

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

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CIN: U45200JH2009PLC013693

August 9, 2024

To,
National Stock Exchange of India Limited
'Exchange Plaza', Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Kind attention: **Vice President, Listing Department.**

Sub: Intimation under Regulation 51(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Part-B of Schedule-III thereto – Reaffirmation of Credit Rating.

Dear Sir / Madam,

In accordance with the provisions of Regulation 51(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant point of Part-B of Schedule-III thereto, we hereby inform that India Ratings & Research Pvt Limited vide its letter dated August 8, 2024 (*enclosed*) has reaffirmed its rating assigned to the Non-Convertible Debentures of **Jharkhand Road Projects Implementation Company Limited**, the details of which are as below:

Facilities / Instruments	Previous Credit Rating	Revised / reaffirmed Credit Rating	Remarks
Non-Convertible Debentures	IND D	IND D	Reaffirmation

You are requested to take the same on your record.

For Jharkhand Road Projects Implementation Company Limited

Ravi Praveen Kumar
Director
DIN: 09452074

India Ratings Affirms Jharkhand Road Projects Implementation Company's NCDs at 'IND D'

Aug 08, 2024 | Road Assets–Toll | Annuity | Hybrid-Annuity

India Ratings and Research (Ind-Ra) has affirmed Jharkhand Road Projects Implementation Company Limited's (JRPICL) non-convertible debentures' (NCDs) rating at as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating Assigned along with Outlook/Watch	Rating Action
Senior, secured, redeemable non-convertible debentures (Long-term) *	-	-	-	INR10,885 (reduced from INR17,300)	IND D	Affirmed

* Details in annexure

Analytical Approach

Ind-Ra continues to analyse the company on a standalone basis to arrive at the ratings.

Detailed Rationale of the Rating Action

The affirmation reflects JRPICL's delays in debt servicing over April 2023 to July 2024 on account of non-receipt of annuities from the government of Jharkhand (GoJ) since March 2023. There are a total of five stretches, against which the company has completed major maintenance for two stretches and progress on the third stretch is nearing completion. Bids are invited for major maintenance due for the balance stretches. Annuities received in FY23 have been used for operations and maintenance (O&M) of the project stretch and delayed repayment of NCDs during FY24. The project has not maintained a debt service reserve account or a major maintenance reserve, and has liquidity of INR149 million as on 22 July 2024. The total annuities pending are INR8,135 million as on 30 June 2024.

List of Key Rating Drivers

Weaknesses

- Non-receipt of annuities in FY24
- Divestment plans
- O&M risk persists

Strengths

None

Detailed Description of Key Rating Drivers

Non-Receipt of Annuities in FY24: JRPICL's project stretches are annuity-based and the project is eligible for semi-annual annuity payments from the Department of Road Construction, the GoJ. The project is exposed to a weak and single counterparty credit risk. The project has not received payments from the GoJ since March 2023. The total accumulated receivables amounted to INR8.135 billion as on 30 June 2024.

Divestment Plans: As per management, the company is monetising stake in the special purpose vehicle held by Infrastructure Leasing & Financial Services (IL&FS; 'IND D') and IL&FS Transportation Networks Limited (ITNL; 'IND D') and is currently undergoing due diligence. The final bid will conclude in the next one-to-two months.

O&M Risk Persist: As per management, major maintenance has been completed for Chaibasa-Kandra-Chowka Road (CKC) and Ranchi Ring Road package III-VI. The major maintenance at Ranchi-Patratu Dam Road - II is in progress and around 80% of the overlay work has been completed. The major maintenance is due for Ranchi-Patratu Dam road - I and Adityapur – Kandra Road - AK. The tender for the same has been published and the bidder selection process is under progress. All O&M activities are being carried out as per the schedule. As per management, there is no non-compliance with respect to O&M reported from independent engineer. Considering no liquidity available, maintenance of roads will remain a monitorable.

Liquidity

Poor: The project had received INR3,581 million during 4QFY23, which was eventually utilised for the O&M of the project and towards repayment of the NCDs. The project has not maintained a DSRA or an MMR, and has liquidity of INR149 million as on 22 July 2024. This free cash is likely to be utilised towards major maintenance of the project.

Rating Sensitivities

Negative: Not applicable

Positive: Timely debt servicing for at least three consecutive months and the receipt of outstanding annuity payments could result in a positive rating action.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on JRPICL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

About the Company

In 2007, the GoJ launched the Jharkhand Accelerated Road Development Programme under a public-private partnership framework. In February 2008, the GoJ and Infrastructure Leasing & Financial Services Limited (IL&FS; IND D) signed a programme development agreement to improve 1,500km of selected project road corridors. The programme is being implemented by Jharkhand Accelerated Road Development Company Ltd.

JRPICL, which is 6.57% owned by IL&FS and 93.43% owned by its subsidiary, IL&FS Transportation Networks Limited ('IND D(ISSUER NOT COOPERATING)') has undertaken and implemented five projects totalling 627 lane km: Ranchi Ring Road (sections III, IV, V and VI), Ranchi Patratu Dam, Patratu Dam Ramgarh, Adityapur Kandra and CKC. All these projects have separate concession agreements with the GoJ, along with separate escrow accounts.

Key Financials Indicators

Particulars	FY24	FY23
Revenue from operations (INR million)	3,439.5	3,306.6
Total income (INR million)	3,506.4	3,343.4
EBITDA (INR million)	2,605.6	2,722.57
EBITDA margin (%)	74.3	79.15
Finance cost	966.4	1101.5
Interest coverage (EBITDA/interest; x)	2.70	2.47
Gross debt/EBITDA(x)	4.48	4.75
Cash and cash equivalents	366	3,675.1
Source: JRPICL, Ind-Ra		

Status of Non-Cooperation with previous rating agency

JRPICL had been classified under non-cooperation by issuer category by CARE Ratings Limited due to inadequate information provided by the company.

Rating History

Instrument Type	Current Rating			Historical Rating		
	Rating Type	Rated Limits (million)	Rating	14 August 2023	21 October 2022	22 October 2021
Senior, secured, redeemable non-convertible debentures	Long-term	INR10,885	IND D	IND D	IND D	IND D

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Senior, secured, redeemable non-convertible debentures	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Annexure

Instrument Type	ISIN	Date of Issue	Coupon Rate (p.a.)	Maturity Date	Amount Outstanding (million)	Rating
Non-convertible debentures	INE746N07010	5 May 2017	8.40%	20 July 2027	INR839.5	IND D
Non-convertible debentures	INE746N07028	5 May 2017	8.40%	20 July 2027	INR2407.4	IND D
Non-convertible debentures	INE746N07036	5 May 2017	8.40%	20 July 2017	INR212.2	WD (Paid in full)
Non-convertible debentures	INE746N07044	5 May 2017	8.40%	20 October 2017	INR36.1	WD (Paid in full)
Non-convertible debentures	INE746N07051	5 May 2017	8.40%	20 January 2018	INR43.1	WD (Paid in full)
Non-convertible debentures	INE746N07069	5 May 2017	8.40%	20 April 2018	INR39.2	WD (Paid in full)
Non-convertible debentures	INE746N07077	5 May 2017	8.40%	20 July 2018	INR47.4	WD (Paid in full)
Non-convertible debentures	INE746N07085	5 May 2017	8.40%	20 -October 2018	INR42	WD (Paid in full)
Non-convertible debentures	INE746N07093	5 May 2017	8.40%	20 January 2019	INR47.5	WD (Paid in full)
Non-convertible debentures	INE746N07101	5 May 2017	8.40%	20 April 2019	INR43.7	WD (Paid in full)
Non-convertible debentures	INE746N07119	5 May 2017	8.40%	20 July 2019	INR58.3	WD (Paid in full)
Non-convertible debentures	INE746N07127	5 May 2017	8.40%	20 October 2019	INR56.5	WD (Paid in full)
Non-convertible debentures	INE746N07135	5 May 2017	8.40%	20 January 2020	INR66.6	WD (Paid in full)
Non-convertible debentures	INE746N07143	5 May 2017	8.40%	20 April 2020	INR61.7	WD (Paid in full)
Non-convertible debentures	INE746N07150	5 May 2017	8.40%	20 July 2020	INR66.2	WD (Paid in full)
Non-convertible debentures	INE746N07168	5 May 2017	8.40%	20 October 2020	INR62	WD (Paid in full)
Non-convertible debentures	INE746N07929 *	5 May 2017	8.40%	20 January 2029	INR65	IND D
Non-convertible debentures	INE746N07945 *	5 May 2017	8.40%	20 January 2029	INR60.6	IND D
Non-convertible debentures	INE746N07960 *	5 May 2017	8.40%	20 January 2029	INR70.1	IND D
Non-convertible debentures	INE746N07994 *	5 May 2017	8.40%	20 January 2029	INR69.1	IND D
Non-convertible debentures	INE746N07AA 0*	5 May 2017	8.40%	20 January 2029	INR67.5	IND D
Non-convertible debentures	INE746N07AB 8*	5 May 2017	8.40%	20 January 2029	INR190.4	IND D
Non-convertible debentures	INE746N07234	5 May 2017	8.40%	20 July 2022	INR77.9	WD (Paid in full)
Non-convertible debentures	INE746N07242	5 May 2017	8.40%	20 October 2022	INR81.2	WD (Paid in full)
Non-convertible debentures	INE746N07259	5 May 2017	8.40%	20 January 2023	INR87.1	WD (Paid in full)
Non-convertible debentures	INE746N07267	5 May 2017	8.40%	20 April 2023	INR83.6	WD (Paid in full)
Non-convertible debentures	INE746N07275	5 May 2017	8.40%	20 July 2023	INR81.1	IND D
Non-convertible debentures	INE746N07283	5 May 2017	8.40%	20 October 2023	INR75.8	IND D
Non-convertible debentures	INE746N07291	5 May 2017	8.40%	20 January 2024	INR76.5	IND D
Non-convertible debentures	INE746N07309	5 May 2017	8.40%	20 April 2024	INR76.9	IND D
Non-convertible debentures	INE746N07317	5 May 2017	8.40%	20 July 2024	INR69.5	IND D

Non-convertible debentures	INE746N07325	5 May 2017	8.40%	20 October 2024	INR63.7	IND D
Non-convertible debentures	INE746N07333	5 May 2017	8.40%	20 January 2025	INR74.8	IND D
Non-convertible debentures	INE746N07341	5 May 2017	8.40%	20 April 2025	INR76.8	IND D
Non-convertible debentures	INE746N07358	5 May 2017	8.40%	20 July 2025	INR81.6	IND D
Non-convertible debentures	INE746N07366	5 May 2017	8.40%	20 October 2025	INR73.4	IND D
Non-convertible debentures	INE746N07374	5 May 2017	8.40%	20 January 2026	INR79.7	IND D
Non-convertible debentures	INE746N07382	5 May 2017	8.40%	20 April 2026	INR50.6	IND D
Non-convertible debentures	INE746N07390	5 May 2017	8.40%	20 July 2026	INR98.6	IND D
Non-convertible debentures	INE746N07408	5 May 2017	8.40%	20 October 2026	INR97.2	IND D
Non-convertible debentures	INE746N07416	5 May 2017	8.40%	20 January 2027	INR95	IND D
Non-convertible debentures	INE746N07424	5 May 2017	8.40%	20 July 2027	INR105.7	IND D
Non-convertible debentures	INE746N07432	5 May 2017	8.40%	20 January 2028	INR115.2	IND D
Non-convertible debentures	INE746N07440	5 May 2017	8.40%	20 July 2028	INR115.2	IND D
Non-convertible debentures	INE746N07457	5 May 2017	8.40%	20 January 2029	INR68.9	IND D
Non-convertible debentures	INE746N07465	5 May 2017	8.40%	20 October 2017	INR103.4	WD (Paid in full)
Non-convertible debentures	INE746N07473	5 May 2017	8.40%	20 January 2018	INR123.9	WD (Paid in full)
Non-convertible debentures	INE746N07481	5 May 2017	8.40%	20 April 2018	INR112.2	WD (Paid in full)
Non-convertible debentures	INE746N07499	5 May 2017	8.40%	20 July 2018	INR135.8	WD (Paid in full)
Non-convertible debentures	INE746N07507	5 May 2017	8.40%	20 October 2018	INR120.3	WD (Paid in full)
Non-convertible debentures	INE746N07515	5 May 2017	8.40%	20 January 2019	INR136	WD (Paid in full)
Non-convertible debentures	INE746N07523	5 May 2017	8.40%	20 April 2019	INR125.2	WD (Paid in full)
Non-convertible debentures	INE746N07531	5 May 2017	8.40%	20 July 2019	INR167	WD (Paid in full)
Non-convertible debentures	INE746N07549	5 May 2017	8.40%	20 October 2019	INR161.8	WD (Paid in full)
Non-convertible debentures	INE746N07556	5 May 2017	8.40%	20 January 2020	INR191.1	WD (Paid in full)
Non-convertible debentures	INE746N07564	5 May 2017	8.40%	20 April 2020	INR177.1	WD (Paid in full)
Non-convertible debentures	INE746N07572	5 May 2017	8.40%	20 July 2020	INR190	WD (Paid in full)
Non-convertible debentures	INE746N07580	5 May 2017	8.40%	20 October 2020	INR177.8	WD (Paid in full)
Non-convertible debentures	INE746N07937 *	5 May 2017	8.40%	20 January 2029	INR186.2	IND D
Non-convertible debentures	INE746N07952 *	5 May 2017	8.40%	20 January 2029	INR173.9	IND D
Non-convertible debentures	INE746N07978 *	5 May 2017	8.40%	20 January 2029	INR201.2	IND D
Non-convertible debentures	INE746N07986 *	5 May 2017	8.40%	20 January 2029	INR198.4	IND D
Non-convertible debentures	INE746N07AC 6*	5 May 2017	8.40%	20 January 2029	INR66.4	IND D
Non-convertible debentures	INE746N07AD 4*	5 May 2017	8.40%	20 January 2029	INR193.7	IND D

Non-convertible debentures	INE746N07655	5 May 2017	8.40%	20 July 2022	INR223.4	WD (Paid in full)
Non-convertible debentures	INE746N07663	5 May 2017	8.40%	20 October 2022	INR232.9	WD (Paid in full)
Non-convertible debentures	INE746N07671	5 May 2017	8.40%	20 January 2023	INR249.7	WD (Paid in full)
Non-convertible debentures	INE746N07689	5 May 2017	8.40%	20 April 2023	INR239.8	WD (Paid in full)
Non-convertible debentures	INE746N07697	5 May 2017	8.40%	20 July 2023	INR232.4	IND D
Non-convertible debentures	INE746N07705	5 May 2017	8.40%	20 October 2023	INR217.4	IND D
Non-convertible debentures	INE746N07713	5 May 2017	8.40%	20 January 2024	INR219.4	IND D
Non-convertible debentures	INE746N07721	5 May 2017	8.40%	20 April 2024	INR220.3	IND D
Non-convertible debentures	INE746N07739	5 May 2017	8.40%	20 July 2024	INR199.1	IND D
Non-convertible debentures	INE746N07747	5 May 2017	8.40%	20 October 2024	INR182.7	IND D
Non-convertible debentures	INE746N07754	5 May 2017	8.40%	20 January 2025	INR214.4	IND D
Non-convertible debentures	INE746N07762	5 May 2017	8.40%	20 April 2025	INR220.2	IND D
Non-convertible debentures	INE746N07770	5 May 2017	8.40%	20 July 2025	INR234.2	IND D
Non-convertible debentures	INE746N07788	5 May 2017	8.40%	20 October 2025	INR210.6	IND D
Non-convertible debentures	INE746N07796	5 May 2017	8.40%	20 January 2026	INR228.5	IND D
Non-convertible debentures	INE746N07804	5 May 2017	8.40%	20 April 2026	INR145.1	IND D
Non-convertible debentures	INE746N07812	5 May 2017	8.40%	20 July 2026	INR282.9	IND D
Non-convertible debentures	INE746N07820	5 May 2017	8.40%	20 October 2026	INR278.7	IND D
Non-convertible debentures	INE746N07838	5 May 2017	8.40%	20 January 2027	INR272.6	IND D
Non-convertible debentures	INE746N07846	5 May 2017	8.40%	20 July 2027	INR303.4	IND D
Non-convertible debentures	INE746N07853	5 May 2017	8.40%	20 January 2028	INR330.4	IND D
Non-convertible debentures	INE746N07861	5 May 2017	8.40%	20 July 2028	INR330.4	IND D
Non-convertible debentures	INE746N07879	5 May 2017	8.40%	20 January 2029	INR197.1	IND D
Total					INR10,885	
Source: Company						

* Marked ISINs have been replaced during restructuring in 2021: INE746N07929 from INE746N07176, INE746N07937 from INE746N07598, INE746N07945 from INE746N07184, INE746N07952 from INE746N07606, INE746N07960 from INE746N07192, INE746N07978 from INE746N07614, INE746N07986 from INE746N07622, INE746N07994 from INE746N07200, INE746N07AA0 from INE746N07218, INE746N07AC6 from INE746N07630, INE746N07AD4 from INE746N07648, INE746N07AB8 from INE746N07226

**INE746N07010 - Partially redeemed amount INR752.2 million from issue size of INR1,591.7 million

**INE746N07028 - Partially redeemed amount INR1,500.9 million from issue size of INR3,908.3 million

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APPLICABLE CRITERIA

Evaluating Corporate Governance

Rating Criteria for Infrastructure and Project Finance

Default Recognition and Post-Default Curing Period

The Rating Process

DETAILED FINANCIAL SUMMARY

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