

May 24, 2023

IndInfravit Trust: Rating reaffirmed; rated amount enhanced; ratings assigned for NCD programme and commercial paper programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD) programme^	475.00	475.00	[ICRA]AAA(Stable); Reaffirmed
NCD programme^	-	900.00	[ICRA]AAA(Stable); Assigned
Commercial paper programme^	-	4,300.00	[ICRA]A1+; Assigned
Fund-based bank facilities - Term loan	-	3,300.00	[ICRA]AAA(Stable); Assigned
Fund-based bank facilities - Term loan	1,385.00	1,385.00	[ICRA]AAA(Stable); Reaffirmed
Fund-based bank facilities - Term loan	2,716.00	2,716.00	[ICRA]AAA(Stable); Reaffirmed
Unallocated limits^^	9.00	534.00	[ICRA]AAA(Stable); Reaffirmed/Assigned
Issuer rating	-	-	[ICRA]AAA(Stable); Reaffirmed
Total	4,585.00	13,610.00	

*Instrument details are provided in Annexure-I

^ yet to be placed;

^^ The unallocated limits are interchangeable between NCDs and long-term bank facilities

The ratings assigned by ICRA is not a comment on the ability of IndInfravit Trust ("IndInfravit" or "Trust" or "InvIT") to meet distribution/dividend payouts to unitholders/investors, neither should it be construed as a comment on the debt servicing ability of the individual project assets or special purpose vehicles (SPVs) held by the Trust.

ICRA has undertaken the consolidated financial analysis of IndInfravit and 18 SPVs including the existing underlying SPVs — Krishnagiri Thopur Toll Road Pvt Limited (KTTPL), Krishnagiri Walajahpet 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), and the five assets being acquired currently — 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). IndInfravit has a 100% equity stake in the existing SPVs (directly or indirectly) and is likely to acquire 100%¹ stake in the five SPVs (GICPL, KBICPL, MNEPL, SEL and REPL, collectively referred as target assets, to be acquired from funds managed by Brookfield Asset Management (Brookfield). The Trust is in advanced stages of completing the acquisition of five operational assets from Brookfield in two tranches, tranche 1 – involving KBICPL, MNEPL, SEL and REPL are expected to be acquired in June 2023 and tranche 2 involving GICPL is likely to be acquired by Q2 FY2024. The required regulatory approvals have been received for tranche 1 assets and approval for tranche 2, i.e., GICPL is awaited.

The Trust has full cash flow fungibility for SPVs that do not have any external debt as well as unhindered access to the surplus cash flows of the SPVs that have external debt [NSEWPL is the only SPV which has external debt]. NSEWPL has comfortable debt servicing coverage ratio (DSCR) and significant cushion from the cash trap trigger levels, as defined in its financing agreements, thereby enabling it to upstream its surplus to InvIT. Further, the Trust is in the process of refinancing the entire debt at the target assets with debt raised at InvIT level.

¹ nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

Rationale

The rating action favourably notes IndInfravit's diversified project portfolio (existing and target assets) comprising 14 toll road projects with an average toll collection track record of around ten years and four annuity road projects with an average operational track record of more than 10 years. The ratings consider IndInfravit's healthy financial risk profile with strong debt coverage metrics with average DSCR of more than 1.8 times as per ICRA's base case estimates for the debt tenure and a moderate leverage² of ~44% as on March 31, 2023. The portfolio is spread across eight states with ~95% of revenues (from 16 projects) under concession from the National Highway Authority of India [NHAI; rated [ICRA]AAA (Stable)] and two projects (one toll road and one annuity) from state authorities that account for ~6% of the estimated FY2024 revenues. ICRA expects the toll collections of IndInfravit to grow by ~8% in FY2024 on the back of moderation in WPI, after a stellar growth of around 20% in FY2023.

The ratings take into account the benefit of cash flow pooling for the SPVs and the Trust, so that the cash flows of the SPVs are available for meeting the regular and periodic maintenance expenses and debt servicing of the InvIT. This will also ensure that major maintenance (MM) in any of the SPVs is not impacted by the lack of funding, especially as the SPVs do not plan to maintain major maintenance reserve (MMR) sufficiently in advance. Further, the ratings draw comfort from the structural features, including maintenance of a three-month debt service reserve (DSR) in the form of bank guarantee throughout the loan tenure and provision for cash trap mechanism in case the DSCR falls below pre-determined values, as per quarterly testing at the consolidated level.

The Trust is currently in the process of raising Rs. 4,675 crore of long-term finances through a combination of rupee term loan and NCDs for acquiring five assets from Brookfield. ICRA notes that the Trust received SEBI approval in December 2021 for increasing the leverage up to 70% (from 49%). However, its leverage is expected to remain at around 50% even after Brookfield asset acquisition, thereby supporting IndInfravit's strong credit profile. The InvIT's future debt raising plans, primarily to fund future acquisitions, capex and MM, and its impact on the coverage metrics would remain a key monitorable going forward.

The Trust remains exposed to the risks inherent in toll road projects, including those arising from lower traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or modes of transportation. In this regard, ICRA takes into account the subdued traffic in FY2023 in two assets—AJTPL and SUTPL. The traffic growth for AJTPL was impacted owing to opening up of Samruddhi Expressway, while SUTPL was affected due to upgradation of a project stretch located north of SUTPL. Nevertheless, the decrease in traffic for these two assets is likely to have a limited impact on the cash flows as they account for around 4.6% of the consolidated estimated revenues in FY2024. ICRA also notes the various upcoming expressways and alternative routes, which could potentially result in diversion of traffic from the existing stretches over the medium term and has accordingly considered its impact going forward in ICRA projections. However, the benefit of diversified asset base of InvIT is expected to support the Trust's credit profile.

Further, the InvIT will be exposed to residual execution risks in KWTPL and periodic maintenance to be undertaken in all the SPVs over the concession period. In addition, three of the SPVs—BPP, HYTPL and SUTPL, have commitment to pay sizeable premium to the NHAI over the concession period, which have been factored in ICRA's base case estimates. Part of the premium in SUTPL and HYTPL continues to be deferred, which has increased the cash outflow in the future years. Two road SPVs have concession from state authorities, which has exposed the InvIT to risks pertaining to decisions of these authorities with respect to applicability of toll rates and the timeliness of annuity payments. However, these SPVs are estimated to contribute only ~6% of the InvIT revenues in FY2024 respectively.

IndInfravit provides for MM expenditure for its underlying projects and each stretch is assessed for the road quality prior to the beginning of the financial year and necessary reserves are built up on a quarterly basis as per the MM estimates for the

² Leverage is defined as ratio of consolidated external borrowings and deferred payments to enterprise value as per yearly valuation report dated March 31, 2023

year. Although the actual MM expenditure is lower than provisions during the past two years, any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the concession agreement (CA) leading to penalties from the authorities will remain a key rating monitorable.

ICRA notes the DSCR-related financial covenant, which may result in debt acceleration ahead of maturity. However, ICRA draws comfort from the Trust's healthy financial flexibility with project life coverage ratio (PLCR) of more than 1.6 times (as per ICRA's base case estimates). Its cash flows will be exposed to interest rate risk given the rising interest rate scenario, which will be a key monitorable in the near term. ICRA draws comfort from the Trust's strong liquidity, as reflected in the unencumbered cash balance and liquid investment of ~Rs. 840 crore as on March 31, 2023 at the consolidated level.

The ratings take into account the impact of acquisition of Brookfield's assets on the credit profile of the InvIT and the key terms of the borrowing programme. The acquisition of five operational assets (3 Toll and 2 Annuity) is in advanced stages and is expected to be completed in two tranches with tranche 1 – involving KBICPL, MNEL, SEL and REPL are likely to be acquired in June 2023 and tranche 2 involving GICPL is likely to be acquired by Q2 FY2024. These assets have an established track record of toll collections and annuity receipts from the authority. The acquisition is proposed to be funded through a mix of fresh debt and preference capital from the existing unitholders - Canada Pension Plan Investment Board (CPPIB) and The Ontario Municipal Employees Retirement System (OMERS). Although the leverage and coverage metrics are likely to remain at comfortable levels post the acquisition (as per the proposed terms), the actual funding mix and impact on the InvIT's leverage and coverage metrics will remain a key monitorable.

Additionally, the Trust is planning to raise up to Rs. 4,300 crore of commercial paper (CP) as intermediate/bridge financing for completing the Brookfield acquisition, which shall be squared off upon its maturity, with the preference money being raised from CPPIB and/or OMERS. Only upon the receipt of preference money and the completion of allotment and listing of units to CPPIB and OMERS (this ensures that the preference money is available to IndInfravit Trust for the repayment of the CP), the Trust will be raising the CP for an amount equivalent or lower than the preference money raised.

The Stable outlook on the rating reflects ICRA's expectation that IndInfravit will continue to benefit from the diversified profile of its portfolio of assets, which along with the comfortable leverage should help in maintaining robust debt coverage metrics and strong liquidity profile. Going forward, the trends in traffic growth and movement in inflation/WPI (for toll rate hike) will remain the key rating sensitivities. Further, the Trust's ability to manage routine and periodic maintenance expenses within the budgeted levels remains critical. Also, future asset acquisitions, additional borrowings (other than envisaged) and regulatory changes that can impact its financial risk profile will remain monitorables. In this regard, ICRA notes that the ability of the IndInfravit to raise fresh unit capital in future to acquire new assets and/or maintain leverage at an adequate level would depend on its ability to generate healthy returns for the unitholders on a sustained basis. Therefore, the returns for unitholders will be a determinant for assessing the financial flexibility of the Trust.

Key rating drivers and their description

Credit strengths

Operational nature of asset portfolio with track record of toll collection and annuity assets provide stability to revenues – IndInfravit currently has a portfolio of 14 BOT toll road projects (13 toll road projects undertaken on public private partnership (PPP) basis in the CA with the NHAI and one toll road projects in concession with state authority). The average toll collection track record of the portfolio is around ten years. The long operational track record of the projects establishes stability of toll collections and leads to the expectation of a stable profile in future. Further, the portfolio includes 4 BOT annuity road projects undertaken on PPP basis (3 in CA with the NHAI and other with Karnataka state authority). The 4 annuity road projects have an average operational track record of more than 10 years. The annuity projects in turn provide revenue stability and diversification to an extent.

The portfolio is spread across eight states with ~95% of revenues (from 16 projects) under concession from NHAI [rated [ICRA]AAA (Stable)] and two projects (one toll road and one annuity) from state authorities that account for ~5% of the

estimated FY2024 revenues. ICRA expects the toll collections of IndInfravit to grow by ~8% in FY2024 on the back of moderation in WPI, after a stellar growth of around 20% in FY2023.

Comfortable leverage levels – The Trust is in advanced stages of completing the acquisition of five operational assets from Brookfield and is likely to conclude the acquisition by Q2 FY2024. It is raising Rs. 4,675 crore of long-term debt and Rs. 4,180 crore of equity for funding the acquisition at D:E ratio of 53:47. However, the leverage is expected to remain at around 50%, well within SEBI and lender mandated levels even after Brookfield asset acquisition, thereby supporting IndInfravit's strong credit profile

Strong financial profile of Trust – The ratings consider the robust cash flow cover, with projected average DSCR as per ICRA's base case estimates of more than 1.8 times. The ratings also take into account other features like maintenance of three-month DSRA in the form of bank guarantee throughout the loan tenure and provision for cash trap in case the DSCR falls below the pre-determined values, as per quarterly testing. ICRA expects the coverage ratios of IndInfravit Trust to remain strong on the back of toll collection growth of ~8% in FY2024, supported by toll rate growth linked to WPI.

Large and reputed anchor investors – The key unitholders of IndInfravit comprise reputed pension funds - CPPIB and OMERS, and asset manager Allianz Capital Partners (ACP) who together hold ~93% of the unitholding as on March 31, 2023. The investors have an established track record of investing in the infrastructure sector. LTIDPL InvIT Services Limited (LISL) is the investment manager for the InvIT. The governance at LISL is undertaken by its board of directors comprising nine board members, with four representatives of the key stakeholders and five independent directors. The directors have extensive experience in the infrastructure sector in project management, corporate strategy, risk management, etc.

Cash pooling benefit of InvIT and regulatory approval for increase in consolidated leverage – The ratings consider the benefit of cash flow pooling for the SPVs and the Trust, which ensures that the cash flows of all the SPVs are available for meeting the regular and periodic maintenance expenses and debt servicing of the Trust. The cash pooling ensures that MM exercise in any of the SPVs is not impacted by the lack of funding, especially as the SPVs do not plan to maintain MMR sufficiently in advance. The Trust received SEBI approval in December 2021 for increasing the leverage up to 70% (from 49%), while its leverage is expected to remain around 50%, well within SEBI and lender mandated levels even after Brookfield asset acquisition, thereby supporting IndInfravit's strong credit profile. The InvIT's future debt raising plans, primarily to fund future acquisitions, capex and MM, and its impact on the coverage metrics would remain a key monitorable going forward.

Credit challenges

Risks inherent in BOT toll road projects – IndInfravit is exposed to risks inherent in toll road projects, including those arising from lower traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or alternate modes of transportation. In this regard, ICRA takes into account the subdued traffic in FY2023 in the two assets—AJTPL and SUTPL. The traffic growth for AJTPL was impacted owing to opening up of Samruddhi Expressway, while SUTPL was affected due to upgradation of a project stretch located north of SUTPL. Nevertheless, the decrease in traffic for these two assets is likely to have a limited impact on the cash flows given that they account for only around 4.6% of consolidated estimated revenues in FY2024. Further, ICRA has considered the impact on traffic owing to various upcoming expressways and alternative routes over the medium term. However, the benefit of diversified asset base of InvIT is expected to support the Trust's credit profile.

While InvIT has most of its assets in concession from NHAI, it has one toll asset and one annuity asset with concession from the state authority. This exposes the Trust to risks arising from decisions of these authorities with respect to the applicability of toll rates and the credit profile of the state authority for the annuity asset. In this context, ICRA notes that the tolling of passenger vehicles and state transport buses has been exempted in AJTPL. This exemption was, however, in effect prior to AJTPL's acquisition by the Trust. AJTPL also receives compensation from the authority for tolling exemption on the two vehicular categories. The SPVs which are in concession with state authorities account for only ~6% of the InvIT revenues in FY2024.

BPP has commitment to pay sizeable premium to NHAI over the concession period and a part of the premium has been deferred in the past, which has increased the cash outflow in the future years. The project has witnessed lower-than-initially-envisaged traffic and therefore a healthy increase in traffic and toll collections on the project stretch will be important, given the sizeable outflows towards premium and MM expenditure in future. In the absence of strong growth, BPP's project stretch may remain a drag on the overall returns to unitholders. BPP's project stretch has witnessed the healthy recovery of traffic in the recent quarters, however, sustenance of the same remains to be seen.

Undertaking regular and periodic maintenance/capex within budgeted cost – The cash flows of the underlying assets depend on the timely undertaking of regular operations and maintenance (O&M) and periodic maintenance (major maintenance) as specified in the CA and within the budgeted costs. While ICRA takes these parameters into consideration to determine the sensitivities, any significant variations from the budgeted levels can impact the Trust's cash flows. Further, the SPVs do not have provision for building MMR sufficiently in advance, in the absence of which the cash outflows during the period of periodic maintenance could be significant. In this context, the cash flow pooling mechanism among the individual SPVs and with the Trust that will help in meeting the funding requirement in SPVs. ICRA notes that, the InvIT would not be able to support the individual asset pools in the periods, where the cash trap event has occurred. However, the robust cash flow profile of the portfolio provides comfort.

IndInfravit provides for MM expenditure for its underlying projects and each stretch is assessed for the road quality prior to the beginning of the financial year and necessary reserves are built up on a quarterly basis as per the MM estimates for the year. Although the actual MM expenditure is lower than estimated during the past two years, any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the CA leading to penalties from the authorities will remain a key rating monitorable. Any surplus in reserves at the end of the year are released as per the terms of financing. Any significant increase in actual MM expenses or non-compliance with respect to MM obligations as per the CA leading to penalties from the authorities will remain a key rating monitorable.

Risk of future asset acquisition by the Trust and its funding pattern – The Trust may acquire additional projects in future, which could have a material impact on its operational and financial risk profile. However, ICRA draws comfort from the management's strategy that the new asset acquisition will be funded such that the overall leverage remains comfortable. If IndInfravit acquires any other asset or raises any additional debt in future, ICRA will at that juncture, evaluate the impact of the same on the rating.

Liquidity position: Strong

The liquidity position is expected to remain strong with adequate toll collections to meet the operational expenses and debt servicing requirements. As on March 31, 2023, IndInfravit held unencumbered cash and bank balances of around Rs. 840 crore at the consolidated levels. The consolidated debt repayment of Rs. 340 crore (including debt repayments of proposed long-term debt of Rs. 4,675 crore) in FY2024 can be comfortably serviced from the Trust's cash flows.

Rating sensitivities

Positive factors – Not Applicable.

Negative factors – The ratings may be downgraded if any debt-funded acquisition results in a significant increase in leverage (loan to value) or unfavourable changes in debt structure, thereby resulting in material decline in debt coverage metrics. Lower-than-anticipated collections in SPVs or increase in costs, resulting in average DSCR over the debt tenure falling below 1.8 times for the current portfolio (dominated majorly by toll assets), could trigger a rating downgrade.

Analytical approach

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

About the issuer

IndInfravit was established by L&T Infrastructure Development Projects Limited 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.

IndInfravit's initial portfolio of assets comprises five operational BOT toll road projects with a cumulative length of 2,654 lane kms. 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. L&T IDPL is the sponsor of the InvIT.

In July 2019, IndInfravit announced its plans for acquisition of nine SPVs of Sadbhav Infrastructure Project Limited (SIPL) and Sadbhav Engineering Limited (SEL). The portfolio comprises seven toll road assets and two annuity road assets having a cumulative length of 2,619 lane kms. The Trust acquired eight of the nine SPVs. 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

The fund (unit capital) raising in IndInfravit was done through private placement mode, though 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. The sponsor and anchor investors also participated in the fund raising done for the acquisition of the Sadbhav portfolio.

The Trust is currently in advanced stages of completing the acquisition of five operational assets from Brookfield. 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 [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Annuity road project	NHAI	Bihar
Mumbai Nashik Expressway Private Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Toll road project	NHAI	Maharashtra
Simhapuri Expressway Limited [rated [ICRA]AA- (On rating watch with developing implications)]	BOT Toll road project	NHAI	Andhra Pradesh
Rayalaseema Expressway Private Limited	BOT Toll road project	NHAI	Andhra Pradesh

Key financial indicators (audited)

IndInfravit Consolidated	FY2021	FY2022	FY2023
Operating income (Rs. crore)	1490.5	1666.3	1969.6
PAT (Rs. crore)	-470.1	-524.1	-400.6
OPBDIT/OI (%)	65.1%	64.3%	67.7%
PAT/OI (%)	-31.5%	-31.5%	-20.3%
Total outside liabilities/Tangible net worth (times)	1.8	2.3	2.8
Total debt/OPBDIT (times)	4.3	3.8	3.0
Interest coverage (times)*	1.1	1.1	1.4

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; Source: IndInfravit

*Interest coverage stands at 2.1 times for FY2021, 2.3 times for FY2022 and 2.8 times for FY2023 after adjusting for non-cash expenses such as Unwinding of discount and implicit interest expense on fair value

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, 2023 (Rs. crore)	Current Rating (FY2024)	Chronology of Rating History for the Past 3 Years							
					Date & Rating in FY2024	Date & Rating in FY2023				Date & Rating in FY2022			Date & Rating in FY2021
					May 24, 2023	Mar 21, 2023	Mar 02, 2023	Jun 24, 2022	Dec 31, 2021	June 25, 2021	May 18, 2021	Apr 26, 2021	Apr 3, 2020
1	NCD	Long-term	475.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)
2	NCD	Long-term	900.0	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
3	Commercial paper programme	Short-term	4,300.0	-	[ICRA]A1+	-	-	-	-	-	-	-	-
4	Fund-based TL	Long-term	1,385.0	3,999.0	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-
5	Fund-based TL	Long-term	2,716.0		[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
6	Fund-based TL*	Long-term	3,300.0	-	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
7	Unallocated limits	Long-term	534.0	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-	-	-	-	-
8	NCD	Long-term	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
9	NCD	Long-term	-	-	-	[ICRA]AAA (Stable); Withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	-	-
10	Issuer rating	Long-term	-	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)

* yet to be raised and hence the amount outstanding details are not available

Complexity level of the rated instrument

Instrument	Complexity Indicator
NCDs	Simple
Commercial paper programme	Very Simple
Fund-based – Term loan	Simple
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
NA	NCD Programme [^]	NA	NA	NA	1,375.00	[ICRA]AAA (Stable)
NA	Commercial Paper Programme [#]	NA	NA	NA	4,300.0	[ICRA]A1+
NA	Long Term - Fund Based TL	May 2018/ April 2021	NA	March 2038	1385.00	[ICRA]AAA (Stable)
NA	Long Term - Fund Based TL	April 2021/ March 2023	NA	March 2038/ September 2040	2716.00	[ICRA]AAA (Stable)
NA	Long Term - Fund Based TL [@]	July 2022/ September 2022	NA	March 2040	3,300.0	[ICRA]AAA (Stable)
NA	Long Term - Unallocated Limits [@]	NA	NA	NA	534.00	[ICRA]AAA (Stable)
NA	Issuer rating	NA	NA	NA	-	[ICRA]AAA (Stable)

[^] yet to be placed and hence the applicable instrument details are not available;

[#] yet to be raised and hence the applicable instrument details are not available

[@] yet to be raised and hence the applicable instrument details are not available

Source: IndInfravit 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: IndInfravit Trust

Krishnagiri Thopur Toll Road Pvt Limited (KTTP), 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 assets are yet to be acquired. Nominal DVR (differential voting rights) shares shall continue to remain with seller. However, they carry no voting rights

ANALYST CONTACTS

Rajeshwar Burla
+91 40 4547 4243
rajeshwar.burla@icraindia.com

Ashish Modani
+91 22 6606 9912
ashish.modani@icraindia.com

Vinay Kumar G
+91 40 4547 4225
vinay.g@icraindia.com

M Rajashekar Reddy
+91 40 4547 4224
m.rajashekarreddy@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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ICRA Limited



Registered Office

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



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