

**Press Release**  
**JAI MAHAKALESHWAR MSIL ROPEWAY PRIVATE LIMITED**  
**August 08, 2025**  
**Rating Assigned**



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	73.05	ACUITE BBB-   Stable   Assigned	-
Bank Loan Ratings	3.95	-	ACUITE A3   Assigned
Total Outstanding Quantum (Rs. Cr)	77.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has assigned the long-term rating of '**ACUITE BBB-**' (read as **ACUITE Triple B minus**) and short-term rating of '**ACUITE A3**' (read as **ACUITE A Three**) on the Rs. 77.00 Cr. bank facilities of Jai Mahakaleshwar MSIL Ropeway Private Limited (JMMRPL). The outlook is '**Stable**'.

**Rationale for Rating**

The rating assigned reflects the established track record and healthy operating and financial risk profile of the sponsor i.e. M S Infraengineers Private Limited (MSIL – Rated Acuite BBB+/Stable). The rating also factors in commencement of construction activities in JMMRPL following the receipt of all requisite approvals from government authorities. The rating is further supported by the strong counterparty profile of National Highways Logistics Management Limited (NHLML), a wholly owned subsidiary of the National Highways Authority of India (NHAI), which enhances the overall credit quality of the project, maintenance of Debt Service Reserve Account (DSRA) equivalent to six months of principal and interest obligations. However, the rating is constrained on account of risks associated with nascent stage of project attributes to high project execution risk, thus any delays in timely execution of project is likely to impact the milestone and annuity payments.

**About the Company**

Orissa based Jai Mahakaleshwar MSIL Ropeway Private Limited (JMMRPL) is incorporated in 2024 as a special purpose vehicle (SPV) of M S Infraengineers Private Limited (MSIL) holding 99.99 per cent stake as on 31, March 2025. JMMRPL is engaged in development, operation and maintenance of a ropeway between Ujjain Jn. Railway Station and Mahakaleshwar temple in the state of Madhya Pradesh on Hybrid Annuity Model. Mr. Mahendra Swain and Mr. Ajit Kumar Swain are the present directors of the company.

**Unsupported Rating**

Acuite BB/Stable

**Analytical Approach**

Acuite has considered the standalone business and financial risk profile of Jai Mahakaleshwar MSIL Ropeway Private Limited (JMMRPL) to arrive at the rating. The financial and operational support from the sponsor M S Infraengineers Private Limited (MSIL) factored in for the rating notch up.

**Key Rating Drivers**



### **Established sponsor profile**

The sponsor for the project is M S Infra engineers Private Limited (MSIL). The company is into EPC business for over four decades. Over the years the company has established its presence in the state of Orissa. The net-worth of the sponsor stood at Rs.131.47 crore as on 31st March 2025 (Prov.). MSIPL holds 99.99 percent shares of JMMRPL and provided technical support and financial support including corporate guarantee to the project. Further, MSIPL has a strong financial flexibility as reflected from its healthy financial risk profile and adequate liquidity profile. Acuite believes that the healthy financial risk profile of the sponsor will support KKKH in completing the project on a timely basis.

### **Waterfall mechanism in ESCROW account and DSRA**

JMMRPL has escrow mechanism through which cash flows from Authority is routed and used for payment as per the defined payment waterfall. Only surplus cash flow after meeting operating expense, debt servicing obligation, and provision for major maintenance expense, can be utilised as per borrower's discretion during the concession period. Any mismatch in cash flows arising out of timing difference in receipt of annuity and debt repayment is expected to be met through support from MSIPL. The company is to maintain a debt servicer reserve account (DSRA) equivalent to six months interest and one principal repayment of ~ Rs.4.90 crore.

### **Low counter party risk**

The Project is issued and awarded by National Highway Logistics Management Limited (NHLML), 100 per cent subsidiary of National Highways Authority of India. The project is being developed under an annuity-based revenue model where JMMRPL bears no Passenger Flow Risk and recovers the entire capital cost through biannual annuity payments. JMMRPL received ~55 per cent of the project cost as construction grants, and the remaining will be paid in 30 semi-annual annuity instalments starting likely from April 2027, adjusted for the Price Index Multiple. JMMRPL will undertake operations and maintenance during the concession phase, with support from NHLML. JMMRPL has scheduled to receive its first milestone payments, in August 2025. The annuity model includes price index adjustments to mitigate inflation-related risks price fluctuation risk to a certain extent.

### **Weaknesses**

#### **High Project Execution Risk**

The appointment date of the project is 14<sup>th</sup> February 2025. The project is at very nascent stage of construction, where construction started from April 2025 with ~ 5 per cent of physical completion is achieved. The first milestone payment is expected by August/September 2025 at 6 per cent physical progress. Any delays in timely achievement of milestone may result into cost or time overrun. The total project cost is Rs.220.82 Cr, to be funded through Rs.28.64 Cr. from promoter's fund, Rs.119.40 Cr in the form of grants against milestones and term loan of Rs.72.78 Cr. which has been sanctioned. As of June 2025, the project cost incurred is Rs.22 Cr. which has been entirely contributed from the promoter's fund and rest is expected with milestone achievements. Thus, company is exposed to high project execution risk and moderate funding risk.

#### **Exposed to risks such as delay in receiving annuity payments and any changes in operational cost & interest rate.**

As per the concession agreement, the company is expected to receive a semi-annual annuity. Any delay in timely receipt of the annuity could adversely impact debt-servicing ability. Along with fixed annuities, the project will receive interest payments on the balance annuities at a rate equivalent of prevailing bank rate plus spread. Further, the company is exposed to risks related to maintenance of the project. If the prescribed standards and timely maintenances of the project are not performed, it will significantly affect the annuity payments. And with any significant delay or deduction in annuities could impact the debt servicing ability of the company. Acuite believes that any delay or deduction in annuities will affect the debt servicing capabilities of the JMMRPL.

#### **Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the "CE" suffix)**

JMMRPL shall be maintaining Debt Service Reserve Account (DSRA) for six-months debt servicing obligation (Principal and Interest) along with the ESCROW mechanism.

#### **Stress case Scenario**

Acuite believes that, given the presence of DSRA mechanism JMMRPL will be able to service its debt on time, even in a stress scenario.

### **Rating Sensitivities**

- Timely receipt of milestone payments from NHLML
- Timely support from the sponsor for O&M activities.
- Significant deterioration in the sponsor's credit profile

## **Liquidity Position**

### **Adequate**

JMMRPL's liquidity profile is adequate, supported by strong financial backing from its parent company, M S Infra Engineers Private Limited (MSIPL). The promoter has infused approximately Rs.22 crore to facilitate project execution. Additionally, the company is expected to receive milestone-based grant payments totalling Rs.119.40 crore from National Highways Logistics Management Limited (NHLML). A term loan of Rs.72.78 crore has also been sanctioned, pending disbursement. The presence of waterfall mechanism and the requirement to establish a Debt Service Reserve Account (DSRA), equivalent to six months of principal and interest payments, further strengthens the company's liquidity framework by mitigating potential mismatches. Acuité expects JMMRPL's liquidity to remain adequate, underpinned by continued promoter support, government-backed milestone and annuity inflows, and prudent financial structuring.

## **Outlook: Stable**

### **Other Factors affecting Rating**

None

### **Key Financials :**

The company is incorporated on May 03, 2024, financial statements for the year are not available.

### **Status of non-cooperation with previous CRA (if applicable)**

None

### **Any other information**

None

### **Applicable Criteria**

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Group And Parent Support: <https://www.acuite.in/view-rating-criteria-47.htm>

### **Note on complexity levels of the rated instrument**

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

### **Rating History :**

Not Applicable

**Annexure - Details of instruments rated**

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Union Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.35	Simple	ACUITE A3   Assigned
Union Bank of India	Not avl. / Not appl.	Forward Contracts	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.60	Simple	ACUITE A3   Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.27	Simple	ACUITE BBB-   Stable   Assigned
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Dec 2040	72.78	Simple	ACUITE BBB-   Stable   Assigned

**\*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr.No.	Name of the company
1	M S Infraengineers Private Limited
2	Jai Mahakaleshwar MSIL Ropeway Private Limited

## Contacts

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### About Acuité Ratings & Research

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