

Pink City Expressway Private Limited
September 02, 2020

Ratings

Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	1,790.55	CARE D; ISSUER NOT COOPERATING* [Single D; ISSUER NOT COOPERATING*)	Issuer not cooperating; Based on best available information
Total Facilities	1,790.55 (Rupees One Thousand Seven Hundred Ninety Crore and Fifty Five Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated April 05, 2018, placed the rating of Pink City Expressway Private Limited (PCEPL) under the 'issuer non-cooperating' category as PCEPL had failed to provide the information for the rating exercise as agreed to in its Rating Agreement. PCEPL continues to be non-cooperative despite repeated requests for submission of information through email dated August 26, 2020, August 25, 2020 & August 21, 2020. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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).

The ratings takes into account the delays in the servicing of debt obligations by the company.

Analytical approach: Standalone

Applicable Criteria

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

[Criteria on assigning Outlook to Credit Ratings](#)

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

[Rating Methodology – Toll Road Projects](#)

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

About the Company

Pink City Expressway Private Limited (PCEPL) is an SPV formed by ETA Group of Dubai and KMC Group of Hyderabad (51:49 JV). IKSHU Infrastructure Pvt Ltd was inducted in FY13 with 13% stake dilution by each of the sponsors. The company was incorporated on April 2, 2008 to undertake the improvement, operation and maintenance including strengthening and widening of the existing 4-lane road to 6-lane highway with service lane on either side from 42.7 km to 273 km (a length of 225.6 km) in states of Haryana and Rajasthan on NH-8 (Gurgaon-Kotputli-Jaipur Section) on BOT basis. The project was awarded to a consortium led by ETA group of Dubai and KMC Constructions Ltd. of Hyderabad on a competitive bidding process, wherein the ETA-KMC consortium quoted the highest revenue share (from toll collections) of 48.06% with NHAI which is expected to increase 1% every year. The concession period is for 12 years till April 2, 2021 (including original construction period of 30 months).

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	314.03	579.92
PBILDT	0.00	264.15
PAT	0.00	-320.03
Overall gearing (times)	2.54	NM
Interest coverage (times)	0.00	1.41

A: Audited; NM: Not Meaningful

Status of non-cooperation with previous CRA: NA

Any other information: NA

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

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

*Issuer did not cooperate; Based on best available information

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
Term Loan-Long Term	-	-	-	1760.55	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantees	-	-	-	30.00	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 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.	Term Loan-Long Term	LT	1760.55	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE D (27-Apr-17)
2.	Non-fund-based - LT-Bank Guarantees	LT	30.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (13-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE D (27-Apr-17)

*Issuer did not cooperate; based on best available information

Annexure 4: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Non-fund-based - LT-Bank Guarantees	Simple
2.	Term Loan-Long Term	Simple

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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About CARE Ratings:

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Disclaimer

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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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