August 28, 2026

Roadstar Infra Investment Trust: Rating reaffirmed and withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Issuer rating	0.00	0.00	[ICRA]A (Stable); reaffirmed and withdrawn	-^
Total	**0.00**	**0.00**		

**Instrument details are provided in Annexure I*

^Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

 # SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments, which fall under the regulatory purview of financial sector regulators other than SEBI.

ICRA has undertaken a consolidated financial analysis of Roadstar Infra Investment Trust (RIIT/the Trust/ the InvIT) and its six underlying special purpose vehicles (SPVs). Of the six assets, four are under the National Highway Authority of India's (NHAI) concession framework (three toll and one annuity), one toll asset under the Ministry of Road Transport and Highways (MORTH) and one annuity project from Kerala Road Fund Board (KRFB). The four toll road projects are Pune Sholapur Road Development Company Limited (PSRDCL), Moradabad Bareilly Expressway Limited (MBEL), Sikar Bikaner Highway Limited (SBHL) and Barwa Adda Expressway Limited (BAEL) and two annuity road projects are Hazaribagh Ranchi Expressway Limited (HREL) and Thiruvananthapuram Road Development Company Limited (TRDCL). RIIT holds 100% equity stake in MBEL, SBHL, BAEL and 90.01% in PSRDCL, 99.90% in HREL and 50% in TRDCL.

Rationale

ICRA has withdrawn the issuer rating assigned to Roadstar Infra Investment Trust (RIIT) at the company's request in accordance with ICRA's policy on withdrawal of credit rating.

The rating reaffirmation factors in the long operational track record of the Trust's SPVs (average toll collection record exceeding 10 years for the toll SPVs and more than 20 semi-annuities for the annuity SPVs). The toll portfolio reported a healthy performance, with toll collections registering a CAGR of 9.9% over FY2021-FY2026, supported by a traffic CAGR of around 7% during the same period. The asset portfolio is geographically spread across six states, namely Maharashtra, Rajasthan, Uttar Pradesh, West Bengal, Jharkhand and Kerala, with the top three states contributing around 86% of the consolidated revenues in FY2026. Following the prepayment of HREL's senior debt in FY2026, the quantum of scheduled payments has reduced. The InvIT is in the process of refinancing the SPV-level debt at the InvIT level, which is expected to enable full cash-pooling benefits across all SPVs. Additionally, PSRDCL has received an arbitration award of ~Rs. 499.1 crore from the NHAI, which will be utilised towards prepayment of the project-level debt. This is likely to lower the quantum of the refinanced debt at the InvIT level, whenever it happens.

The InvIT has comfortable debt coverage metrics over the debt tenure and has adequate debt structure. The rating takes comfort from SEBI's InvIT regulations that restrict the consolidated borrowings and deferred payments for the InvIT and its SPVs, thereby limiting the leverage that can be undertaken by the Trust. ICRA draws comfort from the management's guidance of maintaining leverage below 49% of loan-to-value (LTV), thereby supporting RIIT's credit profile.

ICRA notes the change in unitholding pattern of the InvIT post the listing of InvIT. As on March 31, 2026, 15.1% of the total units is held by Roadstar Infra Private Limited (RIPL, a wholly-owned subsidiary of ITNL), which is the sponsor for RIIT. Of the balance 84.9%, ~78% has been distributed among the creditors of the IL&FS Group and the rest ~7% (currently held by IL&FS group entities) will be transferred to creditors of the IL&FS Group in the due course.

The rating, however, is constrained as RIIT remains exposed to risks inherent in toll road projects, including those arising from the cyclicality in traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or alternative modes of transportation. There is an upcoming alternative route for two large[1] SPVs viz. MBEL and BAEL, which is expected to lead to traffic diversion in the medium term. Most of these SPVs are coming out of stress period[2], where the lenders have suffered NPV loss, though there has been no haircut taken on the principal amount during the resolution plans of these assets. As a part of resolution plan, the lenders have relinquished their right to recompense in the future. The restricted payment condition stipulated by various lenders under each SPVs restricts payment of surplus to the Trust to the extent of repayment of RIIT sub-debt, thereby restricting full cash flow fungibility among SPV entities. The proposed refinancing of the SPV-level debt at the InvIT level is expected to enable full cash-pooling benefits across all SPVs and remains a monitorable. The rating factors in the past instances of inadequate maintenance track record of project SPVs under RIIT, leading to the Concessioning Authority levying penalties in numerous instances across SPVs. ICRA, nevertheless, notes the healthy progress in catch-up maintenance requirement resulting in significant reduction in incremental penalties being levied. All SPVs have entered into fixed-price contracts with Elsamex Maintenance Services Limited (EMSL) for the entire concession period to carry out operations and maintenance (O&M) activities. Nonetheless, any material deductions in annuities and/or higher outflows on account of O&M activities, as seen in the past, could adversely impact the coverage metrics. Therefore, the SPVs' ability to demonstrate a consistent track record of operating assets without adverse observations, penalties, or deductions, and within the budgeted cost, will remain important from a credit perspective. Additionally, the SPV's ability to ensure sufficient liquidity for timely carrying out of MM activities during the entire concession period remains critical from the credit perspective. Any material adverse observation from authority/IE or penalty/deduction from authority will be a credit negative. ICRA takes note of the outstanding contingent liability of Rs. 344.2 crore across the portfolio as on March 31, 2026. Most of these liabilities pertain to tax disputes and the amount remains significant. Any crystallisation of these liabilities would adversely impact cash flows.

RIIT, like any other InvIT, remains exposed to the risks associated with any further asset acquisition, which could materially impact its operational and financial risk profile. The raising of additional debt for asset acquisition could pressure the coverage metrics. Any regulatory changes that can affect its financial risk profile could be a credit negative. ICRA notes that certain creditors of the IL&FS Group have appealed against the NCLAT-approved Resolution Framework for the IL&FS Group, which also resulted in the formation of RIIT. The matter is pending before the Supreme Court. Any adverse ruling in this matter that materially weakens the Trust's credit profile would be a credit negative.

The Stable outlook on the rating reflects ICRA's expectation that the Trust will benefit from the healthy growth in toll collections for its portfolio assets in the medium term, comfortable debt coverage metrics, and adequate leverage profile.

Key rating drivers and their description

Credit strengths

Road projects with operational track record, spread across six states – The rating reaffirmation considers the long operational track record of the Trust's SPVs (average toll collection record exceeding 10 years for the toll SPVs and more than 20 semi-annuities for the annuity SPVs). The toll collections for RIIT's toll portfolio recorded a CAGR of 9.9% during FY2021-FY2026, driven by a ~7% CAGR in traffic during the same period. The asset portfolio is spread over six states viz. Maharashtra, Rajasthan, Uttar Pradesh, West Bengal, Jharkhand and Kerala, with the top three states contributing to around 86% of the consolidated revenues in FY2026.

Comfortable financial profile – The InvIT has comfortable debt coverage metrics over the debt tenure and has adequate debt structure. The rating draws comfort from the SEBI InvIT regulations that restrict the aggregate consolidated borrowings and deferred payments for the InvIT and its SPVs, thereby limiting the leverage that can be undertaken by the Trust. ICRA draws comfort from the management's guidance of leverage to remain below 49% of LTV, thereby supporting RIIT's credit profile.

---

[1] *In terms of contribution to cashflow available for debt servicing (CFADS)*

[2] *Four out of six assets have undergone resolution plan under Circular no. 'BP.BC.45/21.04.048/2018-19 dated June 07, 2019 of Reserve Bank of India', of which specified period for two is yet to be completed.*

Further, the proposed refinancing of the SPV-level debt at the InvIT level is expected to enable full cash-pooling benefits across all SPVs, thereby supporting the Trust's credit profile.

Credit challenges

Risks inherent in BOT toll road and annuity projects – The rating, however, is constrained as RIIT remains exposed to risks inherent in toll road projects, including those arising from the cyclicality in traffic growth, inflation-linked toll rate increase, risk of political acceptability of rate hikes over the concession period, the likelihood of toll leakages, development or improvement of alternative routes or alternate modes of transportation. There is an upcoming alternative route for two large SPVs viz. MBEL and BAEL, which is expected to lead to traffic diversion in the medium term. Further, the cash flows remain vulnerable to the risk of delayed receipt and deductions of annuities. Any higher-than-expected reduction in traffic or material delay/deduction in annuities, as seen in the past, could have an adverse impact on the debt coverage indicators. Additionally, the SPV's ability to ensure sufficient liquidity for timely carrying out of MM activities during the entire concession period remains critical from the credit perspective. Any material adverse observation from authority/IE or penalty/deduction from authority will be a credit negative.

Risk of further asset acquisition by the Trust and its funding pattern – RIIT, like any other InvIT, remains exposed to the risks associated with any further asset acquisition, which could materially impact its operational and financial risk profile. If the InvIT acquires any other asset or raises additional debt in future, ICRA will at that juncture, evaluate the effect of the same on the rating. Also, any regulatory changes that can affect its financial risk profile will remain a monitorable. Nonetheless, ICRA takes note of the management's guidance to keep the overall leverage below 49% and partially deploy inflows from the ongoing arbitration, if any, towards deleveraging going forward.

Liquidity position: Adequate

The Trust and Its SPVs reported a free cash balance and liquid investments of Rs. 248.1 crore as on March 31, 2026, including DSRA of Rs. 182.7 crore (maintained by the four toll SPVs which carry external debt). The Trust's repayment obligations over FY2027 and FY2028 are estimated to be Rs. 1,014.6 crore (including the prepayment of PSRDCL's project-level debt, which is backed by arbitration inflows of ~Rs. 499.1 crore) and Rs. 462.3 crore, respectively, which can be comfortably serviced from the expected operational cash flows.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if the InvIT's is able to achieve 100% cash pooling benefits across all its SPVs. Further, a significant improvement in the average DSCR over the debt tenure, driven by higher-than-expected toll collections and/or material reduction in leverage could warrant an upgrade. Additionally, a consistent track record of operating assets without any adverse observations, penalties, or deductions, and within the budgeted cost, could support a positive rating action.

Negative factors – Negative pressure on the rating could arise if lower-than-anticipated toll collections or higher-than budgeted O&M costs result in deterioration of coverage metrics. Further, increase in leverage, or crystallisation of any contingent liabilities or penalties by the authority, which could materially impact the liquidity or coverage metrics will be a credit negative. The rating maybe downgraded if there is any non-adherence to the debt structure. Specific metrics include average DSCR over the debt tenure falling below 1.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Infrastructure Investment Trusts (InvITs) Roads - BOT Toll Roads - Annuity Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the consolidated financial statements of the RIIT (list of entities given in Annexure II)

About the company

RIIT is an irrevocable trust set up under the Indian Trusts Act, 1882 and registered with the Securities and Exchange Board of India (SEBI) as an Infrastructure Investment Trust under the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended. RIPL, a subsidiary of ITNL, is its sponsor, while the investment manager of the Trust is Roadstar Investment Managers Limited. RIIT's project manager is Elsamex Maintenance Services Ltd. and the trustee is Axis Trustee Services Limited.

At present, the Trust has six assets, which includes three operational toll road projects — Pune Sholapur Road Development Company Limited (PSRDCL), Moradabad Bareilly Expressway Limited (MBEL), Sikar Bikaner Highway Limited (SBHL), one tolling during construction toll road project — Barwa Adda Expressway Limited (BAEL) and two annuity road projects — Hazaribagh Ranchi Expressway Limited (HREL) and Thiruvananthapuram Road Development Company Limited (TRDCL).

Key financial indicators (audited)

RIIT – Consolidated	FY2025	FY2026
Operating income (Rs. crore)	931.6	1,156.8
PAT (Rs. crore)	-11.1	-273.5
OPBDIT/OI (%)	64.7%	64.6%
PAT/OI (%)	-1.2%	-23.6%
Total outside liabilities/Tangible net worth (times)	1.0	1.1
Total debt/OPBDIT (times)	6.1	4.4
Interest coverage (times)	1.7	1.8

Source: Company, ICRA Research; All ratios are as per ICRA's calculations; OI: Operating income; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation Note: RIIT follows Ind AS, and key financial ratios are not representative of actual cash flows

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs. crore)	Aug 28, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Issuer rating	Long-term	0.00	[ICRA]A (Stable); reaffirmed and withdrawn	May 29, 2025	[ICRA]A (Stable)	-	-	Mar 27, 2024	[ICRA]BBB + (Stable)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Issuer rating	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	**Issuer rating**	NA	NA	NA	0.00	[ICRA]A (Stable); reaffirmed and withdrawn	-^

Source: Company

^Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of financial sector regulators other than SEBI.

Annexure II: List of entities considered for consolidated analysis

Company name	RIIT ownership	Consolidation approach
Hazaribagh Ranchi Expressway Limited (HREL)	99.99%	Full consolidation
Pune Sholapur Road Development Company Limited (PSRDCL)	90.91%	Full consolidation
Moradabad Bareilly Expressway Limited (MBEL)	100.00%	Full consolidation
Sikar Bikaner Highway Limited (SBHL)	100.00%	Full consolidation
Thiruvananthapuram Road Development Company Limited (TRDCL)	50.00%	Full consolidation
Barwa Adda Expressway Limited (BAEL)	100.00%	Full consolidation

Source: Company

ANALYST CONTACTS

Anupama Reddy
+91 40 6939 6427
anupama.reddy@icraindia.com

Mrinal Jain
+91 124 4545 863
mrinal.j@icraindia.com

Suprio Banerjee
+91 22 6114 3443
supriob@icraindia.com

Anirudh Goel
+91 22 6169 3300
anirudh.goel@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

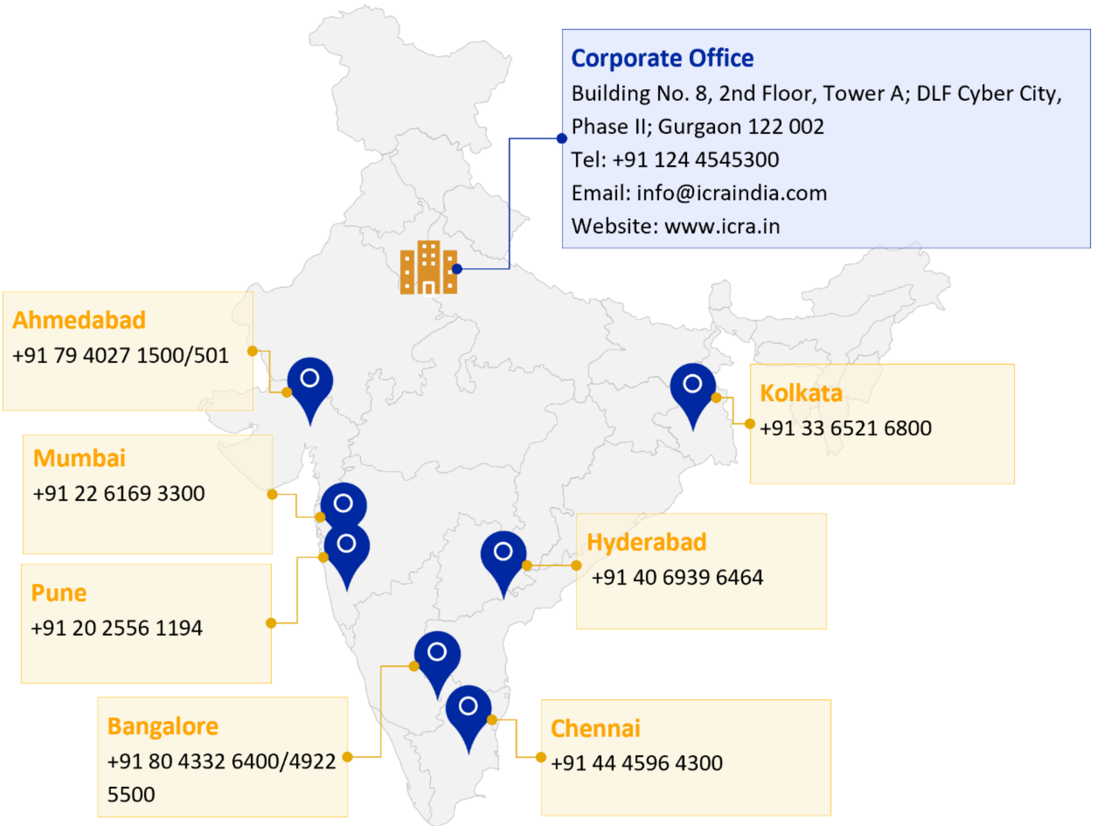
For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.