



PRESS RELEASE

DELHI MUMBAI EXPRESSWAY SPV GETS 'AAA' RATING

New Delhi, 16th March 2021: The National Highways Authority of India's fully owned Special Purpose Vehicle (SPV), DME Developers Ltd. (DMEL), has received AAA rating from CRISIL, CARE and India Rating. The SPV is executing the Delhi Mumbai Expressway project.

Through this SPV, NHA has planned to diversify its resource base and develop a project specific sustainable and self-liquidating approach to raise finances.

Delhi- Mumbai Expressway is a flagship greenfield project under 'Bharatmala Pariyojna'. The project is being executed under 48 sub-projects, out of which 17 are Hybrid Annuity Model projects (Vadodara-Mumbai segment) and 31 are under EPC Model (Delhi- Vadodara segment). Of these 48 sub-projects, 27 are under construction, 17 are awarded & work to be started and the rest are under process for awarding. The project is scheduled for completion by March 2023, with one of the stretches to JNPT getting completed by Sept 2023.

The total estimated cost of the greenfield project is about Rs.87,500 crore including land acquisition cost of about Rs. 20,600 crore. Expenditure other than land acquisition during construction period will be about Rs.53,849 Crore, to be funded through Rs.48,464 Crore debt and equity of about Rs.5,385 Crore from NHA, with debt equity ratio marked at 9:1.

For the project, DMEL's role will be limited to housing the debt and servicing thereof. For the debt, NHA is extending a Letter of Comfort to lenders. The Concession Agreement, Implementation Agreement and letter of Comfort have been finalized.

Annuity payments to DMEL will be structured to enable timely servicing of debt and other incidentals. NHA plans to form similar SPVs for other high value highway/expressway projects. This will further enhance NHA capability to execute large scale infrastructure projects of national importance.

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