SHREM INFRA INVEST PRIVATE LIMITED
(Formerly Known as Shrem Infra Structure Private Limited)
CIN: U65100MH2014PTC254839
1101, Viraj Towers, Jn of Andheri Kurla Road, W E Highway, Andheri East, Mumbai – 400093, India
Tel: +91 22 4228 5500/ 5555 Email: shremgroup@shrem.in Web: www.shrem.in

Date: 09th May, 2025

To,
National Stock Exchange of India Limited
Listing Compliance Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051.

Subject: Intimation of Ratings under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Ref: Scrip Code: SIPL28, SIPL27A, SIPL27, SIPL27B and SIPL29

Dear Sir/Madam,

With reference to the provisions of Regulation 55 and other applicable provisions as may be applicable from time to time of the SEBI (LODR) Regulation, 2015, this is to inform that Company has obtained Credit Rating for existing Non-Convertible debenture as well as for the term loan availed from Rating Agency India Ratings & Research Private Limited. Details of which are as mentioned below:

India Ratings & Research:

Revised Rating

Sr. No.	**ISIN**	**Existing Credit Rating along with Outlook/Watch**	**Revised Credit Rating along with Outlook/Watch**	**Rating Action**
1	INE391V07109	IND AA/Stable	IND AA/Stable	Affirmed
2.	INE391V07141	IND AA/Stable	IND AA/Stable	Affirmed
3.	INE391V07158	IND AA/Stable	IND AA/Stable	Affirmed
4.	INE391V07166	IND AA/Stable	IND AA/Stable	Affirmed
5.	INE391V07174	IND AA/Stable	IND AA/Stable	Affirmed

The Company has obtained the following credit rating credit rating from India Ratings & Research for the term loan availed by the company.

Sr. No.	**Instrument Type**	**Size of Issue (million)**	**Rating assigned along with Outlook/Watch**	**Rating Action**
1.	Term Loan	INR 2375	IND AA/Stable	Assigned

Kindly take the above on record and acknowledge the receipt.

Thanking you,
Yours faithfully

FOR SHREM INFRA INVEST PRIVATE LIMITED

Digitally signed by NITAN CHHATWAL
Date: 2025.05.09 16:26:23 +05'30'

NITAN CHHATWAL
DIRECTOR
DIN: 00115575

India Ratings Affirms Shrem Infra Invest's NCDs at 'IND AA'/Stable; Rates Term Loan

Apr 17, 2025 | Holding Company

India Ratings and Research (Ind-Ra) has taken the following rating actions on Shrem Infra Invest Private Limited's (SIIPL) debt instruments:

Details of Instruments

Instrument Type	Date of issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Non-convertible debentures *#$	-	-	-	INR4,750 (reduced from INR5,537.5)	IND AA/Stable	Affirmed
Proposed non-convertible debentures ^	-	-		INR450	WD	Withdrawn
Term loan^^			7 January 2030	INR2,375	IND AA/Stable	Assigned

*Outstanding amount is INR4,487.5 million from the aggregate issue size of INR4,750 million.
#Details in Annexure
WD- Rating withdrawn
^ The issuer did not proceed with the instrument as envisaged
^^ Outstanding amount is INR2,375 million from the aggregate sanction of INR2,500 million due to scheduled repayment in March 2025

Analytical Approach

The executed escrow agreements of the three entities of the Shrem group, namely SIIPL, Shrem Investments Private Limited (SIPL; debt rated at 'IND AA'/Stable) and Shrem Enterprises Private Limited (SEPL; debt rated at 'IND AA'/Stable) holding units of Shrem InvIT (debt rated at 'IND AAA'/Stable), have been shared by the company stating the mechanism been established, wherein an amount equivalent to the forthcoming quarter of debt servicing will be first set aside from distributions received as unitholder of Shrem InvIT on a quarterly basis, apart from the stipulated debt service reserve account (DSRA). In case of any shortfall in any of the entity, the surplus from the other entity, post setting aside one quarter of their debt obligations, shall be utilised. Accordingly, the agency has consolidated cashflows and debt obligations of three entities for arriving at the coverages.

The ratings reflect the creditworthiness of Shrem InvIT and the credit quality of the underlying assets in the infrastructure investment trust (InvIT). The ratings also draw strength from the stability of the underlying assets in the InvIT, including a stable stream of cash flows from the acquired 10 hybrid annuity model (HAM) projects awarded by National Highway Authority of India (NHAI, debt rated at 'IND AAA'/Stable) in FY24. Furthermore, the InvIT has been acquiring additional five NHAI-awarded HAM special purpose vehicles (SPVs) from Apco Infratech Private Limited and Chetak Enterprises Limited, of which three of the Apco assets have been already acquired. After the acquisition, Shrem InvIT will have a diversified portfolio of 39 projects, comprising 20 NHAI and one Ministry of Road Transport and Highways (MoRTH)-awarded HAM projects, 10 state annuity plus toll projects, six state annuity projects and two toll projects, including one NHAI-awarded toll project.

Detailed Rationale of the Rating Action

SIIPL's management stated that the establishment of an escrow mechanism within the Shrem group entities would provide more transparency on cash movements within the group. The executed escrow agreements of three Shrem group entities holding units of Shrem InvIT has been shared by the company stating the mechanism has been established, wherein an amount equivalent to the forthcoming quarter of debt servicing will be first set aside from the distributions received as the unitholder of Shrem InvIT on a quarterly basis, apart from the stipulated DSRA. Similar escrow agreements have been executed for other Shrem entities, namely SIPL and SEPL, holding Shrem InvIT units, and in case of any shortfall in any entity, the surplus from the other entity, after setting aside one quarter of their debt obligations, shall be utilised. With this, Ind-Ra believes that all the three entities' debt obligations will be prioritised and reserved for the forthcoming quarter, thereby preventing liquidity mismatches, and bringing in transparency in the utilisation of funds.

SIIPL has been awarded an under-construction project by Karnataka Roads Development Corporation Limited under a joint venture with Bharat Vanijya Eastern Private Limited (BVEPL). The total estimated project cost of around INR14,000 million is likely to be funded by debt (54%), equity (19%) and grants (27%), as per the final sanction of the project debt. SIIPL held a 39% stake and the management owned 10% in the project SPV, which requires an equity commitment of INR1,303.8 million and out of which INR442 million has been infused as on 1 April 2025 and the rest will be infused by SIIPL in the next twoyears. BVEPL will construct the project. As stated by the management and basis the signed sanction letters of the project financing, the promoter undertaking or guarantee to be extended by the Shrem group shall have no bearing directly or indirectly on SIIPL. Also, SIIPL's management stated that it will not take any construction-related risk that shall increase its debt/contractual obligations or indicate any change in business model to move into the developer space. Ind-Ra has considered the terms stipulated in the sanction terms and confirmation of the management, and any deviation from the above understanding shall be credit negative.

However, the ratings are constrained by equity nature of the units and the limited diversification of the revenue stream for SIIPL. The net cash distributable to unitholders will rank lower in the waterfall arrangement of the InvIT, considering the equity nature of units. The cash flows of InvIT will be first used to service its debt, and the surplus shall be distributed to the unitholders as per the waterfall mechanism, which shall be utilised to meet the debt servicing of SIIPL. The strong coverage metrics of InvIT lends support to the ratings.

List of Key Rating Drivers

Strengths

- Stable underlying cash flow
- Continuous acquisition of new HAM SPVs by Shrem InvIT

Weaknesses

- Moderate debt structure
- Single income stream with limited track record

Detailed Description of Key Rating Drivers

Stable Underlying Cash Flow: The InvIT generates stable revenue from its pool of projects, which shall annually receive 74 annuity payments post the acquisition of all new SPVs until the end of the concession period of each project from different counterparties, and the regular toll collections in its two projects. The acquisition of NHAI-backed HAM projects, which have already achieved provisional or final commercial operations date (COD), mitigated any construction risk and adds strength to the InvIT's cash flows. A significant portion of the revenue originates from the HAM-based assets with NHAI and the MoRTH as the counterparties. The InvIT's cash flows show considerable resilience to stress cases, reflecting ample cushion for distribution to the unitholders. The regulated framework of the InvIT mandates at least 90% of the net distributable cash flow to be distributed to investors. Ind-Ra takes comfort from the sufficient operational track record of the combined portfolio and the timely receipt of annuities from NHAI and the MoRTH, and the distributions made by the InvIT. The equity nature of the instruments constrains the ratings.

Continued Acquisition of New HAM SPVs by Shrem InvIT: For completing the acquisition of 10 new SPVs by Shrem InvIT, the revised total equity value was around INR30 billion, including the value of unsecured loans infused by Dilip Buildcon Limited (DBL; 'IND A'/Positive) and its affiliates. The entire consideration has been discharged for the acquisition of 10 new SPVs. The consideration has been discharged by paying cash of about INR21 billion and the issuance of fresh units of the InvIT to DBL and its affiliates equivalent to INR8.69 billion. The said discharge equivalent to INR8.38 billion was arranged in the form of the issuance of Shrem InvIT units to Shrem group entities, including SIIPL, against their infusion in the InvIT. The consideration of nearly INR4 billion and INR8.60 billion was met through internal accruals and the term debt availed by the InvIT, respectively. The balance consideration was discharged by a preferential issuance of InvIT units to DBL and its affiliates.

Upon the completion of the entire acquisition process of 10 new SPVs by Shrem InvIT, the agency had previously expected SIIPL and/or its group entities, namely SIPL and SEPL, to maintain an outstanding external debt of about INR6,500 million and total outstanding debt of about INR8,100 million. As on 8 April 2025, the overall debt exposure of SIIPL, SEPL and SIPL stood at INR7,813.6 million. With the said outstanding debt quantum, the Shrem group will meet the permitted indebtedness as per the financing terms of SIIPL, which stipulate the aggregate debt to be lower than 25% of the carrying amount of the investment in the form of the InvIT units held by SIIPL and its subsidiaries along with unencumbered unit holding of its associate entities, and also lower than 40% of the carrying amount of investment in the form of InvIT units held by SIIPL solely. The agency will monitor the cash flows of SIIPL and/or the group entities generated as a unitholder of Shrem InvIT. Any adverse impact on the cash flows of SIIPL and/or group entities along with an increase in the external debt would be a credit negative.

Moderate Debt Structure: SIIPL had issued NCDs worth INR1,200 million in May 2023, repayable in equated six instalments commencing from 15 February 2027. As per the financing terms, the company is required to create and maintain a DSRA equivalent to two quarters of interest obligations within three days from the deemed date of allotment of NCDs and enhance it to one quarter of redemption amount and coupon payment obligations within 44 months from the deemed date of allotment of NCDs. Any shortfall in the DSRA is to be replenished within three days, which otherwise, will be considered as an event of default, and thereby, provide the right to invoke the securities available in accordance with the financing terms. The facilities are also secured by the units of Shrem InvIT and NCDs are backed by a guarantee from the promoters.

The debt structure also stipulates a minimum debt service coverage ratio (DSCR) of 1.2x to be tested quarterly from 30 June 2023. Also, the NCDs worth INR600 million were issued in May-June 2023 with a maturity of 15 May 2028. These were to be repaid in six quarterly instalments commencing 15 February 2027; however, the same has been fully redeemed in 4QFY25.

The debt structure also stipulates a financial covenant of a minimum DSCR of 1.2x and aggregate debt to be lower than 25% of the carrying amount of the investment in the form of InvIT units held by SIIPL and its group entities, and also lower than 40% of the carrying amount of investment in the form of InvIT units held by SIIPL solely. These NCDs feature a put/call option that can be exercised by the debenture holders from end of one year from the deemed allotment date with a prior written notice of 30 days for exercising the put/call option. Healthy coverages, stable cash flow generation from Shrem InvIT and the long concession period of the projects held by the InvIT mitigate the refinance risk in the event that the put option is exercised. The company has raised further NCDs worth INR1,250 million and INR2,300 million carrying fixed coupon payment of 9.75% per annum. As per the executed documents of NCDs worth INR1,250 million, the repayment instalments have commenced from March 2025 in the form of quarterly instalments until the quarter ending December 2029. As per the said terms, a DSRA equivalent to three months of debt servicing is required to be created and maintained. Apart from the permitted indebtedness as stated for the already issued NCDs, financial covenants to maintain a minimum DSCR of 1.25x is present and these NCDs have put and call option available to lender / issuer after 18 months of the deemed allotment date.

With respect to NCDs worth INR450 million, the management stated that the same shall not be issued and hence ratings are being withdrawn on the same. The term loan of INR2,500 million has been availed for the corporate purposes including redemption of part of the NCDs. The term loans are having 20 quarterly instalments and final maturity in FY30. The term loan of INR500 million (out of the total term loan of INR2,500 million) has a call option at the end of 12 months from the date of first disbursement and every six months thereafter. The refinancing risk is partly mitigated by the group's demonstration of successful refinancing in the past as well as the likely healthy cashflows from the InvIT in the medium term. The term loan of INR2,000 million stipulates a minimum DSCR of 1.30x and that for INR500 million is 1.10x. The sanction terms for the INR2,000-million facility stipulates the creation of a DSRA equivalent to three months debt servicing and for INR500 million, an interest service reserve account (ISRA) to be created equivalent to three months of interest servicing. The management stated that the aggregate net debt of SIIPL, SEPL and SIPL will be within around INR8,000 million and that no further debt will be raised by SIIPL beyond the permitted indebtedness stipulated under the financing terms of already raised NCDs. With the track record of cashflows in form of distributions from InvIT to SIIPL, SEPL and SIPL in lieu of their unit holding, the agency's base case DSCR is comfortable showing adequate resilience to stress. Any adverse implication of additional debt and unit-holding of SIIPL or its group entities will be a credit negative.

Single Income Stream: SIIPL depends on the cash flow distribution from the InvIT to meet its debt obligations. The InvIT has a track record of distributing cash to its unitholders with 14 distributions made between November 2021 and March 2025 for the quarters ended from September 2021 to December 2024. Although the underlying asset quality is strong, the absence of a diversified revenue stream exposes the company to single revenue concentration risk.

Liquidity

Adequate: SIIPL maintains a DSRA of INR420.8 million. Of which, INR58.5 million and INR104 million have been maintained as DSRA equivalent to two quarters of interest servicing under the debt terms for the NCDs worth INR1,200 million (outstanding INR1,200 million) and NCDs worth INR1,250 million (outstanding INR1,025 million), respectively. Furthermore, INR93.3 million has been maintained as a DSRA equivalent to two quarters for the INR2,300-million NCDs and a DSRA worth INR165 million for the INR2,500 million term loan. The overall liquidity including the DSRA as on 8 April 2025 remained at INR699.3 million.

SIIPL has been receiving quarterly distributions from Shrem InvIT in lieu of its unit holding. Historically, the distributions from InvIT are received by SIIPL within 30-45 days from the end date of the quarter. As per Ind-Ra's base case estimates, the actual distributions received by SIIPL were lower in 1QFY24 and 2QFY24, on account of the retention of the surplus undertaken by the InvIT for past acquisitions, the creation of additional DSR by the InvIT, and temporary advances provided to the SPVs for their O&M requirements. While the distribution in 3QFY24 was largely in line with Ind-Ra's estimates, the InvIT had set aside INR1,607.1 million for future acquisitions and contingency. Hence, in FY24, the actual distribution was lower than Ind-Ra's estimates, largely due to the amount set aside for the past and future acquisitions and contingency by the InvIT.

The distribution per unit in FY25 has been at INR16.98/unit till February 2025 which includes dividend and interest payments and return of capital, in line with the estimates. The agency factors the net distribution cash flow format guided in the recent SEBI's circular, which shall be applicable from 1 April 2024, and accordingly, Ind-Ra believes that retention of surplus by the InvIT in the future will be within the permissible limit of 10%. The agency expects SIIPL and its group entities' unitholding in Shrem InvIT to remain at 60%-65% and believes further acquisitions will not impact the unitholding pattern of the InvIT. As per Ind-Ra's base case, SIIPL's DSCR is comfortable for meeting external debt obligations over FY25-FY30.

Rating Sensitivities

Positive: Stable distributions from Shrem InvIT, higher than the management estimates post the acquisition of new assets, may lead to a positive rating action.

Negative: Future developments that could, individually or collectively, result in a negative rating action are:

- any delay/significant deterioration in the distribution from Shrem InvIT compared to the base case
- an increase in the external debt, impacting its coverages significantly

- a weakening of the credit profile of Shrem InvIT
- negative implications of legal cases on the Shrem group entities/promoters

Disclosures for CE Rating

1) UNSUPPORTED RATING

Ind-Ra has affirmed an unsupported rating of 'IND AA'/Stable to SIIPL.

As per SEBI Master Circular, in the case of listed or proposed to be listed debt securities, an unsupported rating is to be disclosed in cases where there is a presence of a specified support considerations, even though the instruments do not carry a CE suffix rating. The unsupported rating is arrived at without factoring in the explicit credit enhancement. It helps in understanding the extent of credit enhancement factored into the instrument rating.

The analytical approach, key rating drivers, liquidity and sensitivities for the unsupported rating are the same as that for the NCDs' rating.

2) INSTRUMENT COVENANTS

Refer to Annexure II

3) ADEQUACY OF CE STRUCTURE

CGT and SIPL has provided a corporate guarantee for SIIPL's NCDs. Since the guarantee does not meet Ind-Ra's requirement of the presence of a pre-default clause for guarantee invocation and a well-defined payment mechanism, it has not been factored as an explicit CE and hence the CE suffix has not been added to the rating of NCDs.

Any Other Information

The Shrem group entered the infrastructure space through the acquisition of 24 road projects from DBL in 2017. The group had also invested in Nanavati Hospital and developed two hotels in Goa, which were subsequently divested. It is developing a luxury hotel near Chhatrapati Shivaji International Airport, Terminal 2, Mumbai, under the Fairmont Brand and in September 2020 had monetised its investment in Route Mobiles Limited just before the initial public offering of the latter. Two of the Shrem group entities, which are the associates of SIIPL, have been mentioned in the Grant Thornton report dated 5 December 2020 in connection with Dewan Housing Finance Limited Corporation's Insolvency and Bankruptcy Board of India proceedings. SIIPL's management has confirmed that there has been no irregularity by any of the Shrem group entities with regard to the transaction mentioned in the Grant Thornton report.

As per the information received by the agency regarding the settlement deed signed between Piramal Capital & Housing Finance Limited (previously DHFL) and SIIPL on 7 November 2023, the company has fully repaid the amount received by the promoter as an NCD holder. Any unforeseen liability stemming from this legal issue remains a key monitorable for Ind-Ra.

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 SIIPL, 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

The sponsor, SIIPL, floated an InvIT called Shrem InvIT in September 2021 and hived off 24 operational SPVs through three intermediate holding companies – Shrem Infraventure, Shrem Roadways and Shrem Tollway under the trust. The InvIT has been formed under the Indian Trust Act, 1882 and an approval has been received from the SEBI for the InvIT.

Additional 10 projects have been acquired from DBL in FY24 and another five projects have been identified for acquisition in FY25. Out of these five projects, three projects have already been acquired till September 2024.

Key Financial Indicators

Particulars (INR million)	FY24	FY23
Revenue from operations	3,403.2	1,453.9
Total revenue	3,450.6	1,680.3
EBITDA	3,293.3	1,585.1
EBITDA margin (%)	95.4	94.3
Finance cost	664.7	453.4
Interest coverage (EBITDA/Interest) (x)	5.0	3.5
Gross debt/ EBITDA (x)	1.5	3.2
Cash and cash equivalents	383.3	156
Source: SIIPL standalone financials, Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

<table>
<tr><th rowspan="2">Instrument Type</th><th colspan="3">Current Rating/Outlook</th><th colspan="8">Historical Rating/Outlook</th></tr>
<tr><th>Rating Type</th><th>Size of Issue (million)</th><th>Rating</th><th>25 November 2024</th><th>11 July 2024</th><th>10 June 2024</th><th>1 March 2024</th><th>14 August 2023</th><th>11 May 2023</th><th>24 March 2023</th><th>21 March 2023</th></tr>
<tr><td>Non-convertible debentures</td><td>Long-term</td><td>INR4,750</td><td>IND AA/Stable</td><td>IND AA/Stable</td><td>IND AA/Stable</td><td>IND AA/Rating Watch with Negative Implications</td><td>IND AA/Rating Watch with Negative Implications</td><td>IND AA/Stable</td><td>IND AA/Stable</td><td>IND AA/Stable</td><td>IND AA/Stable</td></tr>
<tr><td>Principal protected market linked debentures</td><td>Long-term</td><td>INR2,740</td><td>-</td><td>-</td><td>-</td><td>WD</td><td>IND PP-MLD AA/Rating Watch with Negative Implications</td><td>IND PP-MLD AA/Stable</td><td>IND PP-MLD AA/Stable</td><td>IND PP-MLD AA/Stable</td><td>IND PP-MLD AA/Stable</td></tr>
<tr><td>Unsupported rating</td><td>Long-term</td><td>-</td><td>IND AA/Stable</td><td>IND AA/Stable</td><td>IND AA/Stable</td><td>IND AA/Rating Watch with Negative Implications</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
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Term loan	Long-term	INR2,375	IND AA/Stable	-	-	-	-	-	-	-	-

Bank wise Facilities Details

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Non-convertible debenture	Low
Term loan	Low

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

Annexure

ANNEXURE I :

NCDs

ISIN	Date of Issue	Coupon Rate (%)	Maturity date	Size of Issue (million)	Rating/Outlook
INE391V07026	14 September 2021	14.25	20 December 2024	INR187.5	WD (paid in full)
INE391V07109	4 May 2023	10.25	15 May 2028	INR1,200	IND AA/Stable
INE391V07133	15 June 2023	10.25	15 May 2028	INR600	WD (prepaid in full)
INE391V07141	6 August 2024	9.75	30 June 2027	INR1,250	IND AA/Stable
INE391V07158	27 August 2024	9.75	13 August 2027	INR750	IND AA/Stable
INE391V07166	27 September 2024	9.75	13 August 2027	INR300	IND AA/Stable
INE391V07174	22 November 2024	9.75	21 November 2029	INR 1,250	IND AA/Stable
Total	-	-	-	**INR 4,750**	
Source: NSDL, Exchange disclosure					

ANNEXURE II – INSTRUMENT COVENANTS

Financial covenants for NCDs of INR750 million and INR300 million	The Issuer shall ensure that, at all times, till the Final Settlement Date: (i) ensure that the consolidated external debt shall not exceed 25% of the carrying amount of the investments held by the issuer along with its subsidiaries and unencumbered units held by its associate entities/group companies in Shrem InvIT. In the event consolidated external debt is beyond the permissible limits, the issuer, subsidiaries or its associate entities/ group companies shall not extend any corporate guarantee or provide any security or letter of comfort for the loans or debt facilities availed by any of the issuer's subsidiaries, associates, group companies or Shrem InvIT or any subsidiaries of Shrem InvIT (except for the pledge and lien already created for the loan availed by Shrem InvIT, and the non-disposal undertaking already provided over the units of Shrem InvIT, each as on date of this deed) without prior approval of the debenture trustee (DT); (ii) ensure that the external financial indebtedness of the issuer on standalone basis, including the outstanding corporate guarantee /letter of comfort given by it, shall not exceed 40% of the carrying amount of the investments held by the issuer; It is clarified that availing of any financial indebtedness by: (a) the issuer, its subsidiaries, associate entities, group companies holding units in Shrem lnvlT, Shrem InvIT and/or any subsidiaries of Shrem InvIT in breach of threshold set out in sub-clause (i) above, (b) the issuer in breach of threshold set out in sub-clause (ii) above' shall only be undertaken with the prior written consent of the DT. (iii) maintain minimum DSCR of 1.25x for the entire financial debt availed by it on consolidated basis (i.e., debt availed from the debenture holders and other lenders of the issuer). The DSCR shall be tested by the debenture holders or DT on a quarterly basis and/or at the time of testing restricted payment conditions (on a trailing 12-month period, on the basis of last quarterly declared results). The issuer shall, within 45 days from the end of each 1Q (or prior to making any restricted payments), provide to the DT a certificate issued by an independent chartered accountant confirming that a minimum DSCR of 1.25x is maintained; (iv) ensure that any pledge or lien or non-disposal undertaking on the units of Shrem InvIT in relation to any financial indebtedness availed by any member of the promoter group and/or the issuer shall not, in aggregate, exceed 75% of the unit holding of the promoter group and/or the issuer (as the case may be) in Shrem InvlT.
Financial covenants for other NCDs	·Minimum DSCR of 1.2x ·Aggregate debt to be lower than 25% of the carrying amount of the investment in form of InvIT units held by SIIPL and its group entities, and also lower than 40% of the carrying amount of investment in the form of InvIT units held by SIIPL solely

Financial covenants for NCDs of INR1,250 million each	The Issuer shall ensure that, at all times, till the final settlement date: 1. ensure that the consolidated external debt shall not exceed 25% of the carrying amount of the investments held by the Issuer along with its subsidiaries and unencumbered units held by its associate entities/group companies in Shrem InvIT. In the event consolidated external debt is beyond the permissible limits, the Issuer, subsidiaries or its associate entities/ group companies shall not extend any corporate guarantee or provide any security or letter of comfort for the loans or debt facilities availed by any of the Issuer's subsidiaries, associates, group companies or Shrem InvIT or any subsidiaries of Shrem InvIT (except for the pledge and lien already created for the loan availed by Shrem InvIT, and the non-disposal undertaking already provided over the units of Shrem InvIT, each as on date of this deed) without prior approval of the DT; 2. ensure that the external financial indebtedness of the issuer on standalone basis, including the outstanding corporate guarantee /letter of comfort given by it, shall not exceed 40% of the carrying amount of the investments held by Issuer; It is clarified that availing of any financial indebtedness by: (a) the issuer, its subsidiaries, associate entities, group companies holding units in Shrem InvIT, Shrem InvIT and/or any subsidiaries of Shrem InvIT in breach of threshold set out in sub-clause (i) above, (b) the issuer in breach of threshold set out in sub-clause (ii) above, shall only be undertaken with the prior written consent of the DT. 3. maintain minimum DSCR of 1.25x for the entire financial debt availed by it on consolidated basis (i.e., debt availed from the debenture holders and other lenders of the issuer). The DSCR shall be tested by the debenture holders or DT a quarterly basis and/or at the time of testing restricted payment conditions (on a trailing 12-month period, on the basis of last quarterly declared results). The Issuer shall, within 45 days from the end of each 1Q (or prior to making any restricted payments), provide to the DT a certificate issued by an independent chartered accountant confirming that a minimum DSCR of 1.25x is maintained; 4. ensure that any pledge or lien or non-disposal undertaking on the units of Shrem InvIT in relation to any financial indebtedness availed by any member of the promoter group and/or the issuer shall not, in aggregate, exceed 75% of the unit holding of the promoter group and/or the issuer (as the case may be) in Shrem InvIT. (collectively the "financial covenants").

Contact

Primary Analyst
Samant Jha
Associate Director
India Ratings and Research Pvt Ltd
DLF Epitome, Level 16, Building No. 5, Tower B DLF Cyber City, Gurugram Haryana - 122002
+91 124 6687221
For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst
Suryanarayanan S
Analyst
044 43401707

Media Relation
Ameya Bodkhe
Marketing Manager
+91 22 40356121

About India Ratings and Research: India Ratings and Research (Ind-Ra) is committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

India Ratings is a 100% owned subsidiary of the Fitch Group.

For more information, visit www.indiaratings.co.in.

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APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Rating Criteria for Infrastructure and Project Finance

Policy on Provisional Ratings

Policy for Credit Enhanced (CE) Ratings

The Rating Process