

December 14, 2017

## Ferrovia Transrail Solutions Private Limited

### Summary of rated instruments

Instrument*	Rated Amount (in Rs. crore)	Rating Action
Fund-based Limits	30.00	[ICRA]BBB-(Stable); Withdrawn
Non-fund Based Limits	25.00	[ICRA]A3; Withdrawn

\*Instrument details are provided in Annexure-1

### Rating action

ICRA has withdrawn the long-term rating of [ICRA]BBB- (pronounced as ICRA triple A minus) <sup>1</sup> with Stable outlook for Rs. 30.00-crore<sup>2</sup> fund-based limits of Ferrovia Transrail Solutions Private Limited (FTSPL). ICRA has also withdrawn the short-term rating of [ICRA]A3 (pronounced as ICRA A three) for Rs. 25.00 crore non-fund based limits of FTSPL.

### Rationale

The ratings have been withdrawn in accordance with ICRA's policy on withdrawal and suspension and as requested by the company. The withdrawal of ratings takes cognizance of the fact that the company is not using the limits anymore.

### Analytical approach

For arriving at the rating, ICRA has applied its rating methodologies as indicated below.

### Links to applicable criteria

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)  
[Corporate Credit Rating Methodology](#)

### About the company

FTSPL is a 51:49 joint venture (JV) between PNC Infratech Limited (PIL) and DF Infrastructure Limited (BFIL). The JV was incorporated for the purpose of construction and commissioning for double track electrified railway line of 66 Kms on a Design-Build-Lumpsum basis on Mughalsarai- Sonnagar section of Eastern Dedicated Freight Corridor. The project was awarded to FTSPL by Dedicated Freight Corridor Corporation of India Ltd<sup>3</sup> (DFCCIL), Govt. of India Enterprise. Though PIL has majority shareholding, the project execution responsibility principally is with BFIL. BFIL has subcontracted the mechanised track laying portion to Phooltas Harsco Rail Solutions Pvt. Ltd. (Indian JV of HARSCO Rail). The initial estimated project cost of Rs. 147 Crores is expected to increase due to delays in project execution, though this is being compensated by DFCCIL.

As per audited results for FY2016, the company reported a net profit of Rs. 0.0 crore on an operating income of Rs. 27.82 crore.

<sup>1</sup> For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications

<sup>2</sup> 100 lakh = 1 crore = 10 million

<sup>3</sup> DFCCIL is a special purpose vehicle setup under the administrative control of Ministry of Railways to undertake planning and development, mobilization of financial resources and construction, maintenance and operations of Dedicated Freight Corridors-Western DFC and Eastern DFC-spanning a total length of 3300 km.

**Key financial indicators (Audited)**

	<b>FY2016</b>
Operating Income (Rs. crore)	27.8
PAT (Rs. crore)	0.0
OPBDIT/ OI (%)	14.7%
RoCE (%)	21.7%
Total Debt/ TNW (times)	NM
Total Debt/ OPBDIT (times)	6.20
Interest Coverage (times)	1.01
NWC/ OI (%)	89%

*OI: Operating Income (excludes other income); PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net-Worth + Deferred Tax Liability - Capital Work - in Progress); NWC: Net Working Capital (excludes cash and liquid investments)*

*NM – not meaningful*

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years**

**Table**

S. No.	Name of Instrument	Current Rating (FY2018)			Chronology of Rating History for the past 3 years		
		Type	Rated Amount (Rs. crore)	Date & Rating	Date & Rating in FY2017	Date & Rating in FY2016	Date & Rating in FY2015
				<b>December 2017</b>	<b>December 2016</b>	<b>November 2015</b>	<b>November 2014</b>
1	Fund-based Limits	Long Term	30.00	[ICRA]BBB- (Stable) Withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)
2	Non-fund Based Limits	Short-term	25.00	[ICRA]A3 Withdrawn	[ICRA]A3	[ICRA]A3	[ICRA]A3

**Complexity level of the rated instrument**

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

**Annexure-1**  
**Instrument Details**

<b>Instrument</b>	<b>Date of Issuance/ Sanction</b>	<b>Coupon rate</b>	<b>Maturity</b>	<b>Amount Rated (Rs. crore)</b>	<b>Current Rating</b>
Fund-based Limits	-	-	-	30.00	[ICRA]BBB- (Stable) Withdrawn
Non-fund based Limits	-	-	-	25.00	[ICRA]A3 Withdrawn

Source: FTSPL

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About ICRA Limited:

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