

Pune Sholapur Road Development Company Limited

January 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long term bank facilities	417.71 (Reduced from 736.46)	CARE D	Rating removed from ISSUER NOT COOPERATING category and Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Pune Sholapur Road Development Corporation Limited (PSRDCL) has provided CARE Ratings with necessary information to undertake the rating exercise, owing to which, Issuer Non-Cooperating (INC) status of PSRDCL has been removed by CareEdge Ratings, while reaffirming the rating at CARE D.

National Company Law Appellate Tribunal (NCLAT) had passed an order on Oct 15, 2018, imposing moratorium on creditors of IL&FS along with its 348 group companies including PSRDCL and had classified the company under 'Red category' vide order dated Feb 11, 2019. Upon entering into Master restructuring agreement (MRA) as part of resolution plan of NCLAT, PSRDCL is servicing its debt including prepayment of debt. PSRDCL has created debt service reserve account (DSRA) equivalent to one quarter of debt servicing. However, over the last one year ended November 30, 2025, there have been multiple instances of underpayment in the interest obligations, aggregating to ~₹0.05 crore, with few of the lenders, as against interest charged by the lender. The same has been reflected in the bank statements provided by the company. As articulated by the management, the lenders have charged a higher rate of interest against the contracted rate leading to such underpayment of interest obligations.

CARE Ratings further takes note of transfer of 90.01%% shareholding (IL&FS Transportation network Limited's (ITNL) share of PSRDCL's to Roadstar Infra Investment Trust (Roadstar InvIT), an InvIT by floated ITNL.

The ratings continue to be constrained by inherent traffic risk associated with toll road projects, inherent operations & maintenance (O&M) risk and interest risk. The constraints are, however partially offset by its operational track record of 11 years of toll collection, and favourable location of project. Ratings also take cognizance of notable growth in toll collection in PSRDCL which led to prepayment of term debt and availability of major maintenance reserve account (MMRA) for mitigating O&M risk to an extent.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Track record of timely servicing of interest and debt obligations for at least 90 days

Negative factors

- Not applicable

Analytical approach: Standalone

Outlook: Not applicable

Detailed description of key rating drivers:

Key weaknesses

Various instances of underpayment of interest

PSRDCL was under NCLAT moratorium since October 15, 2018, and was classified under 'Red category' by NCLAT vide order dated February 11, 2019, leading to delays in debt servicing. As part of the resolution process under NCLAT, a Master Restructuring Agreement (MRA) was executed with the lenders in June 2023. Under the IL&FS Group's resolution framework, shareholding of 90.01% of ITNL in PSRDCL was transferred to Roadstar Infra Investment Trust (Roadstar InvIT) on May 16, 2023, and post transfer to InvIT, the company exited NCLAT moratorium and resumed servicing its debt obligations. Per the terms of MRA,

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

PSRDCL has done mandatory prepayment of debt of ₹69 crore as on September 2024. In addition, PSRDCL has made voluntary prepayment of ₹23 crore in April 2025.

Despite these developments, there were various instances of underpayment of interest to certain lenders (Bank of India, Punjab National Bank, UCO Bank, Canara Bank, Indian Overseas Bank, Indian Bank, IndusInd Bank, Bank of Maharashtra), aggregating to ~₹0.05 crore, as reflected in the bank statements of last one year. As articulated by the management, the same is primarily on account of charging of higher than contracted rate of interest by the lender, for which they have requested for reversal of the same. Impending final outcome from lender, PSRDCL has serviced lower interest amount leading to underpayment in interest servicing. Going forward, resolution of such disputes and timely servicing of the debt obligations including interest in full shall be a key credit monitorable for establishing a regular debt servicing track record.

Inherent revenue risk considering toll-based revenue model

For any toll project, there is an inherent risk associated with the sustainability and growth of traffic. As the revenue depends upon the traffic that plies on the stretch, the company is exposed to uncertainties with respect to the revenue.

Inherent O&M, MM and interest rate risk

PSRDCL is mandated to maintain the road stretch as per the terms of the concession agreement (CA) and hence, there is an element of O&M risk associated. By virtue of being transferred to InvIT, the O&M for the project would be undertaken by project manager of InvIT i.e., M/s Elsamex Maintenance Services Ltd. (Elsamex). Elsamex is the EPC arm of IL&FS Transportation Network Limited (ITNL) group having considerable experience in handling road projects albeit with modest credit profile. With respect to Major Maintenance, contract has been awarded to M/s Everest Infra Developers for undertaking major maintenance of ~ Rs. 90 crore to be incurred in FY25-FY26. Availability of Major maintenance reserve account (MMRA) mitigate the funding risk for undertaking major maintenance to an extent. The company also faces interest rate-related risk as the entire debt is in the form of term loans with floating interest rates.

Key strengths

Operational status of the project with healthy toll collection in FY25

PSRDCL achieved PCOD on August 31, 2013, and has an operational track record of over 12 years of healthy toll collection. In FY25, toll collection registered y-o-y growth of 11% to Rs.241.35 crore (average daily toll collection (ADTC) ₹66.12 lakh per day) as against toll collections of ₹216.57 crore during FY24 (ADTC: ₹59.33 lakh per day) primarily driven by growth in traffic and toll rate hike. In 5MFY26 (refers April 1 to Aug 31), PSRDCL has reported a toll collection of ₹107.73 crore (ADTC: ₹70.41 lakh per day).

Favourable project stretch thereby resulting in demand prospects for traffic in the project corridor

The project stretch starts from Km. 144.9 (near Indapur in Pune district) and ends at Km. 249.0 near Solapur with a length of 101.30 Kms on NH-65. The project road falls under two districts of Maharashtra namely Pune and Solapur. NH-65 runs in the east- west direction through the states of Maharashtra, Karnataka, Telangana, and Andhra Pradesh (total length: 926 km). It starts from Pune (Maharashtra) and ends at Machilipatnam (in Andhra Pradesh). The traffic on the project stretch during FY25 was dominated by Passenger vehicles. The major influence areas for passenger traffic are Pune, Solapur and Mumbai.

Liquidity: Adequate

PSRDCL's liquidity position remains adequate, however there have been instances of underpayment of interest charged by the lenders despite available liquidity. While PSRDCL has cash and cash equivalents of ₹145.26 crore as on May 31, 2025, including DSRA equivalent to one quarter of its debt obligations created in the form of fixed deposit receipts (FDR) of ₹21.35 crore. The lenders have however, not utilised the DSRA of available liquidity in the escrow account to recover the under paid interest.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Infrastructure Sector Ratings](#)

[Toll Road Projects](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport Infrastructure	Road Assets–Toll, Annuity, Hybrid-Annuity

Incorporated in 2009, PSRDCL is a special purpose vehicle (SPV) floated by IL&FS Transportation Networks Ltd. (ITNL, rated 'CARE D/ Issuer Not Cooperating'). PSRDCL was awarded project by National Highways Authority of India (NHAI, rated 'CARE AAA; Stable') to undertake design, engineering, construction, development, finance and operation & maintenance of four-laning of Pune-Sholapur section of NH-9 from km 144.400 to km 249.000 in the State of Maharashtra under National Highways Development Project Phase III on design, build, finance, operate and transfer (DBFOT) basis. CARE Ratings does not have update on the latest developments in this regard. On August 23, 2013, the company received provisional commercial operations date (PCOD) for 80.85 km of the total stretch of 104.6 km (77%). Toll collection commenced from August 23, 2013. Thereafter the company received final COD on February 03, 2016, and was allowed to collect toll on the entire stretch. PSRDCL was initially promoted by ITNL (rated 'CARE D; INC'); however, the entire shareholding of ITNL was transferred in FY24 to Roadstar Infra Investment Trust.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	223.99	243.22
PBILDT*	148.83	179.42
Profit after tax (PAT)	0.00	0.00
Overall gearing (x)	NM	NM
Interest coverage (x)	0.95	1.12

A: Audited; Note: these are latest available financial results; NM: Not meaningful

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	31-03-2032	417.71	CARE D

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	417.71	CARE D	-	1)CARE D; ISSUER NOT COOPERATING * (09-Jan-25)	1)CARE D; ISSUER NOT COOPERATING * (10-Oct-23)	1)CARE D; ISSUER NOT COOPERATING * (26-Jul-22)

*Issuer did not cooperate; based on best available information.

LT: Long term;

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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