

April 24, 2024

Panipat Elevated Corridor Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD)	30.00	30.00	[ICRA]BBB- Rating Watch with Developing Implications; Rating Withdrawn
Total	30.00	30.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the NCD programme of **Panipat Elevated Corridor Limited (PECL)** as the rated instrument has been fully redeemed by the entity. The rating action is in accordance with ICRA's policy on withdrawal of credit rating.

ICRA notes that Larsen & Toubro Limited (L&T, rated [ICRA]A1+) and Canada Pension Plan Investment Board India Private Holdings Inc (CPPIB) had completed the divestment of L&T Infrastructure Development Projects Limited (IDPL), which is the parent entity of PECL on April 10, 2024, and its entire stake was acquired by Epic Concesiones Private Limited, an investee company of Edelweiss Infrastructure Yield Plus Strategy, managed by Edelweiss Alternative Asset Advisors Limited.

The Key rating drivers, Liquidity position, Rating sensitivities and Key financial Indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings BOT Toll Road Projects
Parent/Group support	Parent/Group Company: L&T IDPL ICRA takes into account the track record of support from L&T IDPL towards PECL and expects continued financial support going forward towards meeting any deficits in servicing of debt obligations as well as the negative grant payable to the NHAI.
Consolidation/Standalone	Standalone

About the company

PECL is a Special Purpose Vehicle promoted by L&T Infrastructure Development Projects Limited (IDPL). The company was established for strengthening and widening the four-lane road to a six-lane road from km 86 (Delhi side) to km 96 (Karnal side) passing through Panipat city on NH-44 (earlier NH-1) in Haryana, including a six-lane elevated structure of 3.4 km.

The project was awarded by the National Highway Authority of India to IDPL on Build-Operate-Transfer (BOT) basis, with a concession period of 20 years, starting January 2006. It was completed six months in advance and achieved commercial operation date (COD) on July 17, 2008 against the scheduled date of January 22, 2009. The total project cost was Rs. 421.50 crore, which was funded by Rs. 84.30 crore of promoter's equity and Rs. 338.17 crore of senior/subordinate debt in a debt-equity ratio of 4:1. The company subsequently refinanced the debt because of less-than-anticipated toll income and high

interest rates. The subordinate bank debt had been replaced by loans from the holding company and the senior bank debt had been replaced by NCDs issued to IDPL, which were fully redeemed as on March 28, 2024.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years				
		Amount rated (Rs. crore)	Amount outstanding (Rs. crore)	Date & rating in	Date & rating in FY2024	Date & rating in FY2023		Date & rating in FY2022
			as on March 31, 2024	Apr 24, 2024	Feb 27, 2024	Feb 03, 2023	Jul 29, 2022	Jul 30, 2021
1 NCD	Long-term	30.00	-	[ICRA]BBB- & withdrawn	[ICRA]BBB- &	[ICRA]BBB- &	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)

&- Rating watch with developing implications

Complexity level of the rated instruments

Instrument	Complexity Indicator
Non-convertible debentures	Very Simple

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	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE558N07118	NCD	May-12	10.56%	17-Apr-24	30.00	[ICRA]BBB- Rating Watch with Developing Implications and Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Rajeshwar Burla

+91 40 6939 6443

rajeshwar.burla@icraindia.com

Ashish Modani

+91 20 6606 9912

ashish.modani@icraindia.com

Vinay Kumar G

+91 40 6939 6424

vinay.g@icraindia.co.in

Vamshi Kinnera

+91 40 6939 6420

vamshi.kinnera@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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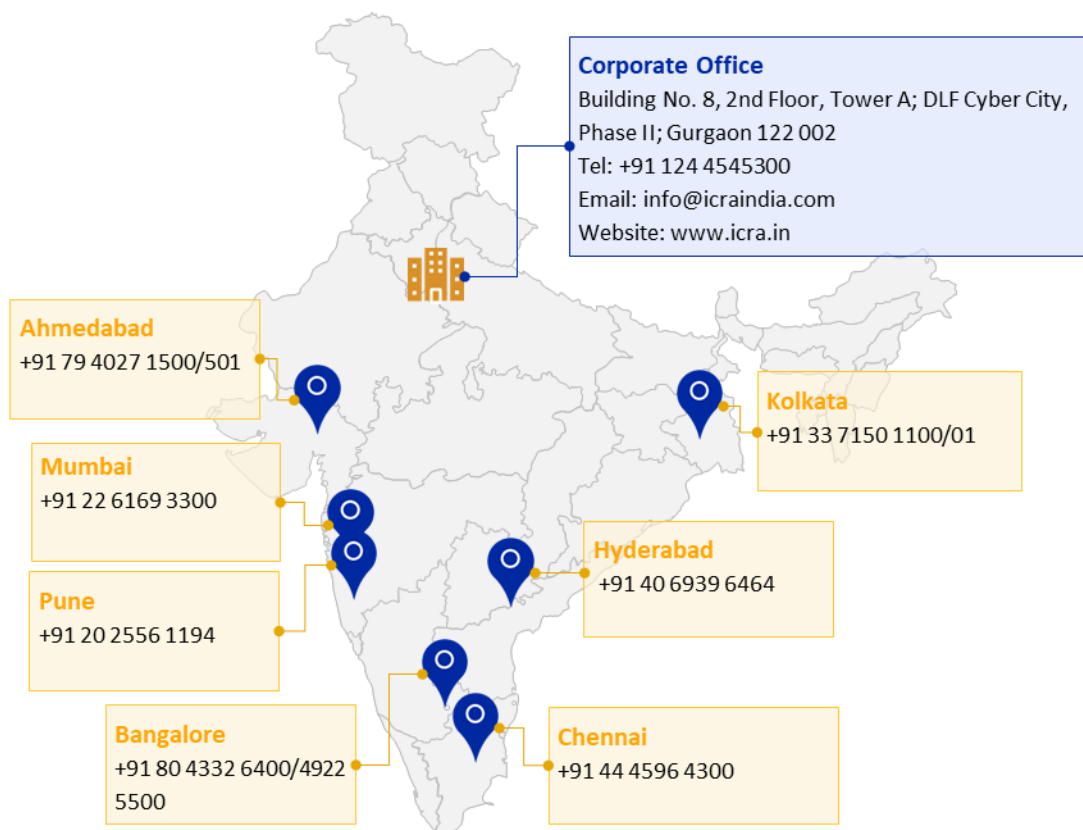


Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



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