

Date: 10<sup>th</sup> November, 2017

To,  
The Dy Gen Manager  
**Listing Department,**  
**Debt Market**  
BSE Limited  
PJ Tower, Dalal Street,  
Mumbai- 400 001

Dear Sir,

**Sub: Half Yearly disclosure as per Regulation 52 (4) of SEBI (LODR) Regulations, 2015**

In compliance of the requirements of Regulation 52 (4) of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, please refer the compliance report mentioned below:

Sl. No.	Particulars	Disclosures
1.	Credit Rating of the Debentures	CARE AAA (SO)
2.	Asset Cover available	1.08
3.	Debt-Equity Ratio	3.03
4.	Previous due date for the payment of Principal and whether the same has been paid or not	Date: 01/08/2017 Amount: Rs. 60 Million
5.	Previous due date for the payment of interest and whether the same has been paid or not	Date: 01/08/2017 Amount: Rs. 81.70 Million
6.	Next due date for the payment of Principal and the amount	Date: 01/02/2018 Amount: Rs. 60 Million
7.	Next due date for the payment of Interest and the amount	Date: 01/02/2018 Amount: Rs. 80.40 Million
8.	Debt service coverage ratio	1.28
9.	Interest Service converge ratio	1.50




10.	Debenture redemption reserve	Liabilities to create and maintain DRR is not applicable as on 31.03.2017 as there was a loss in the Profit & Loss for the Financial Year 2016-17.
11.	Net worth	(534.33) Million
12.	Net profit after tax	(45.13) Million
13.	Earnings per share	(0.94)

You are requested to take the same on record.

Thanking You

Yours faithfully,

**FOR NAGPUR-SEONI EXPRESS WAY LIMITED**

  
**NITIN PATEL**  
**DIRECTOR**  
**DIN: 00466330**



November 14, 2017

To,  
Mr. Nitin Patel  
Director,  
Nagpur-Seoni Expressway Limited,  
Sadbhav House, Opp. Law Garden Police Chowki,  
Ellisbridge, Ahmedabad,  
Gujarat- 380 006

Dear Sir,

**Sub: Certificate of Debenture Trustee under Regulation 52(5) of SEBI (LODR) Regulations, 2015 for September 30, 2017.**

In compliance of the requirements of Chapter V, Regulation 52, Sub – Regulation (4) and (5) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for Non – Convertible Debt Securities we would like to state as under:

We, Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited), are acting as a Debenture Trustee for the Secured, Rated, Listed, Redeemable, Non-Convertible Debenture issue aggregating to Rs. 195 crores of Nagpur Seoni Expressway Limited. ('Company')

With reference to above, we have received the following documents from the Company and have noted its contents without verification:

1. Half Yearly disclosure under Regulation 52 (4) of SEBI (LODR) Regulations, 2015 dated November 10, 2017.
2. Statement of Un-Audited Financial Results for the half year ended September 30, 2017 along with Auditor's Report dated November 10, 2017.
3. Credit rating letter (CARE rating) dated January 18, 2017.

This certificate has been signed and issued by us based on documents (mentioned above) submitted by you.

Thanking You.

Yours sincerely,  
**For Vistra ITCL (India) Limited**  
**(Formerly known as IL&FS Trust Company Limited)**



**Authorized Signatory**

Place: Mumbai

Date: 10<sup>th</sup> November, 2017

To,  
The Compliance Officer  
IL&FS Trust Company Ltd.  
The IL&FS Financial Centre,  
Plot C- 22, G Block,  
Bandra Kurla Complex, Bandra(E),  
Mumbai -400051

Dear Sir,

**Sub: Half Yearly disclosure as per Regulation 52 (4) of SEBI (LODR) Regulations, 2015**

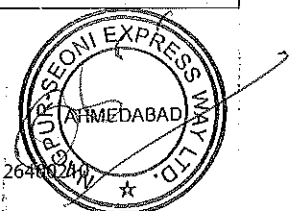
In compliance of the requirements of Regulation 52 (4) of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 in respect of Secured, Listed, Redeemable, Non-Convertible Debentures aggregating to Rs. 195 Cr. listed on the whole sale debt market of the Bombay Stock Exchange Limited, we are giving below the following information as on 30<sup>th</sup> September, 2017:

Sl. No.	Particulars	Disclosures
1.	Credit Rating of the Debentures	CARE AAA (SO) (Attached as <b>Annexure-1</b> )
2.	Asset Cover available	1.08
3.	Debt-Equity Ratio	3.03
4.	Previous due date for the payment of Principal and whether the same has been paid or not	Date: 01/08/2017 Amount: Rs. 60 Million
5.	Previous due date for the payment of interest and whether the same has been paid or not	Date: 01/08/2017 Amount: Rs. 81.70 Million
6.	Next due date for the payment of Principal and the amount	Date: 01/02/2018 Amount: Rs. 60 Million
7.	Next due date for the payment of Interest and the amount	Date: 01/02/2018 Amount: Rs. 80.40 Million
8.	Debt service coverage ratio	1.28

VENTURE OF

**Sadbhav**  
TODAY FOR TOMORROW

Regd Office: "Sadbhav House", Opp.Law Garden Police Chowki, Ellisbridge, Ahmedabad- 380006. T: +91 79 26463384 F: +91 79 26463384



9.	Interest Service converge ratio	1.50
10.	Debenture redemption reserve	Liabilities to create and maintain DRR is not applicable as on 31.03.2017 as there was a loss in the Profit & Loss for the Financial Year 2016-17.
11.	Net worth	(534.33) Million
12.	Net profit after tax	(45.13) Million
13.	Earnings per share	(0.94)

You are requested to kindly take the same on record and issue certificate as per Regulation 52 (5) of SEBI (LODR) Regulations, 2015.

Thanking You

Yours faithfully,

**FOR NAGPUR-SEONI EXPRESS WAY LIMITED**

  
**NITIN PATEL**  
**DIRECTOR**  
**DIN: 00466330**



**CARE/ARO/RR/2016-17/1921**

**Mr Nitin Patel**  
Director  
**Nagpur Seoni Expressway Limited**  
"Sadbhav House"  
Opp. Law Garden Police Chowki  
Ellis Bridge, Ahmedabad – 380 006

January 18, 2017

Dear Sir,

**Credit rating for the outstanding Non Convertible Debenture Issue**

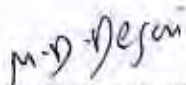
Please refer to our letter dated January 2, 2017, on the above subject.

2. The rationale for the ratings is attached as an **Annexure - I**.
3. A write-up (Press Release) on the above ratings is proposed to be issued to the press shortly. A draft of this is enclosed for your perusal as **Annexure - II**.
4. We request you to peruse the annexed documents and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. We request for your immediate response since we have to publish the same shortly.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

  
**[Maulesh Desai]**  
Sr. Manager

Encl: As above

**CREDIT ANALYSIS & RESEARCH LTD.**

**Annexure - I**  
**Rating Rationale**  
**Nagpur Seoni Expressway Limited**

**Rating**

Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Non-Convertible Debenture issue	195	'CARE AAA (SO); Stable' [Triple A (Structured Obligation); Outlook: Stable]	Reaffirmed
<b>Total</b>	<b>195</b> <b>(Rs. One Hundred and Ninety Five Crore Only)</b>		

**Rating Rationale**

*The rating assigned to the Non-Convertible Debenture (NCD) issue of Nagpur Seoni Expressway Limited (NSEL) continues to derive strength from the credit quality of the underlying annuity receivables from National Highways Authority of India (NHAI; rated CARE AAA; Stable/ CARE A1+) supplemented by a structured payment mechanism for servicing of the NCDs, established track record of receipt of annuities from NHAI, elimination of interest rate risk (through issue of fixed rate NCDs), creation of debt service reserve account (DSRA) and major maintenance reserve account (MMRA) along with other credit enhancement features in the structure. In addition, the rating also considers the established track record of the sponsor – Sadbhav Infrastructure Project Limited [SIPL; rated 'CARE A+ (SO)'] in operating various build – operate – transfer (BOT) based road projects.*

*Any deterioration in the credit profile of the annuity provider (NHAI), deviations in complying with the terms of the in-built structure of the NCD and occurrence of force majeure events shall be the key rating sensitivities.*

**Background**

Incorporated in February 2007, NSEL is a special purpose vehicle (SPV) promoted by Sadbhav Engineering Limited's (SEL; rated 'CARE A+/CARE A1+') step down subsidiary, SIPL, to design, build, finance, operate and transfer a four-lane road for the total length of 56.48 km starting from Seoni bypass to Madhya Pradesh (MP)/Maharashtra border of National Highway – 7 (NH-7) in the state of MP on an annuity basis. As per the concession agreement

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



(CA), the concession period of the project is 20 years (including construction period of 30 months) from the appointed date. Out of the total project stretch of 56.48 km, certain length of stretch falls under reserve forest and at the periphery of Pench Tiger Reserve area in the state of MP. Due to the prolonged delay in the clearance of land from Wild Life Board for these areas, NHAI had decided to delete this stretch from the original scope of work as per the provisions laid down in the CA. NSEL had achieved provisional commercial operations date (COD) with effect from May 25, 2010 for the completed stretch of 27.73 km. The project with the revised scope was completed at a cost of Rs.293 crore which was funded through debt [in the form of external commercial borrowing (ECB) of USD 41.74 million] of Rs.184 crore and the balance through promoter's contribution. These ECBs were subsequently replaced through the fixed interest rate NCD during FY16 (refers to the period April 1 to March 31).

#### **Credit Risk Assessment**

##### ***Operational annuity-based road project providing cash flow stability***

Being an operational NHAI annuity-based road project, the revenue risk of the project is minimal. Out of the original semi-annual annuity of Rs.35.40 crore (for the total project work), NHAI had sanctioned proportionate semi-annual annuity of Rs.17.38 crore based on provisional COD for the proportionate work of 27.73 km completed by NSEL. The project has received 13 semi-annual annuities till date. In April 2013, the semi-annual annuity for the project had been increased to Rs.19.20 crore by NHAI. NSEL had also received Rs.22.98 crore from NHAI in June 2013 pertaining to the difference between revised annuity of Rs.19.20 crore and previous annuity of Rs.17.38 crore for the prior periods.

##### ***Low credit risk associated with receipts from the annuity provider - NHAI***

Incorporated by the Government of India (GoI) under an Act of the Parliament as a statutory body, NHAI functions as the nodal agency for development, maintenance and management of the national highways in the country. NHAI is vested with executive powers for developing national highways in India by the Ministry of Road Transport & Highways (MoRTH). The mission of NHAI is to meet the nation's need for the provision and maintenance of national highway network to world standards within the strategic policy framework as set by GoI. NHAI's rating factors in the high level of support that it receives from GoI due to its strategic importance as the country's nodal agency for implementing



various road sector projects including various phases of National Highways Development Programme (NHDP). The outlook on NHAI reflects the outlook on the sovereign, whose direct and indirect support continues to be the key rating driver. By virtue of being a quasi-government body, the risk arising from NHAI defaulting on the annuity payments is negligible.

***In-built credit enhancement features along with a structured payment mechanism***

The annuity receivable from NHAI is to be kept in an escrow account. The funds are also to be transferred from the escrow account to designated accounts like MMRA, DSRA and debenture redemption reserve (DRR) as per the instruction of the Debenture Trustee. The salient features of the NCD structure are illustrated below:

1. A 'T plus 60' structure has been provided for the debt servicing with 'T' being the scheduled NHAI annuity receipt date; to take care of any operational delay in receipt of annuity from NHAI.
2. Creation of DSRA in the form of fixed deposit receipts (FDRs) equivalent to six months of debt servicing requirements. The Debenture Trustee may accept, at their option, a guarantee from a bank/financial institution (if permitted under Applicable Laws) with a credit rating of AA+ or above in place of FDR without recourse to the project assets/revenues. The cost of the guarantee shall be borne by the sponsors without recourse to assets of the issuer. As against the requirement, NSEL has created DSRA in the form of BG from Oriental Bank of Commerce (a PSU Bank with outstanding Lower Tier II Bonds being rated 'CARE AA; Negative'). Existing BG's tenure is scheduled to expire on May 27, 2017 and the company management has plans to replace the same with BG from another Bank/financial institution rated AA+ or higher.
3. The Escrow Bank have been empowered to invoke the bank guarantee (BG), to the extent of shortfall in debt servicing, established towards the DSRA, seven days before the scheduled debt service date. Once the BG towards the DSRA is invoked, the sponsor has to replenish the same with the fresh BG without recourse to NSEL. In the intervening period, DSRA will be kept only in the form of FDR.
4. If the renewed BG towards DSRA is not received by the escrow bank or the trustee before one month of the expiry date, they will invoke the BG and the sponsors will

*mu*

- have the responsibility of establishing a fresh BG towards the DSRA without recourse to the company. In the intervening period, DSRA will be kept only in the form of FDR.
5. The structure also provides for appropriation towards creation of MMRA in a scheduled manner.
  6. The issuer shall maintain debt service coverage ratio (DSCR) of not less than 1.08 annually.
  7. Sponsors shall fund all expenses over and above the base case business plan.
  8. 'Restricted payments' means all dividends, repayment/payment of loans, advances, interest, unpaid dues including trade payables from shareholders or associate/group companies of shareholders. Restricted payments shall not include payments made under the operations & maintenance (O&M)/major maintenance/tolling contracts in ordinary course of business within the base case business plan. Restricted payments shall be permitted from the 'Surplus Cash Flows'. 'Surplus Cash Flow' shall mean all surplus cash after meeting budgeting operating expenses, major maintenance reserve creation for the year (in cash or BG), DRR and DSRA (in cash or BG) obligations and debt service obligation in relation to the Issue and after setting aside/allocating an amount aggregating to Rs.8.50 crore for meeting any contingency in the second round of due major maintenance expense for the project due in FY21/FY22.
  9. As per the structure, during the currency of the NCDs, NSEL is not allowed, without prior approval of the debenture trustee, to invest by way of share capital in or lend or advance funds to or place deposits with any other concern and enter into borrowing arrangements with any other bank or financial institution, except for those arranged as part of means of finance for the present loan structure.

***Established track record of sponsor as an operator of various BOT-based roads***

SEL has proven project execution expertise and long-standing track record in the construction sector and good financial flexibility. SEL has demonstrated track record of more than two decades in execution of large sized road projects. SEL through its BOT holding company, SIPL, has a portfolio of 12 BOT projects (ten operational, one partly operational, and one under-construction project). During FY16, SIPL on a standalone basis registered a total operating income (TOI) of Rs.126 crore (FY15: Rs.107 crore) and profit after tax (PAT) of Rs.1 crore (FY15: net loss of Rs.63 crore). As per unaudited results for

CREDIT ANALYSIS & RESEARCH LTD.



H1FY17, SIPL on a standalone basis registered a TOI of Rs.137 crore (H1FY16: Rs.13 crore) and PAT of Rs.6 crore (H1FY16: net loss of Rs.52 crore). Based on combined financials of FY16, Sadbhav group (combining SEL [standalone] and SIPL [standalone] financials) reported TOI of Rs.3,333 crore (FY15: Rs.3,084 crore) and PAT of Rs.135 crore (FY15: Rs.50 crore).

#### ***Mitigation of interest rate risk***

The NCD issued by the company has fixed interest rate for the entire tenure resulting in elimination of interest rate fluctuation risk. There are two series in the NCD – Series A of Rs.100 crore and Series B of Rs.95 crore. The Series A has coupon rate of 8.72% per annum while Series B has coupon rate of 8.91% per annum.

#### ***Inherent O&M risk mitigated by provision for creation of MMRA and fixed price O&M contract***

NSEL is exposed to inherent O&M risk attached to any operational BOT road project. In order to mitigate the same, NSEL has entered into fixed price O&M contract and major maintenance contract before the subscription to the NCD issue. In addition, the structure also provides for appropriation towards creation of MMRA in a scheduled manner. Also, the debenture trustee shall have the right to substitute O&M/major maintenance contractor in the event of non-performance/breach by the existing O&M contractor as per the terms of O&M/major maintenance agreement. The company had created MMRA to the tune of Rs.11 crore as on March 31, 2016 which was utilised for major maintenance of the stretch due in the current year. Moreover, NSEL has established track record of receiving all thirteen annuities without any deduction reflecting the maintenance of stipulated riding condition of the project stretch by Sadbhav group.

#### **Prospects**

Prospects of NSEL in the medium term would be governed by its ability to strictly adhere to the proposed structure and maintain the road in motorable condition as stipulated.

## Financial Performance

(Rs. Crore)

For the period ended / as at March 31,	2014 (12M, A)	2015 (12M, A)	2016 (12M, A)
<b>Working Results</b>			
Annuity Receipts	38.40	38.40	38.40
Total Operating income	38.55	38.63	38.70
PBILD@	33.63	24.87	31.19
Interest*	20.45	18.07	25.49 <sup>^</sup>
Amortization	20.23	22.37	23.35
PBT	-7.06	-15.57	-17.65
PAT (after deferred tax)	-7.07	-15.57	-17.65
Gross Cash Accruals	13.17	10.54	9.74
Interest Coverage (times)	1.64	1.38	1.22

@after deducting provision (non-cash) for major maintenance \*includes interest on subordinated loan from sponsors; ^includes Rs.9.28 crore of loss on winding up of derivative deal

### Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlook 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.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is 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.



## Annexure - II

### Nagpur Seoni Expressway Limited

#### Rating

Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Non-Convertible Debenture issue	195	'CARE AAA (SO); Stable' [Triple A (Structured Obligation); Outlook: Stable]	Reaffirmed
<b>Total</b>	<b>195</b> (Rs. One Hundred and Ninety Five Crore Only)		

*Details of facilities in Annexure-1*

#### Detailed Rationale

The rating assigned to the Non-Convertible Debenture (NCD) issue of Nagpur Seoni Expressway Limited (NSEL) continues to derive strength from the credit quality of the underlying annuity receivables from National Highways Authority of India (NHAI; rated 'CARE AAA') supplemented by a structured payment mechanism for servicing of the NCDs, elimination of interest rate risk (through issue of fixed rate NCDs), established track record of receipt of annuities by NSEL, creation of debt service reserve account (DSRA) and major maintenance reserve account (MMRA) along with other credit enhancement features in the structure. In addition, the rating also considers the established track record of the sponsor – Sadbhav Infrastructure Project Limited [SIPL; rated 'CARE A+ (SO)'] in operating various build – operates – transfer (BOT) based road projects.

Any deterioration in the credit profile of the annuity provider – NHAI, deviations in complying to the structure of NCD and occurrence of force majeure events are viewed as the key rating sensitivities.

#### Outlook: Stable

#### Detailed description of the key rating drivers

The project has an established track record of receipt of 13 semi-annual annuities till date without any deduction from NHAI which has a strong credit risk profile. The outlook on NHAI reflects the outlook on the sovereign, whose direct and indirect support continues to be its key rating driver. The annuity nature of NSEL's road project and strong counterparty provide stability of cash flows while mitigating risk of delay in payment of annuity. Furthermore, NCD has features including 'T plus 60 days' structured for debt servicing with 'T' being the scheduled NHAI annuity receipt date which provides cash flow cushion in case of delay in receipt of annuities.

The annuity receivable from NHAI is to be kept in a trustee monitored escrow account with defined waterfall mechanism for the appropriation and withdrawal of funds along with restrictive payment covenant. Restricted payments shall be permitted from the surplus cash flows available after meeting statutory dues, budgeted operating and maintenance expenses, maintenance of stipulated MMRA, creation of DSRA (in cash or bank guarantee

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



[BG]), debt service obligation and after setting aside/allocating an amount aggregating to Rs.8.50 crore for meeting any contingency in the second round of major maintenance expense for the project due in FY21 (refers to the period April 1 to March 31) - FY22. NSEL has created DSRA of six months debt servicing requirements in the form of BG issued by a public sector bank (PSB). However, credit rating of PSB which has issued the BG stands at 'CARE AA; Negative' as against AA+ rating stipulated as per the terms of structure. However, sponsor's undertaking of establishing fresh BG without recourse to NSEL and provision of keeping funded DSRA in the intervening period provides comfort from the credit perspective.

The NCD issued by the company has fixed interest rate for the entire tenure resulting in elimination of interest rate fluctuation risk. NSEL has entered into fixed price operations and maintenance (O&M) contract and major maintenance contract with SIPL which mitigates the O&M risk to an extent. Furthermore, SIPL has an established track record of operating various BOT based road projects.

### **Analytical Approach: Standalone**

#### **Applicable Criteria**

Criteria on assigning Outlook to Credit Ratings

CARE's Policy on Default Recognition

CARE's Rating Methodology for Infrastructure Sector

CARE's Rating Methodology for Toll Road Projects

Financial Ratios - Non-Financial Sector

#### **About the Company**

Incorporated in February 2007, NSEL is a special purpose vehicle (SPV) promoted by Sadbhav Engineering Limited's (SEL; rated 'CARE A+/CARE A1+') step down subsidiary, SIPL, to design, build, finance, operate and transfer a four-lane road for the total length of 56.48 km starting from Seoni bypass to Madhya Pradesh (MP)/Maharashtra border of National Highway – 7 (NH-7) in the state of MP on an annuity basis. As per the concession agreement (CA), the concession period of the project is 20 years (including construction period of 30 months) from the appointed date. Out of the total project stretch of 56.48 km, certain length of stretch falls under reserve forest and at the periphery of Pench Tiger Reserve area in the state of MP. Due to the prolonged delay in the clearance of land from Wild Life Board for these areas, NHAI had decided to delete this stretch from the original scope of work as per the provisions laid down in the CA. NSEL had achieved provisional commercial operations date (COD) with effect from May 25, 2010 for the completed stretch of 27.73 km. The project with the revised scope was completed at a cost of Rs.293 crore which was funded through debt [in the form of external commercial borrowing (ECB) of USD 41.74 million] of Rs.184 crore and the balance through promoter's contribution. These ECBs were subsequently replaced through the fixed interest rate NCD during FY16.

During FY16, NSEL reported a total operating income of Rs.38.70 crore (FY15: Rs.38.63 crore) and cash profit of Rs.9.74 crore (FY15: Rs.10.54 crore).

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

**Any other information:** Not Applicable

**Rating History (Last three years):** Please refer Annexure-2

*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.*

**Analyst Contact**

Name: Maulesh Desai

Tel: 079-40265605

Mobile: +91-8511190079

Email: [maulesh.desai@careratings.com](mailto:maulesh.desai@careratings.com)

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.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 credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. 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.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is 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.



## Annexure-1

### Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds	December 15, 2015	Series A – 8.72% per annum Series B – 8.91% per annum	Series A – February 1, 2025 Series B – February 1, 2027	195.00	CARE AAA (SO); Stable

## Annexure-2

### Rating History (Last three years)

Sr. No.	Name of the Instrument/Bank Facilities	Type	Current Ratings		Chronology of Rating history for past three years			
			Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015	Date(s) & Rating(s) assigned in 2013-2014
1.	Fund Based - LT-Term Loan	LT	191.98	Withdrawn	-	1)Withdrawn (25-01-2016) 2)CARE A- (08-04-2015)	-	1)CARE A- (03-03-2014)
2.	Bonds	LT	195.00	CARE AAA (SO); Stable	-	1)CARE AAA (SO) (09-02-2016) 2)Provisional CARE AAA (SO) (09-12-2015)	1)CARE AAA (SO) (In Principle) (25-03-2015) 2)CARE AA+ (SO) (In Principle) (27-06-2014)	-

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2017					
(INR in Million)					
Sr. No.	Particulars	Half year ended		Year ended	
		As at September 30, 2017 (Unaudited)	As at September 30, 2016 (Unaudited)	As at March 31, 2017 (Audited)	
1	Revenue from operations	16.28	178.74	238.74	
	Other income	74.54	79.46	155.46	
	<b>Total Income</b>	<b>90.82</b>	<b>258.20</b>	<b>394.20</b>	
2	<b>Expenses</b>				
	a. Operating Expenses	9.55	159.68	207.30	
	b. Employee benefits expense	-	-	-	
	c. Finance Costs	120.04	119.99	240.57	
	c. Depreciation and amortization expense	-	-	-	
	d. Other expenses	6.36	2.31	8.91	
	<b>e. Total Expenses</b>	<b>135.95</b>	<b>281.98</b>	<b>456.78</b>	
3	<b>Profit/(Loss) before Exceptional Items and tax (1-2)</b>	<b>(45.13)</b>	<b>(23.78)</b>	<b>(62.58)</b>	
4	Exceptional Items	-	-	-	
5	<b>Profit/(Loss) before tax (3-4)</b>	<b>(45.13)</b>	<b>(23.78)</b>	<b>(62.58)</b>	
6	Tax Expense	-	-	-	
7	<b>Profit/ (Loss) from Continuing Operations (5-6)</b>	<b>(45.13)</b>	<b>(23.78)</b>	<b>(62.58)</b>	
8	Profit/ (Loss) from Discontinued Operations	-	-	-	
9	Tax Expense of Discontinued Operations	-	-	-	
10	<b>Profit/ (Loss) from Discontinued Operations (after tax) (8-9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	
11	<b>Profit/ (Loss) for the period (7+10)</b>	<b>(45.13)</b>	<b>(23.78)</b>	<b>(62.58)</b>	
12	Other Comprehensive Income (net of tax) ('OCI')	-	-	-	
13	<b>Total Comprehensive Income for the period (11+12)</b>	<b>(45.13)</b>	<b>(23.78)</b>	<b>(62.58)</b>	
14	Paid up Equity share Capital (face value of INR 10 each)	480.00	480.00	480.00	
15	Paid up Debt Capital	1,810.00	1,920.00	1,870.00	
16	Reserves excluding Revaluation reserves as per balance sheet of Previous Accounting Year	-	-	-	
17	<b>Net Worth</b>	<b>(534.33)</b>	<b>(450.40)</b>	<b>(489.20)</b>	
18	Debenture Redemption Reserve	-	-	-	
19	Earnings Per Share	(0.94)	(0.50)	(1.30)	
20	Asset Coverage Ratio	1.08	1.00	1.11	
21	Debt Equity Ratio	3.03	3.21	3.13	
22	Debt Service Coverage Ratio	1.28	0.27	1.80	
23	Interest Service Coverage Ratio	1.50	0.31	0.74	
24	The payment of interest and repayment of principal of following non-convertible debt securities were due during the half year ended September 30, 2017				
		Previous Due Dates		Next Due Dates	
	Particulars	Principal	Interest	Principal	Interest
	INE626J07012	01/08/2017	01/08/2017	01/02/2018	01/02/2018
	INE626J07046	01/08/2017	01/08/2017	-	-
	INE626J07053	-	01/08/2017	01/02/2018	01/02/2018
	INE626J07061	-	01/08/2017	-	01/02/2018
	INE626J07079	-	01/08/2017	-	01/02/2018
	INE626J07087	-	01/08/2017	-	01/02/2018
	INE626J07095	-	01/08/2017	-	01/02/2018
	INE626J07103	-	01/08/2017	-	01/02/2018
	INE626J07111	-	01/08/2017	-	01/02/2018
	INE626J07129	-	01/08/2017	-	01/02/2018
	INE626J07137	-	01/08/2017	-	01/02/2018
	INE626J07145	-	01/08/2017	-	01/02/2018
	INE626J07152	-	01/08/2017	-	01/02/2018
	INE626J07160	-	01/08/2017	-	01/02/2018
	Principal and Interest have been paid on due date.				





Statement of Assets and Liabilities		(INR In Millions)	
Particulars		As at September 30,2017 (Unaudited)	As at March 31,2017 (Audited)
<b>ASSETS</b>			
(1) Non-current Assets			
(a) Property, Plant and Equipments		-	-
(b) Investment Property		4.82	4.82
(c) Financial Assets			
(i) Loan		-	-
(ii) other		1,906.37	2,012.03
(d) Other Non Current Assets		7.68	7.68
<b>Total Non-current Assets</b>		<b>1,918.87</b>	<b>2,024.53</b>
(2) Current Assets			
(a) Financial Assets			
(i) Investments		-	7.59
(ii) Cash and cash equivalents		67.42	67.33
(iii) Other financial assets		383.96	383.96
(b) Other current assets		0.54	0.29
<b>Total Current Assets</b>		<b>451.92</b>	<b>459.17</b>
<b>Total Assets</b>		<b>2,370.79</b>	<b>2,483.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital		480.00	480.00
(b) Othe Equity		(1,014.33)	(969.20)
<b>Total Equity</b>		<b>(534.33)</b>	<b>(489.20)</b>
<b>LIABILITIES</b>			
(1) Non-current Liabilities			
Financial Liabilities - Borrowings		1,675.51	1,748.90
<b>Total Non-current Liabilities</b>		<b>1,675.51</b>	<b>1,748.90</b>
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		819.43	818.43
(ii) Trade Payables		36.81	78.01
(iii) Other financial liabilities		372.37	324.63
(b) Other current liabilities		1.00	2.93
<b>Total Current Liabilities</b>		<b>1,229.61</b>	<b>1,224.00</b>
<b>Total Liabilities</b>		<b>2,905.11</b>	<b>2,972.90</b>
<b>Total Equity and Liabilities</b>		<b>2,370.79</b>	<b>2,483.70</b>

Notes :

- The aforesaid unaudited financial results, of the Company, for the six months and quarter ended September 30, 2017 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 10, 2017.
- The listed non-convertible debentures of the Company aggregating INR 1810 million outstanding as on September 30, 2017 are secured by way of corporate guarantee by Sadbhav Infrastructure Project Limited (SIPL), the Parent Company, first ranking charge created on the entity's movable and immovable properties and asset cover thereof exceeds hundred percent of the principal amount of the said debentures.
- Figures relating to the previous period have been regrouped / rearranged, wherever necessary, to make them comparable with those of the current period.

of, JAIN CHOWDHARY & CO.  
CHARTERED ACCOUNTANTS  
FRN : 113267W

For and on behalf of Board of Directors of  
Nagpur Seoni Express Way Limited

Place: Ahmedabad  
Date: November 10, 2017

*Amolak Singh Dang*  
AMOLAK SINGH DANG  
PARTNER  
M.No. 042684

*Nitin Patel*  
Nitin Patel  
Director  
DIN : 00466330





**JAIN CHOWDHARY & CO.**  
**CHARTERED ACCOUNTANTS**



B-405, Premium House,  
Nr. Mithakhali Railway Crossing,  
Off Ashram Road, Ahmedabad - 380 009.

Phone : (O) 079 - 26587828, 26580412

e-mail : amolaksinghdang@hotmail.com Limited Review Report

Review Report to  
The Board of Directors  
Nagpur Seoni Express Way Limited

1. We have reviewed the accompanying statement of unaudited Condensed financial results of Nagpur Seoni Express Way Limited ('the Company') for the Six Months ended September 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Jain Chowdhary & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 113267W

  
Amolaksingh Dang  
Partner  
Membership Number: 042684

Place of Signature: Ahmedabad  
Date: November 10, 2017

\* Other Offices \*

MUMBAI • JAIPUR • VADODARA • AJMER • FARIDABAD