

June 17, 2024

Interise Trust: Change in Limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme	1,375.00	1,375.00	[ICRA]AAA(Stable); Outstanding
Long-term - Fund-based bank facilities - Term loan	3,300.00	3,300.00	[ICRA]AAA(Stable); Outstanding
Long-term - Fund-based bank facilities - Term loan	1,385.00	1,385.00	[ICRA]AAA(Stable); Outstanding
Long-term - Fund-based bank facilities - Term loan	2,716.00	2,716.00	[ICRA]AAA(Stable); Outstanding
Long-term/Short-term - Non-Fund based - Bank Guarantee (BG)	265.00	315.00	[ICRA]AAA(Stable)/ [ICRA]A1+; Outstanding
Short-term - Fund based – Overdraft facility	0.00	10.00	[ICRA]A1+; Outstanding
Unallocated limits^	269.00	209.00	[ICRA]AAA(Stable); Outstanding
Issuer rating	-	-	[ICRA]AAA(Stable); Outstanding
Total	9,310.00	9,310.00	

*Instrument details are provided in Annexure-I

^ The unallocated limits are interchangeable between NCDs and bank facilities

Rationale

ICRA has an outstanding rating of [ICRA] AAA (Stable) / [ICRA] A1+ for the term loans, NCDs, bank guarantee (BG), overdraft facility and issuer rating of Interise Trust. This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, liquidity position, rating sensitivities, key financial indicators: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Infrastructure Investment Trusts (InvITs) Roads - Annuity Roads - BOT Toll
Parent/Group Support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial statements of the issuer (list of SPVs consolidated with Interise are in Annexure)

About the issuer

Interise Trust (formerly IndInfravit Trust) was established by L&T Infrastructure Development Projects Limited (L&T IDPL) on March 7, 2018, as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882. It was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on March 15, 2018. The investment manager of Interise Trust i.e Interise Investment Managers Limited is the self-sponsored investment manager of Interise trust following L&T IDPL's declassification as sponsor in April 2024.

The Trust is listed on both the National Stock Exchange and the Bombay Stock Exchange since May 9, 2018. The key investors of the InvIT include the Canada Pension Plan Investment Board (CPPIB), Allianz Capital Partners (ACP) and OMERS Infrastructure Asia Holdings Pte. Ltd.

Interise's initial portfolio of assets comprises five operational BOT toll road projects with a cumulative length of 2,654 lane km. These projects were transferred to the InvIT from L&T IDPL on May 4, 2018. These projects are operated and maintained pursuant to the concessions granted by the NHAI and are located in four different states.

In March 2020, Interise trust has completed the acquisition of eight SPVs of Sadbhav Infrastructure Project Limited (SIPL) and Sadbhav Engineering Limited (SEL) comprising of six toll road assets and two annuity road assets having a cumulative length of around 2,300 lane kms. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Krishnagiri Thopur Toll Road Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Krishnagiri Walajapet Tollway Pvt Limited	BOT Toll road project	NHAI	Tamil Nadu
Western Andhra Tollways Pvt Limited	BOT Toll road project	NHAI	Andhra Pradesh
Beawar Pali Pindwara Tollway Pvt Limited	BOT Toll road project	NHAI	Rajasthan
Devihalli Hassan Tollway Pvt Limited	BOT Toll road project	NHAI	Karnataka
Aurangabad Jalna Tollway Pvt Limited	BOT Toll road project	PWD [^]	Maharashtra
Bhilwara-Rajsamand Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Bijapur Hungund Tollway Private Limited	BOT Toll road project	NHAI	Karnataka
Dhule Palesner Tollway Pvt Limited	BOT Toll road project	NHAI	Maharashtra
Hyderabad-Yadgiri Tollway Private Limited	BOT Toll road project	NHAI	Telangana
Shreenathji-Udaipur Tollway Private Limited	BOT Toll road project	NHAI	Rajasthan
Nagpur Seoni Express Way Pvt Limited	BOT Annuity road project	NHAI	Maharashtra/ Madhya Pradesh
Mysore Bellary Highway Private Limited	BOT Annuity road project	KSHIP [^]	Karnataka/ Andhra Pradesh

[^] KSHIP – Karnataka State Highways Improvement Project, PWD – Public Works Department, Maharashtra

The Trust has completed the acquisition of Simhapuri Expressway Limited (SEL), Rayalaseema Expressway Private Limited (REPL), Mumbai Nashik Expressway Private Limited (MNEPL) and Kosi Bridge Infrastructure Company Private Limited (KBICPL) from Brookfield on June 15, 2023 and is yet to acquire Gorakhpur Infrastructure Company Private Limited (GICPL), which is pending due to receipt of regulatory approvals. The portfolio comprises three toll road assets and two annuity projects having a cumulative length of 514.9 km. A brief information on the assets is as follows:

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Gorakhpur Infrastructure Company Private Limited [rated [ICRA]AA- (On Rating Watch with Developing Implications)] *	BOT Annuity road project	NHAI	Uttar Pradesh
Kosi Bridge Infrastructure Company Private Limited	BOT Annuity road project	NHAI	Bihar
Mumbai Nashik Expressway Private Limited	BOT Toll road project	NHAI	Maharashtra
Simhapuri Expressway Limited	BOT Toll road project	NHAI	Andhra Pradesh
Rayalaseema Expressway Private Limited	BOT Toll road project	NHAI	Andhra Pradesh

* not yet acquired

Status of non-cooperation with previous CRA: Not applicable

Any other information:

Cash flow pooling: For arriving at the rating, ICRA has taken into account the consolidated free cash flows from the underlying SPVs on account of the pooling benefit at the SPVs and the Trust level. The SPVs have been considered as a single pool. ICRA has applied its rating methodologies as mentioned under the section on analytical approach.

The company also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

Rating history for past three years

Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31, 2024 (Rs. crore)	Current Rating (FY2025)		Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years					
				Date & Rating in FY2025		Date & Rating in FY2024				Date & Rating in FY2023			Date & Rating in FY2022		
				June 17, 2024	Feb 02, 2024	Sep 11, 2023	Jul 13, 2023	May 24, 2023	Mar 21, 2023	Mar 02, 2023	Jun 24, 2022	Dec 31, 2021	June 25, 2021	May 18, 2021	Apr 26, 2021
1	NCD	1,375.0	1346.9	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)
2	NCD	-	-	-	-	-	-	[ICRA]AA A (Stable)	-	-	-	-	-	-	-
3	Commercial paper programme	-	-	-	-	-	[ICRA]A1+; Withdrawn	[ICRA]A1 +	-	-	-	-	-	-	-
4	Fund-based TL	1,385.0	3,840.9	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
5	Fund-based TL	2,716.0		[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-
6	Fund-based TL	3,300.0	2,877.1	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	-	-	-	-	-	-	-
7	Non-fund based - BG	315.0	287.0	[ICRA]AAA (Stable)/ [ICRA] A1+	[ICRA]AAA (Stable)/ [ICRA] A1+	[ICRA]AAA (Stable)/ [ICRA] A1+	-	-	-	-	-	-	-	-	-
8	Fund based – Overdraft facility	10.0	0.0	[ICRA] A1+	-	-	-	-	-	-	-	-	-	-	-
9	Unallocated limits	209.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-
10	NCD	-	-	-	-	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
11	NCD	-	-	-	-	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AA A (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCDs	Simple
Long-term – Fund-based bank facilities - Term loan	Simple
Long-term/Short-term – Non-fund-based bank facilities – Bank guarantee	Very Simple
Short-term – Fund-based – Overdraft facility	Simple
Long-term – Unallocated limits	Not Applicable
Issuer rating	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#).

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE790Z07053	NCD Programme	Jun 14, 2023	7.85%	Mar 31, 2040	1,375.00	[ICRA]AAA(Stable)
NA	Long-term - Fund Based TL	May 2018/ April 2021	NA	March 2038	1,385.00	[ICRA]AAA(Stable)
NA	Long-term - Fund Based TL	April 2021/ March 2023	NA	March 2038/ September 2040	2,716.00	[ICRA]AAA(Stable)
NA	Long-term - Fund Based TL	July 2022/ September 2022	NA	March 2040	3,300.00	[ICRA]AAA(Stable)
NA	Non-fund based - Bank Guarantee	March 2024/ January 2024	NA	March 2026/ January 2025	315.00	[ICRA]AAA(Stable)/ [ICRA]A1+
NA	Fund based – Overdraft facility	March 2024	NA	March 2025	10.00	[ICRA]A1+
NA	Long-term - Unallocated Limits	NA	NA	NA	209.00	[ICRA]AAA(Stable)
NA	Issuer rating	NA	NA	NA	-	[ICRA]AAA(Stable)

Source: Interise Trust

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Beneficial Ownership	Consolidation Approach
Krishnagiri Thopur Toll Road Pvt Limited	100.00%	Full Consolidation
Krishnagiri Walajapet Tollway Pvt Limited	100.00%	Full Consolidation
Western Andhra Tollways Pvt Limited	100.00%	Full Consolidation
Beawar Pali Pindwara Tollway Pvt Limited	100.00%	Full Consolidation
Devihalli Hassan Tollway Pvt Limited	100.00%	Full Consolidation
Aurangabad Jalna Tollway Pvt Limited	100.00%	Full Consolidation
Bhilwara-Rajsamand Tollway Private Limited	100.00%	Full Consolidation
Bijapur Hungund Tollway Private Limited	100.00%	Full Consolidation
Dhule Palesner Tollway Pvt Limited	100.00%	Full Consolidation
Hyderabad-Yadgiri Tollway Private Limited	100.00%	Full Consolidation
Shreenathji-Udaipur Tollway Private Limited	100.00%	Full Consolidation
Nagpur Seoni Express Way Pvt Limited	100.00%	Full Consolidation
Mysore Bellary Highway Private Limited	100.00%	Full Consolidation
Gorakhpur Infrastructure Company Private Limited* [@]	100.00%	Full Consolidation
Kosi Bridge Infrastructure Company Private Limited [@]	100.00%	Full Consolidation
Mumbai Nashik Expressway Private Limited [@]	100.00%	Full Consolidation
Simhapuri Expressway Limited [@]	100.00%	Full Consolidation
Rayalaseema Expressway Private Limited [@]	100.00%	Full Consolidation

Source: Interise Trust

Krishnagiri Thopur Toll Road Pvt Limited (KTTPL), Krishnagiri Walajapet Tollway Pvt Limited (KWTPL), Western Andhra Tollways Pvt Limited (WATPL), Beawar Pali Pindwara Tollway Pvt Limited (BPP), Devihalli Hassan Tollway Pvt Limited (DHTPL), Aurangabad Jalna Tollway Pvt Limited (AJTPL), Bhilwara-Rajsamand Tollway Private Limited (BRTPL), Bijapur Hungund Tollway Private Limited (BHTPL), Dhule Palesner Tollway Pvt Limited (DPTPL), Hyderabad-Yadgiri Tollway Private Limited (HYTPL), Shreenathji-Udaipur Tollway Private Limited (SUTPL), Nagpur Seoni Express Way Pvt Limited (NSEWPL), Mysore Bellary Highway Private Limited (MBHPL), Gorakhpur Infrastructure Company Private Limited (GICPL), Kosi Bridge Infrastructure Company Private Limited (KBICPL), Mumbai Nashik Expressway Private Limited (MNEPL), Simhapuri Expressway Limited (SEL) and Rayalaseema Expressway Private Limited (REPL)

* The target asset is not yet acquired.

[@] Nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

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