

February 24, 2023

Cube Highways Trust: Ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Proposed Term Loan	1,500.00	10,000.00	Provisional [ICRA]AAA (Stable); Reaffirmed/Assigned
Total	1,500.00	10,000.00	

*Instrument details are provided in Annexure-I

Rating in the absence of the pending actions/ documents	No rating would have been assigned as it would not be meaningful
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The rating assigned by ICRA for the term loan of Cube Highways Trust (Cube InvIT/InvIT/the Trust) is not a comment on the ability of the InvIT to meet distribution/dividend pay-outs to unitholders/investors; neither should it be construed as an opinion on the debt servicing ability of the individual project assets or special purpose vehicles (SPVs) held by the InvIT.

ICRA has undertaken a consolidated financial analysis of Cube InvIT and the proposed 25 SPVs [including seven assets for which InvIT will have Right of First Offer (ROFO assets)] to be housed under the InvIT. The first tranche (at the time of placement of units of InvIT) will include 18 assets, which comprise 17 National Highways Authority of India (NHAI, rated [ICRA]AAA (Stable)) toll road assets viz. — Jaipur-Mahua Tollway Ltd (JMTL, rated [ICRA]AAA (Stable)), Mahua Bharatpur Expressways Ltd (MBEL), Farakka Raiganj Highways Ltd. (FRHL), Walayar Vadakkencherry Expressways Private Limited (WVEPL), Nelamangala Devihalli Expressway Pvt Ltd (NDEPL, rated [ICRA]AA (Stable)), Western UP Tollway Pvt. Ltd. (WUPTL), DA Toll Road Pvt Ltd. (DATRPL), Hazaribagh Tollway Ltd (HBL), Jhansi Vigakhet Tollway Ltd (JVTL), Jhansi Lalitpur Tollway Ltd (JLTL), Kanyakumari Etturavattam Tollway Limited (KETL), Nanguneri Kanyakumari Tollway Limited (NKTL), Salaipudhur Madurai Tollway Limited (SMTL), Madurai Kanyakumari Tollway Limited (MKTL), Kotwa Muzaffarpur Tollway Ltd (KMTL), Lucknow Raebareli Tollway Ltd (LRBL), Ghaziabad Aligarh Expressway Private Ltd (GAEPL), and one NHAI annuity project - Andhra Pradesh Expressways Ltd (APEL, rated [ICRA]AAA (Stable)). All of the 18 assets under the first tranche are already acquired and are 100% held by the Cube Group.

The second tranche will comprise ROFO assets - six NHAI hybrid annuity model (HAM) projects viz. Borgaon Watambare Highways Private Limited (BWHPL), Mangloor Highways Private Limited (MHPL), Mangalwedha Solapur Highways Private Limited (DMSHPL), KNR Tirumala Infra Private Limited (KTIPL), KNR Shankarampet Infra Private Limited (KSIPL, rated [ICRA]AAA (Stable)), KNR Srirangam Infra Private Limited (KSRIPL, rated [ICRA]AAA (Stable)), and one state toll road project - N.A.M. Expressway Ltd (NAMEL).

Cube InvIT is proposing to raise up to Rs. 11,500 crore of term loans (for the first tranche of assets to be housed), which will be used to prepay the debt in 16 of the 18 SPVs under tranche 1. The InvIT will have full cash flow fungibility in case of the SPVs that do not have any external debt as well as unhindered access to the surplus cash flows (after meeting obligations at the SPV level) for the SPVs that have external debt.

ICRA has noted that earlier CHT had planned 19 assets under the tranche 1, however, one of the assets (NAMEL) has been proposed to be moved to tranche 2 now.

Rationale

The rating derives comfort from the diversified profile of the operational road projects of the Cube InvIT with a total of 25 road assets proposed to be housed in two tranches over the next one year. The toll road assets under tranche 1 have a strong track record (average of over five years) while the lone annuity asset - (APEL) has a track record of annuity receipts of nearly 13 years. The toll road assets have demonstrated robust recovery in toll collections, post the pandemic-related disruption. The profile of the ROFO assets remains favourable. The asset portfolio is diversified, with the top three SPVs (DATRPL, GAEPL and FRHL) estimated to account for ~34% of the total inflows (including the ROFO assets) in FY2023. Further, the aforesaid asset portfolio showcases geographical diversification across nine states, with top three regions – Delhi NCR, Uttar Pradesh, and Andhra Pradesh, accounting for ~49% of the total estimated inflows in FY2023.

The rating considers the InvIT's strong financial risk profile with a projected average DSCR of ~2.3 times as per ICRA's base case for tranche 1, and the initial leverage anticipated to be below 49%. Further, the average DSCR for ICRA's consolidated base case for both tranche 1 and ROFO assets is robust at ~2.2 times, even though the ROFO assets are dominated by NHAI HAM road projects. The rating positively factors in the benefits of cash flow pooling for the SPVs and the Trust, which ensures that the pooled cash flows are available for meeting the regular and periodic maintenance expenses and debt servicing of the InvIT. Further, the rating takes comfort from structural features, including maintenance of a three months' debt service reserve (DSR) throughout the loan tenure and provision for cash trap in case the DSCR falls below 1.25 times, as per quarterly testing at the consolidated level. Besides, the facility agreement stipulates a cash sweep mechanism for the creation of major maintenance reserves (MMR), in the years prior to the certain periods (viz. FY2029, FY2030, FY2036 and FY2041), where there is bunching up of major maintenance (MM) expenses.

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. As per the discussion with the management, ICRA expects the leverage to remain below 49% of loan-to-value (LTV), thereby supporting Cube InvIT's strong credit profile. ICRA notes the InvIT's debt-raising plans in the near term – up to Rs. 11,500 crore of debt for tranche 1 is primarily to be used to prepay the debt at the SPVs (including part of the sponsor debt). Notwithstanding the proposed debt raising plans, including the ROFO assets, the consolidated leverage is likely to remain below 49%.

The rating derives comfort from the experience and track record of the InvIT's sponsor group entities. Cube InvIT is sponsored by two entities in the Cube Highways Group, which comprises a group of Singapore-based companies created as an infrastructure management company/fund with a special focus on road and highway projects in India. Cube Highways Fund Advisors Private Limited (CHFAPL, owned by Cube Highways Group) will be the investment manager for the InvIT.

These strengths apart, Cube InvIT remains exposed to the risks inherent in toll road projects, including those arising from cyclicalities 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. In this regard, ICRA notes the relatively weaker performance of a couple of the toll road assets namely – WUPTL and LRTL, which witnessed a decline in traffic - WUPTL (for a four-year period through FY2021) and LRTL (during FY2022 and 8M FY2023). Nonetheless, the contribution of WUPTL & LRTL to consolidated CFADS remains modest (~8%). ICRA has also noted that DATRPL, the largest asset contributing to ~30% of the overall net present value (NPV) of CFADS for tranche 1, is also exposed to alternate route risk from the existing Yamuna Expressway (YExp, operational since 2012) as well as the upcoming Delhi Mumbai Greenfield Expressway. ICRA notes that impact of YExp on DATRPL has been relatively low as reflected in a healthy CAGR in its traffic over the last five years. Any material diversion in traffic, which could have bearing on the overall toll collections and debt coverage indicators will remain a key monitorable. Nevertheless, the recent developments relating to DATRPL have been favourable, with the commencement of operations of an adjacent Palwal elevated structure, which has enabled improved traffic flow across the stretch. Besides, the increase in toll plazas from 2 to 3 for the stretch has also facilitated in captured higher traffic and improved toll collections.

ICRA notes that three of the SPVs – DATRPL, FRHL and WVEPL have sizeable one-time earnout payments (subject to a maximum cap) to be paid to the previous sponsors, contingent upon materialisation of certain mutually agreed events. Nonetheless, the

opening cash balances of the InvIT and the cash surplus in the upcoming fiscals are likely to be adequate for meeting the aforesaid payments.

The operations and maintenance (O&M) and MM (MM activities to the extent of strategic planning and procurement of key raw materials) for the proposed SPVs under Cube InvIT would be carried in-house by its project manager, Cube Highways Transportation and Asset Advisors Private Limited (CHTAAPL, owned by the Cube Highways Group) and outsourcing of specific O&M, routine maintenance activities and MM execution to multiple contractors. The ability of CHTAAPL to undertake regular and periodic maintenance within the budgeted cost and time would remain a key monitorable.

While arriving at the rating, ICRA has factored in the provision for change in the concession period for some of the projects, based on the existing traffic and target traffic on the respective target traffic dates. FRHL is the one of such assets in the InvIT portfolio with the actual traffic being higher than the target traffic. Cube intends to exercise a provision in the concession agreement, wherein it can share 25% of the revenues generated during the last three years of the concession with the NHAI to retain the concession period at the same level.

ICRA notes that the Cube InvIT, like any other InvIT, remains exposed to the risks associated with any further asset acquisition (over and above the 25 assets that have been proposed under the tranches 1 and the ROFO assets), which could materially impact its operational and financial risk profile. If Cube InvIT acquires any other asset or raises additional debt in future, ICRA will at that juncture, evaluate the impact of the same on the rating. Also, any regulatory changes that can impact its financial risk profile will remain monitorable.

The Stable outlook on the rating reflects ICRA's expectation that Cube InvIT will benefit from the diversified profile of its portfolio of assets, which along with comfortable leverage should help it in maintaining robust debt coverage metrics and strong liquidity profile.

Key rating drivers and their description

Credit strengths

Diversified asset portfolio of operational road projects with operational track record – The rating derives comfort from the diversified profile of operational road projects of InvIT. The toll road assets under tranche 1 have strong track record (average of over five years) and the annuity asset – (APEL) has a track record of annuity receipts of nearly 13 years. The toll road assets demonstrated robust recovery in toll collections, post the pandemic-related disruption. The profile of the ROFO assets also remains favourable. The asset portfolio is diversified, with the top three SPVs (DATRPL, GAEPL and FRHL) estimated to account for ~34% of the total inflows (combined tranches 1 and ROFO assets) in FY2023. Further, the aforesaid asset portfolio showcases geographical diversification across various states. The assets in the top three regions – Delhi NCR, Uttar Pradesh, and Andhra Pradesh, cumulatively are estimated to account for ~49% of the total inflows in FY2023. Besides, under ROFO assets, six HAM projects would be transferred to the InvIT. The annuity and HAM projects, in turn, provide stability of cash flows and further diversification to an extent.

Strong financial profile and adequate debt structure – The InvIT has a robust cash flow cover, with projected average DSCR of ~2.3 times as per ICRA's base case for tranche 1 with an initial leverage anticipated below 49%. Further, the average DSCR for ICRA's consolidated base case of tranche 1 and the ROFO assets is at ~2.2 times, even though the ROFO assets are dominated by the NHAI HAM road projects. Further, the rating takes comfort from structural features, including maintenance of a three months' DSR throughout the loan tenure and provision for cash trap in case the DSCR falls below 1.25 times, as per quarterly testing at the consolidated level.

Cash pooling benefit of InvIT and regulatory cap on consolidated leverage – The InvIT benefits from the cash flow pooling for the SPVs and the Trust, which ensures that the cash flows of all the SPVs are available for meeting the regular and periodic maintenance expenses and debt servicing of the SPVs and the Trust. The cash pooling helps to ensure that major maintenance of the SPVs is not impacted by the lack of funding, especially as the SPVs do not plan to maintain any major maintenance

reserves. Additionally, the SEBI InvIT regulations 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. The leverage would remain a key monitorable going forward.

Strong sponsor profile – Cube InvIT is sponsored by Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd., part of the Cube Highways Group, which comprises a group of Singapore-based companies created as an infrastructure management company/fund with a special focus on road and highway projects in India having shareholders like I Squared Capital (ISQ), Abu Dhabi Investment Authority (ADIA), International Finance Corporation (IFC) and Japanese Highways International (JHI). Cube Highways Fund Advisors Private Limited (CHFAPL, owned by Cube Highways Group) will be the investment manager for the InvIT.

Credit challenges

Risks inherent in BOT toll road projects - Cube InvIT is exposed to the risks inherent in toll road projects, including those arising from cyclicalities 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. In this regard, ICRA notes the relatively weaker performance of a couple of the toll road assets namely – WUPTL and LRTL in the past. Nonetheless, the contribution of WUPTL & LRTL to consolidated CFADS remains modest (~8%). Further, WUPTL witnessed recovery in toll collections in FY2022 and 8M FY2023, supported by the rebound in commercial traffic following the commencement of sand mining activities, saturation of traffic at the alternate routes and commencement of operations of a feeder route and the provides some comfort. ICRA has noted that DATRPL, the largest asset contributing to nearly 30% of the NPV of tranche 1's CFADS, is exposed to alternate route risk from the existing Yamuna Expressway (YExp, operational since 2012) as well as the upcoming Delhi Mumbai Greenfield Expressway. ICRA notes that the impact of Yexp on DATRPL has been relatively low as reflected in healthy CAGR in its traffic over the last five years. Any material diversion in traffic, which could have a bearing on the overall toll collections and debt coverage indicators will remain a key monitorable. While the InvIT has most assets in concession from the NHAI, it has one asset (NAMEL) with concession from the state authority. This exposes the Trust to risks arising from decisions of the state authority with respect to the applicability of toll rates. Nevertheless, no material delays have been observed in the receipt of toll notifications from the Authority.

Undertaking regular and periodic maintenance/capex within budgeted cost – The cash flows of the underlying assets are dependent on the timely undertaking of regular O&M and MM as per the Concession Agreement and within the budgeted costs. While ICRA takes these parameters into consideration to determine the sensitivities, any significant variations from the budgeted levels can impact the Trust's cash flows. The benefits of cash flow pooling for the SPVs and the Trust ensures that the pooled cash flows are available for meeting the regular and periodic maintenance expenses. Besides, the facility agreement stipulates a cash sweep mechanism for creation of MMR, in the years prior to the certain periods (viz. FY2029, FY2030, FY2036 and FY2041) where there is bunching up of MM expenses. ICRA also makes note of certain maintenance-related issues highlighted by the NHAI for DATRPL which got resolved subsequently.

Risk of further asset acquisition by Trust and its funding pattern – The InvIT is exposed to risks associated with any further asset acquisition (over and above the 25 assets that have been proposed under the tranches 1 and ROFO assets), which could materially impact its operational and financial risk profile. If Cube InvIT acquires any other asset or raises additional debt in future, ICRA will at that juncture, evaluate the impact of the same on the rating. Also, any regulatory changes that can impact its financial risk profile will remain monitorable.

Liquidity Position: Strong

The liquidity position is expected to be strong with adequate toll collections to meet the operational expenses and debt servicing requirement. Cube InvIT is anticipated to have an opening cash and bank balance of Rs. 1,860 crore, of which around Rs. 300 crore would be kept towards the debt service reserve (equivalent to three months of principal + interest obligations) and nearly Rs. 1,000 crore would be utilised for the GAEPL's ongoing six-laning capex and first major maintenance. The

consolidated annual debt repayment is estimated at ~Rs. 200.0 crore, ~Rs. 415.0 crore and ~Rs. 540.0 crore for FY2024, FY2025, and FY2026, respectively, which is expected to be comfortably serviced from the Trust's cash flows.

Rating sensitivities

Positive factors – Not Applicable

Negative factors – Negative pressure on the rating could arise if there are any debt-funded acquisitions that result in large increase in leverage/LTV. Lower-than-anticipated collections in SPVs, resulting in average DSCR over the debt tenure falling below 1.8 times for the InvIT (including tranche 1 and ROFO assets), could also trigger a downgrade.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for Infrastructure Investment Trusts (InvITs) Rating Methodology for BOT (Annuity) Roads Rating Methodology – BOT (Toll Roads) Rating Methodology for Roads – Hybrid Annuity
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on the consolidated financial statements of the issuer (list of entities in annexure)

Pending actions/documents required to be completed for conversion of the provisional rating into final

The rating is provisional as of now (as denoted by the prefix Provisional before the rating symbol) and is subject to the transfer of designated SPVs to the trust and raising of the planned unit capital. The assigned rating is provisional and would be converted into final upon:

- Transfer of the 18 SPVs (which are part of initial asset portfolio under tranche 1) to the InvIT. These SPVs are:
 - Jaipur-Mahua Tollway Ltd (JMTL),
 - Mahua Bharatpur Expressways Ltd (MBEL),
 - Farakka Raiganj Highways Ltd. (FRHL),
 - Walayar Vadakkencherry Expressways Private Limited (WVEPL),
 - Nelamangala Devihalli Expressway Pvt Ltd (NDEPL),
 - Western UP Tollway Pvt. Ltd. (WUPTL),
 - DA Toll Road Pvt Ltd. (DATRPL),
 - Hazaribagh Tollway Ltd (HBL),
 - Jhansi Vigakhet Tollway Ltd (JVTL),
 - Jhansi Lalitpur Tollway Ltd (JLTL),
 - Kanyakumari Etturavattam Tollway Limited (KETL),
 - Nanguneri Kanyakumari Tollway Limited (NKTL),
 - Salaipudhur Madurai Tollway Limited (SMTL),
 - Madurai Kanyakumari Tollway Limited (MKTL),
 - Kotwa Muzaffarpur Tollway Ltd (KMTL),
 - Lucknow Raebareli Tollway Ltd (LRBL)
 - Ghaziabad Aligarh Expressway Private Ltd (GAEPL)
 - Andhra Pradesh Expressways Ltd (APEL)

2. Issuance of unit capital by the InvIT in line with the proposed capital structure. Post the issuance of units, and planned debt raising by the InvIT, ICRA estimates that the consolidated debt to enterprise value of the InvIT to be below 49%.
3. Cube Highways Fund Advisors Private Limited, the investment manager of Cube Highways Trust, had provided an undertaking to ICRA confirming the key assumptions pertaining to the initial portfolio, capital structure, management philosophy etc. shared and discussed in meetings with ICRA are in consonance with the details filed with SEBI for the registration of the Trust.

The provisional rating indicates the final rating that is likely to be assigned to the InvIT after the completion of the pending items mentioned above, *ceteris paribus*.

Validity of the provisional rating

In case the borrowing facility to which a provisional rating has been assigned is subsequently availed, the provisional rating would have to be converted into a final rating within 90 days (validity period) from the date of availing the borrowing facilities. If considered appropriate, the validity period may be extended by a further 90 days for converting the provisional rating into final, in circumstances where the rated entity expressly indicates its intention to complete the pending actions/ documents over the near term. In no circumstance shall the validity period be extended beyond 180 days from the date of availing the borrowing facilities. For further details refer to ICRA's Policy on Provisional Ratings available at www.icra.in.

If neither the pending actions/ documents nor the availing of the borrowing facilities is completed after one year of assignment of the provisional rating, ICRA would withdraw the provisional rating. However, the validity period may be extended beyond one year, subject to the conditions outlined in ICRA's Policy on Provisional Ratings available at www.icra.in.

Risks associated with the provisional rating

In case the borrowing facilities are availed, but the pending actions/ documents are not completed by the entity within 90 days (validity period) from the date of availing the borrowing facilities, the provisional rating will be converted into final upon a review of the required actions/ documents to the extent these are completed by the end of the validity period. This implies that the provisional rating may even be revised at the end of the validity period, while being converted into final, to a level commensurate with the rating in the absence of the pending actions/ documents (as disclosed earlier in the rationale). ICRA may consider extending the validity period in accordance with its Policy on Provisional Ratings available at www.icra.in.

About the Trust

Cube Highways Trust (Cube InvIT/ the Trust) 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 Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended. The sponsors of the Trust are Cube Highways Infrastructure Pte Ltd, and Cube Highways Infrastructure III Pte Ltd. The Investment Manager (IM) of the trust is Cube Highways Fund Advisors Private Limited (CHFAPL), the Project Manager (PM) is Cube Highways and Transportation Assets Advisors Private Limited (CHATAAPL), and the Trustee is Axis Trustee Services Limited. The Trust received registration from SEBI on April 05, 2022.

Cube InvIT had filed the draft placement memorandum with the SEBI on July 20, 2022, and is expected to file the updated draft placement memorandum (UDPM) shortly.

Cube InvIT is proposing to acquire 18 (consisting of 17 toll road assets and one annuity road asset) assets from the sponsor group. The InvIT will also have the right of first offer for another seven assets (ROFO assets). These roads are operated and maintained pursuant to concessions granted by the NHAI/State Government authority and are owned and operated by the respective project SPVs. In the ROFO assets, six NHAI HAM assets and one state toll road project are proposed to be transferred to the Trust.

Project SPV/ Asset	Project Type	Concession Authority	State/Location
Tranche 1 assets			
Andhra Pradesh Expressways Ltd.	BOT Annuity project	NHAI	Andhra Pradesh
Jaipur Mahua Tollway Ltd	BOT Toll Road project	NHAI	Rajasthan
Mahua Bharatpur Expressways Ltd	BOT Toll Road project	NHAI	Rajasthan
Farakka Raiganj Highways Ltd.	BOT Toll Road project	NHAI	West Bengal
Walayar Vadakkencherry Expressways Private Limited	BOT Toll Road project	NHAI	Kerala
Nelamangala Devihalli Expressway Pvt Ltd	BOT Toll Road project	NHAI	Karnataka
Western UP Tollway Pvt. Ltd.	BOT Toll Road project	NHAI	Uttar Pradesh
DA Toll Road Pvt Ltd.	BOT Toll Road project	NHAI	Delhi NCR
Hazaribagh Tollway Ltd.	TOT Road project	NHAI	Jharkhand
Jhansi Vigakhet Tollway Ltd.	TOT Road project	NHAI	Uttar Pradesh
Jhansi Lalitpur Tollway Ltd.	TOT Road project	NHAI	Uttar Pradesh
Kanyakumari Etturavattam Tollway Ltd.	TOT Road project	NHAI	Tamil Nadu
Nanguneri Kanyakumari Tollway Ltd.	TOT Road project	NHAI	Tamil Nadu
Salaipudhur Madurai Tollway Ltd.	TOT Road project	NHAI	Tamil Nadu
Madurai Kanyakumari Tollway Ltd.	TOT Road project	NHAI	Tamil Nadu
Kotwa Muzaffarpur Tollway Ltd.	TOT Road project	NHAI	Bihar
Lucknow Raebareli Tollway Ltd.	TOT Road project	NHAI	Uttar Pradesh
Ghaziabad Aligarh Expressway Private Ltd.	BOT Toll Road project	NHAI	Uttar Pradesh
ROFO assets			
Borgaon Watambare Highways	Hybrid Annuity Mode	NHAI	Maharashtra
Mangloor Highways Private Limited	Hybrid Annuity Mode	NHAI	Karnataka
Mangalwedha Solapur Highways Private Limited	Hybrid Annuity Mode	NHAI	Maharashtra
KNR Tirumala Infra Private Limited	Hybrid Annuity Mode	NHAI	Andhra Pradesh
KNR Shankarampet Infra Private Limited	Hybrid Annuity Mode	NHAI	Telangana
KNR Srirangam Infra Private Limited	Hybrid Annuity Mode	NHAI	Tamil Nadu
N.A.M. Expressway Ltd.	BOT Toll Road project	Govt. of Andhra Pradesh and Telangana	Andhra Pradesh and Telangana

Source: Cube InvIT

Key financial indicators – Not Applicable

Key financial indicators are not applicable as Cube InvIT is a recently formed trust.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current rating (FY2023)		Chronology of rating history for the past 3 years		
			Amount outstanding as of January 31, 2023 (Rs. crore)	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	Date & rating in FY2020
				February 24, 2023	May 10, 2022	-	-
1 Proposed term loan	Long term	10,000.00	--	Provisional [ICRA]AAA (Stable)	Provisional [ICRA]AAA (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Proposed term loan	Simple*

*Complexity indicator mentioned in the table is subject to change when the terms are finalised

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	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Proposed term loan [^]	NA	NA	NA	10,000.00	Provisional [ICRA]AAA (Stable)

Source: Company; [^]Loan is yet to be sanctioned

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company/SPV Name	Ownership	Consolidation Approach
Andhra Pradesh Expressways Ltd.	100.00%	Full Consolidation
Jaipur Mahua Tollway Ltd	100.00%	Full Consolidation
Mahua Bharatpur Expressways Ltd	100.00%	Full Consolidation
Farakka Raiganj Highways Ltd.	100.00%	Full Consolidation
Walayar Vadakkencherry Expressways Private Limited	100.00%	Full Consolidation
Nelamangala Devihalli Expressway Pvt Ltd	100.00%	Full Consolidation
Western UP Tollway Pvt. Ltd.	100.00%	Full Consolidation
DA Toll Road Pvt Ltd.	100.00%	Full Consolidation
Hazaribagh Tollway Ltd.	100.00%	Full Consolidation
Jhansi Vigakhet Tollway Ltd.	100.00%	Full Consolidation
Jhansi Lalitpur Tollway Ltd.	100.00%	Full Consolidation
Kanyakumari Etturavattam Tollway Ltd.	100.00%	Full Consolidation
Nanguneri Kanyakumari Tollway Ltd.	100.00%	Full Consolidation
Salaipudhur Madurai Tollway Ltd.	100.00%	Full Consolidation
Madurai Kanyakumari Tollway Ltd.	100.00%	Full Consolidation
Kotwa Muzaffarpur Tollway Ltd.	100.00%	Full Consolidation
Lucknow Raebareli Tollway Ltd.	100.00%	Full Consolidation
Ghaziabad Aligarh Expressway Private Ltd.	100.00%	Full Consolidation
N.A.M. Expressway Ltd.	100.00%	Full Consolidation
Borgaon Watambare Highways	100.00%	Full Consolidation
Mangloor Highways Private Limited	100.00%	Full Consolidation
Mangalwedha Solapur Highways Private Limited	100.00%	Full Consolidation
KNR Tirumala Infra Private Limited	100.00%	Full Consolidation
KNR Shankarampet Infra Private Limited	100.00%	Full Consolidation
KNR Srirangam Infra Private Limited	100.00%	Full Consolidation

Source: Cube InvIT

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