Press Release
MSRDC SEA LINK LIMITED
November 14, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1550.00	ACUITE AA- | Stable | Reaffirmed	-
Non Convertible Debentures (NCD)	100.00	ACUITE AA- | Stable | Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	1650.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed its long-term rating of **'ACUITE AA-' (read as ACUITE double A minus)** on the Rs. 1550.00 Cr. bank loan facility of MSRDC Sea Link Limited (MSLL). The outlook is **'Stable'**.
Acuité has reaffirmed its long-term rating of **'ACUITE AA-' (read as ACUITE double A minus)** on the Rs. 100 Cr. on the Non Convertible Debentures (NCD) of MSRDC Sea Link Limited (MSLL). The outlook is **'Stable'**.

Rationale for the rating
The rating reflects MSLL's healthy operational track record with improving toll collections and continued financial assistance from its parent i.e Maharashtra State Road Development Corporation (MSRDC) and the Government of Maharashtra (GoM). Further, rating draws comfort from the presence of, escrow mechanism with debt service reserve account (DSRA) equivalent to six months of principal and interest and major maintenance reserve account (MMRA). However, the rating is constrained by MSLL's leveraged capital structure & low coverage indicators and vulnerability of earnings to traffic fluctuations on the Bandra Worli Sea Link (BWSL).

About the Company
MSLL is a special purpose vehicle promoted by MSRDC in October 2018 for operation, maintenance and toll collection of the Bandra-Worli Sea Link (BWSL) Bridge situated in Mumbai, Maharashtra. The total length of the sea link is 5.6 kms consisting of 8 lane bridge of 4 kms which includes a cable stayed portion of 500 metres and Bandra side approach of 1.6 kms. BWSL connects two key suburbs of Bandra and Worli in Mumbai significantly reducing commute time. The toll collections rights of BWSL were transferred to MSLL in February 2020 from MSRDC for a consideration of Rs. 3,000 Cr. This is to be disbursed in two tranches of Rs. 1,940 Cr. paid upfront and Rs. 1,060 Cr. deferred payment to be made in 2039. The first tranche was a funded debt of Rs. 1,650 Cr. and rest through promoter's contribution. The current directors of MSLL are Mr. Rajesh Patil, Mr. Manuj Jindal, and Mr. Vijaya Shenoy.

Unsupported Rating
Not Applicable

Analytical Approach

Acuité has considered a standalone approach while assessing the business and financial risk profile of MSSL and has factored in financial, operational and managerial assistance it receives from GoM through MSRDC by virtue of being a step down subsidiary of the GoM. The rating factors in the 100 percent holding of MSRDC (a GoM entity) in MSSL along with the strategically important role played by the entity in operating a key infrastructure project in the state.

Key Rating Drivers

Strengths

Strong parentage and financial assistance from MSRDC
A tripartite Concession Agreement has been executed amongst MSLL as the Concessionaire, MSRDC as the Sponsor & GOM as the Concessioning Authority in 2019. This agreement forms the basis of the assistance from GOM available to MSLL. As per articles of the agreement in case of shortfall in revenue during the concession period or in case of increase in operational & maintenance costs beyond what was earlier envisaged it would be met by the concessioning authority. Further, MSRDC continue to provide aids and has infused unsecured loans which are subordinated to bank debt, outstanding loans of Rs.1,466,66 Cr. as on March 31, 2025 (includes accrued interest @ 7%). Furthermore, to meet the cashflow mismatches and support debt servicing, MSRDC has infused ~Rs.50.75 Cr. in FY2025 (Prov.) (~Rs.21.65 Cr. infused in FY24).

Acuite believes that being a strategic infrastructure project of state, the company shall continue to receive benefits from its parent and GoM.

Improving toll revenues
The toll collections have improved to Rs. 177.57 Cr. in FY2025 (Prov.) against Rs. 148.11 Cr. in FY2024 (Prov.). These have further improved at around ~Rs. 106.51 Cr. in H1FY2026 against Rs.88.42 Cr. in H1FY2025. The improvement is primarily on account of moderate increase in traffic and increase in the one-way tariff rate from Rs.85 to Rs.100 w.e.f April 1, 2024. Going forward, Acuite believes the traffic volume is expected to grow and shall also be supported by enhanced connectivity through the southbound Coastal Road and its planned extension to Versova and Virar, which is likely to boost commuter preference for the Bandra Worli Sea Link (BWSL) as a faster transit corridor.

Presence of an escrow account with maintenance of DSRA & MMRA
The company also maintains an escrow account through transactions are routed as per the guideline defined in the escrow agreement. Further, the company maintains DSRA equivalent to six months debt service obligation (principal and interest) in the form of fixed deposits to mitigate any unforeseen risk. The company also maintains a major maintenance reserve account to meet the maintenance expenses over the concession period. The current outstanding DSRA stands at Rs.79.29 Cr. and MMRA stands at ~Rs.20 Cr. as on March 31, 2025 (Prov.).

Weaknesses

Low debt coverage indicators
While the operating performance is improving, the net cash accruals continue to remain inadequate to service debt obligations. The interest coverage ratio and debt service coverage ratio stood low at 0.72 times and 0.56 times respectively in FY2025 (Prov.). Additionally, while actual coverage indicators remain lower than the stipulated financial covenants, however, rating draws comfort from the continued assistance from GoM & MSRDC and presence of adequate DSRA.

Susceptibility of profits towards traffic volume
The BWSL project connects two key suburbs Bandra and Worli. The cash flows are entirely toll based; thus, operations are susceptible to fluctuations in traffic volume. Traffic movement is linked to the level of economic activity in and around the operational area. Any event or regulatory interventions are likely to affect traffic movement which may create pressure on toll revenues, thereby affecting the cash flows of MSLL.

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)

MSLL maintains a debt service reserve account equivalent to six-months of repayment obligations along with escrow mechanism.

Stress case Scenario

Acuité believes that, given the presence of six-months DSRA and escrow mechanism, MSLL will be able to service its debt on time, even in a stress scenario.

Rating Sensitivities

- Increase in traffic and toll collection volumes enabling MSLL to generate cash flows commensurate with repayment obligations
- Continued managerial and financial assistance from GOM

All Covenants

1) DSRA shall be maintained during the tenor of the facility of an amount equivalent to the ensuring 2 quarters debt obligations (Principal + Interest)

2) Any funds infused by the sponsors shall be subordinate to senior debt and servicing/redemption/repayment of such funds will be governed under the restricted payment conditions. Interest on such funds, if any, will be lower than the interest being charged on the senior debt and will be subordinate to senior debt.

Liquidity Position

Adequate

MSLL has generated negative cash accruals in FY2025(Prov.). However, it enjoys timely infusions from MSRDC and GOM in the form of unsecured loans to manage its repayment obligations. Further, as the traffic volumes and mobility increases there will be adequate cushion between cash accruals and repayment obligations. Going ahead, the company has a repayment obligation to the tune of Rs. 87.86 Cr. and Rs. 94.88 Cr. in FY2026 & FY2027 which will be repaid using the cash generated from operations and infusion of funds by the sponsor, if needed.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Provisional)
Operating Income	Rs. Cr.	177.57	148.11
PAT	Rs. Cr.	(224.59)	(237.63)
PAT Margin	(%)	(126.48)	(160.44)
Total Debt/Tangible Net Worth	Times	2.23	1.93
PBDIT/Interest	Times	0.72	0.66

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

Not Applicable

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
• State Government Ratings : https://www.acuite.in/view-rating-criteria-26.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. Acuite'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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Nov 2024	Term Loan	Long Term	1550.00	ACUITE AA- | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	100.00	ACUITE AA- | Stable (Reaffirmed)
17 Nov 2023	Non-Covertible Debentures (NCD)	Long Term	100.00	ACUITE AA- | Stable (Reaffirmed)
	Term Loan	Long Term	1550.00	ACUITE AA- | Stable (Reaffirmed)
17 Nov 2022	Non-Covertible Debentures (NCD)	Long Term	100.00	ACUITE AA- | Stable (Assigned)
	Term Loan	Long Term	1550.00	ACUITE AA- | Stable (Reaffirmed)
07 Feb 2022	Term Loan	Long Term	1550.00	ACUITE AA- | Stable (Assigned)
	Non-Covertible Debentures (NCD)	Long Term	100.00	ACUITE Provisional AA- | Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	INE04K307016	Non-Convertible Debentures (NCD)	30 Mar 2021	Not avl. / Not appl.	30 Mar 2046	100.00	Simple	ACUITE AA- | Stable | Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Jul 2035	1550.00	Simple	ACUITE AA- | Stable | Reaffirmed

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

Sr.No.	Company Name
1	Government of Maharashtra
2	Maharashtra State Road Development Corporation
3	MSRDC Sea Link Limited

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About Acuité Ratings & Research

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