

## Press Release

### **Brickwork Ratings assigns ‘BWR BBB-’ (BWR Triple B minus) rating for the Long Term Bank Loan Facility of INR 181.50 Crores for Adityapur – Kandra Road Project of Jharkhand Road Projects Implementation Company Ltd.**

Brickwork Ratings (BWR) has assigned BWR BBB- (BWR Triple B minus) rating for the Long Term Bank Loan Facility of Rs. 181.50 crores for Adityapur–Kandra Road Project of Jharkhand Road Projects Implementation Company Ltd.

Facility	Limits INR Cr	Tenure	Rating
<b>Term Loan</b>	<b>181.50</b>	<b>Long Term</b>	<p><b>BWR BBB- (BWR Triple B minus)</b> <b>(Outlook: Stable)</b></p> <p>Instruments with this rating are considered to have <b>moderate degree of safety</b> regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.</p>

BWR has principally relied upon the audited financial results of Jharkhand Road Projects Implementation Company Ltd, IL&FS and ITNL upto FY11, projected financials of Adityapur- Kandra Road Project, publicly available information and information/clarification provided by the Company management.

Jharkhand Road Projects Implementation Company Limited (JRPICL) is a joint venture promoted by IL&FS (Infrastructure Leasing & Financial Services Limited)& its subsidiary ITNL(IL&FS Transportation Networks Limited), incorporated on Aug 04, 2009,for four laning of Adityapur - Kandra section in the State of Jharkhand under JARDP (Jharkhand Road Development Programme). JRPICL is supported by Government of Jharkhand (GOJ). JRPICL was formed to undertake the design, engineering, financing, procurement, construction, operation and maintenance of the road projects on BOT Annuity Basis.

GoJ conceptualized a comprehensive programme titled the ‘Jharkhand Accelerated Road Development Programme’ (JARDP) to improve road infrastructure (about 1500 lane kms) in

the state in the Public Private Partnership (PPP) framework. A Programme Development Agreement (PDA) was signed between GoJ and IL&FS Group for the improvement of 1500 lane km of selected project road corridors. The programme is being implemented under an SPV named 'Jharkhand Accelerated Road Development Company Limited' (JARDCL), a joint venture between IL&FS group and GoJ with shareholding pattern in ratio of 74:26 respectively.

Towards execution of the project, a tripartite concession agreement has been entered into by GoJ, JARDCL (Jharkhand Accelerated Development Company Ltd) and JRPICL on August 6, 2011. The Concession period is 15 years and nine months from the Commencement date. GoJ will make a payment of Rs.22.81 crores semi-annually towards Annuity payment and further provide to the Concessionaire a Letter of Credit from a Scheduled Bank for the said Annuity.

Total length of the Adityapur –Kandra Road Project is about 15.1 kms (30.2 linear kms). The project traverses through the area connecting Jamshedpur-Chaibasa State Highway, connecting important cities of the state and the Adityapur Industrial belt to Jamshedpur. It is proposed to be a proper 4 lane facility with service road to meet the substantial increase in the traffic caused by on-going socio-economical and industrial development.

The project is expected to be operational from Sep 2012. The Company has availed Rs.181.50 crores Term Loan facility from two Banks- Allahabad Bank (Rs.100crores) & Dena Bank (Rs.81.50crores). The Concessionaire has achieved cumulative physical progress of 51.2% against planned 46.3% and cumulative financial progress of 49.5% against 43.5% planned.

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