

October 14, 2024

Welspun Delhi Meerut Expressway Private Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based – Term loan	329.40	329.40	[ICRA]AA+ (Stable); withdrawn
Total	329.40	329.40	

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Welspun Delhi Meerut Expressway Private Limited (WDMEPL) at the request of the company, based on the no dues certificate (NDC) received from the bankers and in accordance with ICRA's policy on withdrawal.

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position, rating sensitivities and key financial indicators have not been captured as the rated instruments are being withdrawn.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 Roads-Hybrid Annuity Policy on withdrawal of Credit Ratings
Parent/Group support	Not applicable*
Consolidation/Standalone	Standalone

* While assigning the rating (till last exercise), ICRA had taken note that WDMEPL was part of a cash flow pooling mechanism with other five other special purpose vehicles (SPVs - Nxt-Infra CT Highways Private Limited, Nxt-Infra CGRG Highways Limited, Nxt-Infra GSY Highways Limited, Welspun Road Infra Private Limited, and Nxt – Infra MCP Highways Private Limited) of the Actis Long Life Infrastructure Fund (ALLIF) as per which, the surplus cash flows at each SPV was made available to the other SPVs for meeting any shortfall in debt servicing.

About the company

Welspun Delhi Meerut Expressway Private Limited was incorporated in February 2016 as a 100% subsidiary/SPV of Welspun Enterprises Limited. In December 2022, the entire stake in the SPV was ultimately acquired by NXT-Infra Trust (NIT). WDMEPL was formed to undertake development, operation, and maintenance of the existing NH 24 stretch, from km 0.000 to km 8.360 up to Delhi –UP Border section of NH-24 in Delhi, by six-laning of the expressway and four-laning either side of the expressway thereof on design, build, operate and transfer (hybrid annuity) basis.

The concession agreement between the NHAI and WDMEPL was signed on March 4, 2016. The provisional CoD of the project was achieved in June 2018 with CoD on September 26, 2018, well in advance of the SCoD of May 2019. The SPV received bonus from the NHAI for early completion and a part of the bonus was shared with the engineering, procurement and construction (EPC) contractor. The total cost of the project (Rs. 836.4 crore) was funded by the equity of Rs. 105.5 crore, debt of Rs. 376.0 crore from banks, and a grant of Rs. 354.9 crore from the NHAI. WDMEPL is contractually entitled to receive semi-annual payments every year until the end of the concession period viz., FY2034. These receipts typically include annuity payment, interest on the annuity, and O&M payment. The O&M payments to be received from the NHAI are indexed as per a pre-determined formula to the WPI/CPI.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Oct 14, 2024	FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Term loan	Long-term	329.40	[ICRA]AA+ (Stable); withdrawn	Sept 25, 2023	[ICRA]AA+ (Stable)	Mar 22, 2023	Provisional [ICRA]AA+ (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based – Term loan	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	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term – Fund-based – Term loan	March 22, 2023	-	FY2033*	329.40	[ICRA]AA+ (Stable); withdrawn

Source: Company, ICRA Research; *The entire loan has been repaid on July 03, 2024.

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

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

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