

**Jorabat Shillong Expressway Limited**

June 08, 2021

**Ratings**

Instruments	Amount (Rs. crore)	Rating <sup>3</sup>	Rating Action
Senior Non-Convertible Debentures (NCDs)	592.42	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Subordinate Non-Convertible Debentures (NCDs)	223.73	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Long-Term Instruments	816.15 (Rs. Eight Hundred Sixteen Crore and Fifteen Lakhs Only)		

Details of instruments in Annexure-1

**Detailed Rationale & Key Rating Drivers**

Jorabat Shillong Expressway Limited (JSEL) has not serviced its debt obligations since February 2019. The same has been confirmed from the publication made by JSEL on NSE. CARE has also received monthly NDS till May 2021, stating defaults in the debt servicing.

CARE had, vide its press release dated April 4, 2019, placed the ratings of Jorabat Shillong Expressway Limited (JSEL) under the 'issuer non-cooperating' category as JSEL had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. JSEL continues to be non-cooperative despite repeated requests for submission of information through phone calls and e-mails dated May 9, 2021 and May 29, 2021, among others.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above ratings.**

**Detailed description of the key rating drivers**

Please refer to last PR date [June 23, 2020](#)

**Analytical approach:** Standalone

**Applicable Criteria**

[Policy in Respect of Non-cooperation by Issuer](#)

[CARE's Policy on Recognition of Default](#)

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

[Rating Methodology: Factoring Linkages in Ratings](#)

[Financial Ratios – Non-Financial Sector](#)

[Rating Methodology – Infrastructure Sector](#)

**About the Company**

Incorporated in June 2010, JSEL is a Special Purpose Vehicle (SPV) which initially was sponsored by ITNL (ITNL; rated CARE D; Issuer Not Cooperating) and Ramky Infrastructure Limited in the ratio of 50:50 shareholdings. Later in August 2018, ITNL purchased entire state from Ramky Infrastructure Limited and JSEL became 100% subsidiary of ITNL. JSEL has been awarded a concession by National Highway Authority of India (NHAI) (rated CARE AAA; Stable) for four-laning of the Jorabat Shillong (Barapani) section of National Highway – 40 in the states of Assam and Meghalaya. The Project highway is an existing road from Jorabat to Barapani starting at km 0.00 and ending at km 61.80 (approx. 61.92km about 247.68 lane kms). The project highway traverses through Meghalaya linking some of the most backward regions of the state and connecting Meghalaya to Assam. NH-40 is the main artery connecting Shillong, the capital of Meghalaya and the States of Mizoram and Tripura with Guwahati, the gateway to the North East of India. The appointed date for the project was January 12, 2011 with a 3 year construction period and 17 years of operations period during which NHAI would pay 34 semi-annuities to JSEL. The scheduled COD for the project was January 12, 2014, however there was 2-year delay in

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

project implementation due to delay in handing over the land of around 8 km for the project and bypass land of around 5 km by the Authority to the Concessionaire. LIE has stated in its report that, there has been delay in project implementation largely on account of Authority (NHAI) & Govt of Meghalaya. Company has represented with NHAI for recognition of delay and payment of compensation, the matter is currently under arbitration. The project achieved provisional COD on January 28, 2016 and has received five full semi-annuities on regular basis.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	118.20	111.34
PBILDT	-217.10	88.80
PAT	-467.33	88.73
Overall gearing (times)	-4.12	-5.64
Interest coverage (times)	NM	NM

A: Audited; NM: Not Meaningful

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

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instruments:** Not Applicable

**Complexity level of various instruments rated for this company:** Annexure 3

#### Annexure-1: Details of Instruments

Name of the Instrument	ISINs	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Debentures -Non Convertible Debentures	INE944Y07018; INE944Y07026; INE944Y07034; INE944Y07042; INE944Y07059; INE944Y07067; INE944Y07075; INE944Y07083; INE944Y07091; INE944Y07109; INE944Y07117; INE944Y07125	December 27, 2017	8.30%	January 31, 2030	592.42	CARE D; ISSUER NOT COOPERATING*
Debentures -Non Convertible Debentures	INE944Y07133; INE944Y07141; INE944Y07158; INE944Y07166; INE944Y07174; INE944Y07182; INE944Y07190; INE944Y07208; INE944Y07216; INE944Y07224; INE944Y07232; INE944Y07240	December 27, 2017	8.45%	January 31, 2030	223.73	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Debentures-Non Convertible Debentures	LT	592.42	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (23-Jun-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Apr-19)	1)CARE D (04-Mar-19) 2)CARE BB (SO) (CWN) (30-Jan-19) 3)CARE AAA (SO) (CWN) (05-Oct-18)
2.	Debentures-Non Convertible Debentures	LT	223.73	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (23-Jun-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Apr-19)	1)CARE D (04-Mar-19) 2)CARE BB (SO) (CWN) (30-Jan-19) 3)CARE AAA (SO) (CWN) (05-Oct-18)

\*Issuer did not cooperate; Based on best available information

**Annexure 3: Complexity level of various instruments rated for this company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Debentures-Non-Convertible Debentures	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

## Contact us

**Media Contact**

Mradul Mishra  
Contact no. – +91-22-6754 3573  
Email ID – [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)

**Analyst Contact**

Group Head Name – Rajashree Murkute  
Group Head Contact no.- +91-22-6837 4474  
Group Head Email ID- [rajashree.murkute@careratings.com](mailto:rajashree.murkute@careratings.com)

**Relationship Contact**

Name: Saikat Roy  
Contact no.: +91-22-6754 3404  
Email ID : [saikat.roy@careratings.com](mailto:saikat.roy@careratings.com)

**About CARE Ratings:**

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

**Disclaimer**

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**