risk profile not comparable to past performance

Due to transfer of 9 project SPVs during FY20 in Private InvIT, the assets and liabilities pertaining to these projects have also been transferred. Thus, project SPV related debt amounting to Rs 10,626 crore has been transferred to Private InvIT thereby improving overall gearing ratios as compared to previous year. The overall gearing as on March 31, 2020 has improved to 1.42x as against 2.69x at the end of FY19. As the corporate guarantees still continue, the adjusted gearing considering a debt which is not consolidated of Rs 9544 crore (with respect to project SPVs transferred to Private InvIT for which corporate guarantee has been provided including its undrawn debt) stands at 2.85x at the end of FY 20. Thus, effectively overall adjusted gearing of the company has reduced from 2.69x in FY19 to 2.85x at the end of FY20. However, management expect these guarantees to fall off for majority of projects in FY 21 either by achieving the required DSCR as per sanctioned terms or refinancing with debt at Private InvIT level.

As on March 31, 2020, the Private InvIT is classified as a Joint Venture with IRB having joint control to the extent of 51%. The interest of IRB is accounted using equity method by recognizing the investments made in the JV at cost initially (including transaction cost) and subsequently recognizing the profit and loss in the consolidated financials until the date on which the joint control ceases. Thus, instead of income and expenditure towards these SPVs getting consolidated with IRB, only profit and loss of Private InvIT (to the extent of IRB's share i.e., 51%) is being consolidated with the Profit and loss of IRB at consol level. Considering the transaction is of exceptional nature, the financial position of IRB in FY20 is not comparable to previous year's performance.

Working Capital intensive operations

Engineering Procurement, Construction (EPC) and Operation & Maintenance (O&M) works for IRB's SPVs are carried out by its wholly owned subsidiary - Modern Road Makers Pvt. Limited.(MRMPL). The Gross current asset days of MRMPL have improved from 279 days in FY 2019 to 218 days in FY 20. The average collection period for the EPC arm, Modern Road Makers has marginally increased to 111 days in FY 20 as against an average collection period of 107 days in FY19. The average collection period (including retention money) has increased from 155 days in FY19 to 176 days in FY 20. This is mainly on account of high receivable position (impacting average receivables) on the back of funding cost overrun requirements in ongoing construction projects which have impacted the group's working capital cycle. This reflects the working capital intensity of the overall IRB Group. With projects nearing completion now, the cost overrun requirement is also expected to be lesser and extinguishing post FY21. Claims with respect to cost overrun are expected to be set off against the claims to be received from NHAI. Therefore, timely realisation of receivables by Modern Road Makers Pvt Ltd would be the key rating monitorable.

Liquidity :

Moderate - IRB at a consolidated level has cash and cash equivalent of Rs. 443 crore along with a bank balance of Rs 1828 crore as on March 31, 2020. Out of Rs 1828 crore of bank balance, current deposits amounting Rs 725 crore are time deposits to meet immediate cash requirement of the group and remaining are earmarked towards margin money or Debt Service Reserve requirements. Thus, out of the total cash and bank balance amounting to Rs 2271 crore as on March 31, 2020, cash and bank balance excluding deposits earmarked towards margin money or debt service reserve amounts to Rs 1168 crore (51%), resulting in to moderate liquidity. As on March 31, 2020 the current portion of long term debt stood at Rs. 668 crore which payable in FY21. In addition, the group has proposed equity commitment of ~Rs 460 crore towards completion of 9 transferred project SPVs in FY21 and Rs 147 crore in FY22. The average utilization of non-fund based bank limits of Rs 1200 crore during FY20 remained at 48% and fund based bank limits of Rs 775.75 crore for past 12 months ending June 30, 2020 remained at 69%. In line with RBI circular on moratorium due to Covid-19, IRB is availing moratorium from some lenders seeking moratorium on debt servicing for initial term of 3 months till June 30, 2020 and thereafter for an additional term of 3 months ending on August 31, 2020.

Analytical approach: Consolidated (List of entities consolidated is attached as Annexure-5)

Applicable Criteria

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Rating Methodology – Toll Road Projects](#)

[Rating Methodology – Hybrid Annuity Road Projects](#)

[Rating Methodology-Construction Sector](#)

[Rating Methodology: Consolidation and Factoring Linkages in Ratings](#)

[Financial Ratios – Non-Financial Sector](#)

About IRB Infrastructure Developers Limited

IRB Infrastructure Developers Limited (IRB), incorporated in 1998, is an established integrated surface transportation infrastructure company with expertise in development of BOT Toll Road Projects. The company's business segments are toll roads, construction, airport development and real estate. As on March 2020, IRB has a portfolio of fully owned 3 BOT-Toll (Ahmedabad-Vadodara, Thane-Ghodbunder and Pune-Nashik), 1 TOT (Mumbai-Pune) and 1 HAM (Vadodara-Kim) assets aggregating to around 2,370 lane kms; 9 BOT-Toll projects of around 5,892 lane kms under Private InvIT with 51% holding and 7 operational BOT projects of around 4,055 lane kms with 16% holding in public InvIT as at the end of March, 2020. As on March 31, 2020, the total road length under portfolio stood at 12,317 lane kms (11,303 lane Km as on March 31, 2019) with 4,754 lane kms operational, 3,508 lane kms under development and under O&M (Operation & Maintenance) for InvIT assets of 4,055 lane kms. All 12 BOT-toll projects and 1 TOT project (consolidated IRB level) are revenue generating. During the month of October, 2019 NHA terminated two of the HAM projects costing Rs. 3,000 crore due to delay in land acquisitions.

- Post grant of certificate of registration from SEBI, NOC from NHA and lenders, IRB transferred nine BOT projects to a Private InvIT (IRB Infrastructure Trust) under partnership with GIC affiliates in February 2020. IRB has management control with 51% stake and balance 49% is with GIC affiliates. As part of the deal, GIC affiliates has to invest Rs 4,400 crore towards deleveraging partial debt and infusion of balance equity in these road projects. Out of this, first tranche amounting to Rs 3,750 crore was received in February 2020, of which Rs 3,000 crore was utilized to reduce debt in project SPVs. Remaining Rs 1400 crore would be utilized to fund the balance equity (GIC's share) for under construction projects in the portfolio.
- IRB had emerged as a preferred bidder for Rs 2,193 crore BOT project under Bharatmala Pariyojana for 6 laning of NH-19 section of 63.83 Km stretch from Palsit to Dankuni in West Bengal with a concession period of 17 years. The section is part of GQ. The management has informed that subsequently the bid has been annulled by NHA.
- On August 02, 2020, IRB has received Letter of Award from NHA for a hybrid annuity project under Bharatmala Pariyojana (Phase-1, package-VII) for an operating tenor of 15 years. The project involves construction of eight lane access controlled expressway from Km 190.000 to Km 217.500 of Vadodara Mumbai Expressway (Gandeva to Ena Section) in the State of Gujarat at a Company's bid price (NPV of Company's Bid Project Cost & O&M Cost over the Concession Period) of Rs 1723.97 crore. The construction period is 730 days.

Covenants of rated instrument: Detailed explanation of covenants of the rated instrument is given in Annexure-3

Brief Financials of IRB Consolidated (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	6880.54	7033.72
PBILDT	3117.06	3162.17
PAT	849.97	720.86
Overall gearing (times)	2.68x	1.42x
Interest coverage (times)	2.77x	2.00x

A: Audited; Note: Financials are classified as per CARE's internal standards

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of 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
Debentures-Non Convertible Debentures	INE821I07086	July 17, 2020	9.55% p.a.	July 16, 2023 (3 years)	200.00	CARE A+; Stable

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 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (05-Feb-18)
2.	Debentures-Non Convertible Debentures	LT	200.00	CARE A+; Stable	-	-	-	-

Annexure-3: Detailed explanation of covenants of the rated facilities

Particulars	Instrument (s)
Financial covenants	The company shall maintain a minimum pledge security coverage of 2 and minimum current assets cover of 1.1. (pledge security: first exclusive charge by way of pledge on 4,00,000 units of IRB Infrastructure Trust (FV-Rs 100 each))
Non-financial covenants	<ol style="list-style-type: none"> The company shall not, till the final discharge date, deal with or dispose-off any security or any part thereof, or withdraw any security from the security interest created except with the prior written approval of the trustee. In case of default in payment of interest and principal amount on due date, without prejudice to the right of trustee to call an event of default and accelerate the debentures, additional interest of 2% p.a. over and above the interest for the period that the default continues. In case of default in payment of interest and/or Redemption Amount on relevant due date, additional interest at 2 % p.a. over the Coupon Rate will be payable by the Issuer for the period of default on the unpaid Coupon or redemption amount.

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

Sr. No.	Name of the Instrument	Complexity Level
1.	Debentures-Non Convertible Debentures	Simple

Annexure-5: List of entities Consolidated

Sr. No.	Name of Entity	Principal nature of activity	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2020	As on March 31, 2019
Subsidiaries (Direct and indirect)				
Direct				
1	Ideal Road Builders Private Limited (IRBPL)	Road Infrastructure	100%	100%
2	Mhaskar Infrastructure Private Limited (MIPL)	Road Infrastructure	100%	100%
3	Modern Road Makers Private Limited (MRMPL)	Road Infrastructure	100%	100%
4	Aryan Toll Road Private Limited (ATRPL)	Road Infrastructure	100%	100%
5	ATR Infrastructure Private Limited (ATRFL)	Road Infrastructure	100%	100%
6	IRB Infrastructure Private Limited (IRBFL)	Investment Manager	100%	100%
7	Thane Ghodbunder Toll Road Private Limited (TGTRPL)	Road Infrastructure	100%	100%
8	Aryan Infrastructure Investments Private Limited (AIPL)	Real Estate	100%	100%
9	IRB MP Expressway Private Limited (IRBMP) (formerly known as NKT Road and Toll Private Limited)	Road Infrastructure	100%	100%
10	MMK Toll Road Private Limited (MMK) (formerly Subsidiary of IRBPL) (upto February 25, 2020)	Road Infrastructure	-	100%
11	IRB Kolhapur Integrated Road Development Company Private Limited (IRBK)	Road Infrastructure	100%	100%
12	Aryan Hospitality Private Limited (AHPL)	Hospitality	100%	100%
13	IRB Sindhudurg Airport Private Limited (IRBSA)	Airport development	100%	100%
14	IRB Goa Tollway Private Limited (IRB Goa)	Road Infrastructure	100%	100%
15	IRB PS Highway Private Limited (formerly known as MRM Highways Private Limited) (IRBPS)	Road Infrastructure	100%	100%
16	IRB Ahmedabad Vadodara Super Express Tollway Private Limited (IRBAV)	Road Infrastructure	100%	100%
17	IRB Westcoast Tollway Limited (IRB Westcoast) (upto February 25, 2020)	Road Infrastructure	-	100%
18	Solapur Yedeshi Tollway Limited (SYTL) (upto February 25, 2020)	Road Infrastructure	-	100%
19	Yedeshi Aurangabad Tollway Limited (YATL) (upto February 25, 2020)	Road Infrastructure	-	100%
20	Kaithal Tollway Limited (KTL) (upto February 25, 2020)	Road Infrastructure	-	100%
21	AE Tollway Limited (AETL) (upto February 25, 2020)	Road Infrastructure	-	100%
22	IRB PP Project Private Limited (formerly known as Zozila Tunnel Project Private Limited) (IRBPP)	Road Infrastructure	100%	100%
23	Udaipur Tollway Limited (UTL) (upto February 25, 2020)	Road Infrastructure	-	100%
24	CG Tollway Limited (CGTL) (upto February 25, 2020)	Road Infrastructure	-	100%
25	Kishangarh Gulabpura Tollway Limited (KGTL) (upto February 25, 2020)	Road Infrastructure	-	100%
26	VKT Expressway Private Limited (VKT) (w.e.f April 17, 2018)	Road Infrastructure	100%	100%
27	IRB Hapur Moradabad Tollway Limited (IRBHM) (upto February 25, 2020)	Road Infrastructure	-	100%
Indirect :				
1	Modern Estate – Partnership Firm	Real Estate	100%	100%
2	MRM Mining Private Limited (Formerly "J J Patel Infrastructural and Engineering Private Limited") (Subsidiary of MRMPL)	Road Infrastructure	100%	100%

Sr. No.	Name of Entity	Principal nature of activity	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2020	As on March 31, 2019
Joint Ventures (Direct and indirect)				
Direct :				
	IRB Infrastructure Trust	Private Trust	51%	-
	MMK Tollway Private Limited	Investment Manager	51%	-
Indirect :				
1	IRB Westcoast Tollway Limited (IRB Westcoast) (from February 26, 2020)	Road Infrastructure	51%	-
2	Solapur Yedeshi Tollway Limited (SYTL) (from February 26, 2020)	Road Infrastructure	51%	-
3	Yedeshi Aurangabad Tollway Limited (YATL) (from February 26, 2020)	Road Infrastructure	51%	-
4	Kaithal Tollway Limited (KTL) (from February 26, 2020)	Road Infrastructure	51%	-
5	AE Tollway Limited (AETL) (from February 26, 2020)	Road Infrastructure	51%	-
6	Udaipur Tollway Limited (UTL) (from February 26, 2020)	Road Infrastructure	51%	-
7	CG Tollway Limited (CGTL) (from February 26, 2020)	Road Infrastructure	51%	-
8	Kishangarh Gulabpura Tollway Limited (KGTL) (from February 26, 2020)	Road Infrastructure	51%	-
9	IRB Hapur Moradabad Tollway Limited (IRBHM) (from February 26, 2020)	Road Infrastructure	51%	-

All the above entities are incorporated in India.

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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