

Press Release
RAJ INFRA NSK 60 LLP
August 29, 2025
Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short T
Bank Loan Ratings	50.00	ACUITE A- Stable Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	50.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating to ‘**ACUITE A- (read as ACUITE A minus)**’ on the Rs. 50.00 crore bank facilities of Raj Infra NSK 60 LLP (RINSK). The outlook is ‘**Stable**’.

Rationale for Rating

The rating reaffirmation considers the firm’s improved cash flow visibility, demonstrated by the receipt of seven annuity payments compared to five earlier, along with effective management of operations and maintenance (O&M) expenses. Liquidity remains adequate, supported by a Debt Service Reserve Account (DSRA) equivalent to one semi-annual instalment and six months’ interest, in addition to an established escrow mechanism. The rating also considers the financial support provided by the sponsor, Raj Infrastructure Developments India Private Limited, through corporate guarantees for the loan facilities. The ratings are constrained by the entity’s profitability and the cashflows being exposed to the risk related to delay in annuity payments and changes in operational and interest cost.

About the Company

The entity is an SPV sponsored by Raj Infrastructure Developments (India) Private Limited (RID IPL). Raj Infra NSK 60 LLP was formed in 2018, for the construction of road in Dhule district in the state of Maharashtra and is Pune based entity. It’s core business focuses on highway construction, irrigation projects, land development, industrial & residential construction, public private projects. Designated Partners of Raj Infra NSK 60 LLP are Mr. Adhiraj Ram Nimbalkar and Mr. Ram Udaysing Nimbalkar.

Unsupported Rating

Not Applicable

Analytical Approach

For arriving at the rating, Acuite has considered the standalone credit profile of RINSK, which is strengthened by the managerial support from the sponsor –RID IPL. Further, Acuite has also considered DSRA equivalent to 1HY instalment and six months interest and escrow mechanism, as specified in the loan sanction letter while arriving at the rating.

Key Rating Drivers

Strengths

Benefits derived from the annuity-based revenue model

The project being developed has an annuity-based revenue model. Under this model, PWD, Maharashtra makes semi-annual payment over the concession period to the concessionaire. The company does not bear any traffic risk as it recovers whole of the capital cost through annuity. Further, semi-annual operational and maintenance expense and interest cost reimbursement to the extent of bank rate + 3.00 per cent is given to the concessionaire during the concession phase. The company has achieved 100 per cent construction stage. Further, the company has received the final completion certificate and seven annuity payments from the authorities. Further, the company has availed a loan from SBI Rs. 50.00 Cr. the repayment of which has started with current outstanding of ~Rs.41.76 Cr.

Technical and financial support from RID IPL

RID IPL has more than thirty years of experience in the construction business and has established a track record for successful project execution. The company is led by the Nimbalkar family, since inception. It has successfully completed various projects with several reputed counterparties like NHAI, Public Works Departments,

Maharashtra and MSRDC among others. The net worth of the company stood at Rs. 325.66 Cr. as on 31st March 2025(Prov.). The long-standing experience of the promoter and long track record of operations has helped the company to maintain healthy relations with clients and sanctioning authorities. Acuité believes that sponsor's entrepreneurial experience and long track of operations will support its business risk profile over the medium term.

Waterfall mechanism in ESCROW account

RINSK has escrow mechanism through which cash flows from Authority is routed and used for payment as per the defined payment waterfall. Any surplus cash flow after meeting operating expense, debt servicing obligation, and provision for major maintenance expense, is to be utilised to prepay the loan amount without any prepayment penalty during the concession period. Furthermore, corporate guarantee given by the sponsor - RIDIPL and personal guarantee by its promoters.

Weaknesses

Susceptibility to risks related to delay in receipt of annuity and 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 that are linked to the prevailing bank rate. The reduction in the bank rate will impact the project inflow as a large proportion of the cash inflow is from the interest on balance annuities. However, this risk is partially offset as the interest rate on debt is floating and is also expected to follow the trend in bank rates thus keeping DSCR in check. Further, the company is exposed to risks related to maintenance of the project. If the prescribed standards are not met, annuity payment may be reduced. Any significant delay and deduction in annuities could impact the debt servicing ability of the company. However, strong track record of sponsor, who is also the O&M contractor, is expected to mitigate this risk.

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)

RINSK shall be maintaining Debt Service Reserve Account (DSRA) for 1HY instalment and six months of interest along with the ESCROW waterfall mechanism.

Stress case Scenario

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

Rating Sensitivities

Timely receipt of annuity payments from the Government going forward
Significant deterioration in the sponsor's credit profile

Liquidity Position

Adequate

RINSK's liquidity position is adequate marked by timely milestone payment received from PWD, while executing the Back to top 11 project and the company has started receiving annuity payments from April 2022. The project was completed as per schedule time. Besides, the firm has pre-paid its loan to the extent of Rs.1.25 cr. Acuité expects the liquidity of RINSK is likely to remain adequate backed by consistent support from government in terms of annuity payments and also DSRA maintained by the company equivalent to 1HY instalment and six months of interest.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	10.49	13.10
PAT	Rs. Cr.	1.50	1.33
PAT Margin	(%)	14.29	10.17
Total Debt/Tangible Net Worth	Times	1.32	1.32
PBDIT/Interest	Times	1.52	1.45

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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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>

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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 May 2024	Term Loan	Long Term	50.00	ACUITE A- Stable (Reaffirmed)
03 Mar 2023	Term Loan	Long Term	50.00	ACUITE A- Stable (Assigned)

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	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.48	Simple	ACUITE A- Stable Reaffirmed
State Bank of India	Not avl. / Not appl.	Term Loan	05 Nov 2022	Not avl. / Not appl.	17 Jul 2030	43.52	Simple	ACUITE A- Stable Reaffirmed

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About Acuité Ratings & Research

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