

September 09, 2025

Binjabahal to Telebani Highway Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	493.26	473.42	[ICRA]AAA (Stable); reaffirmed
Total	493.26	473.42	

*Instrument details are provided in Annexure I

Rationale

The rating reaffirmation for Binjabahal to Telebani Highway Private Limited (BTHPL) favourably factors in the operational nature of the project with a healthy track record of receipt of eight semi-annuities and operations and maintenance (O&M) payment receipt without any material deductions and in a timely manner from the National Highways Authority of India [NHAI, rated [ICRA]AAA(Stable)], which is a strong counterparty. The rating also considers the stable annuity revenue stream over the term of the concession from the project owner and annuity provider, NHAI, which is a key Central Government entity responsible for the development and maintenance of India's national highway programme. The rating notes the strong profile of the O&M contractor and sponsor, Oriental Structural Engineers Private Limited (OSEPL, rated [ICRA]AA (Stable)/ [ICRA]A1+). BTHPL has entered into an annual fixed-price contract with OSEPL to take up routine maintenance activities. The demonstrated track record of OSEPL in executing O&M works within the budgeted time and cost provides comfort.

The rating considers its strong debt coverage metrics with cumulative DSCR of over 1.25 times. Further, the rating takes comfort from the creation of stipulated reserves as a part of the debt structure such as the funded DSR equivalent to six months of debt servicing obligations, operational expense (opex) reserve to meet the regular O&M and interest obligations till the next scheduled annuity, creation of a major maintenance reserve (MMR) and restricted payment clause with a minimum DSCR of 1.10 times.

The rating takes into account BTHPL's cash flows and returns to the spread between the Reserve Bank of India's (RBI) bank rate and the lender's MCLR as the interest earned on the outstanding annuities is linked to the bank rate, while the interest payable on the project loan is linked to the lender's MCLR. ICRA notes the single asset nature of the project operations, thereby making the debt metrics of the project sensitive to any deductions in annuity and O&M receipts. Hence, the company must ensure satisfactory upkeep of the carriageway by undertaking O&M of the project stretch as per the concession agreement (CA) to avoid any deductions from annuities. Any significant deductions from annuities or increase in routine and major maintenance (MM) from the budgeted level could impact the debt coverage metrics and remains the key rating monitorable. BTHPL's cash flows are also exposed to inflation risk as O&M receipts, though linked to the inflation index (70% WPI and 30% CPI), may not be adequate to compensate for the actual increase in O&M/periodic maintenance expenses. Also, any substantial deterioration in the credit profile of the O&M contractor could impact the special purpose vehicle's (SPV) ability to undertake maintenance and will remain a monitorable.

BTHPL's debt terms have a put option post FY2027 (for term loans II and III in Annexure I), which exposes the SPV to refinancing risk. Nonetheless, as per the terms of the sanction, if the put option is exercised by the lender, the company will get a notice period of 60 days, which provides adequate buffer. Besides, given its favourable operational and financial profiles with strong coverage metrics and strong counterparty (NHAI), if such a clause is exercised by the lender, BTHPL is expected to be able to refinance its debt within the available period, thereby mitigating the risk to a major extent.

The Stable outlook on the rating reflects ICRA's opinion that BTHPL will benefit from the timely receipt of annuities, strong debt coverage metrics and presence of structural features.

Key rating drivers and their description

Credit strengths

Annuity nature of project with track record of eight semi-annuities in a timely manner – The annuity nature of the project eliminates the traffic risk in HAM road projects. The project will have a stable annuity revenue stream over the term of the concession from the project owner and annuity provider, the NHAI, which is a key Central Government entity responsible for development and maintenance of India's national highway programme. As of June 2025, BTHPL has received eight semi-annuities, including O&M payments without any deductions/penalties in a timely manner and ICRA expects the same going forward.

Strong debt coverage metrics and presence of structural features – BTHPL is expected to have strong debt coverage metrics with a cumulative DSCR above 1.25 times during the debt tenure. The company maintains a DSRA of Rs. 40.65 crore as on July 31, 2025, which is sufficient to cover six months of debt obligations. Further, the credit profile is supported by structural features including presence of escrow, cash flow waterfall mechanism, upfront creation of DSRA equivalent to six months of debt servicing obligations, provision for creation of MMR and availability of reserves to meet the O&M and interest obligations till the next semi-annual annuity. The presence of restricted payment clause with minimum DSCR of 1.10 times provides comfort.

Established track record of O&M contractor – BTHPL is a wholly-owned subsidiary of OSEPL. OSEPL has been appointed as the O&M contractor to take up routine maintenance activities at an annual fixed-price contract. OSEPL has a demonstrated track record of over two decades in executing O&M works within the budgeted time and cost.

Credit challenges

Project cash flows exposed to interest rate and inflation risks – The project cash flows and returns are exposed to the interest rate risk and are dependent on the spread between the RBI's bank rate and the interest rate charged by lenders. The interest on the outstanding annuities from the NHAI is linked to the RBI's bank rate, while the interest rate charged by lenders is linked to their respective MCLR. However, the risk is mitigated to a major extent by the strong debt coverage metrics, which provides adequate cushion to withstand any adverse movements in the bank rate and inflation to a major extent. Further, BTHPL's cash flows are vulnerable to inflation risk as O&M receipts, though linked to inflation (70% WPI and 30% CPI), may not be adequate to compensate for the increase in O&M/periodic maintenance expenses.

Undertaking O&M as per concession requirement – BTHPL has to undertake regular as well as periodic maintenance of the project as per specifications of the Concession Agreement to ensure no deductions in the annuity receipts, which will be a key credit sensitivity. ICRA notes the single asset nature of the project, which exposes its debt metrics to any deductions in annuity and O&M receipts. Hence, the company must ensure satisfactory upkeep of the carriageway and undertake O&M of the project stretch as per the Concession Agreement to avoid any deductions from annuities. Any significant deductions from the annuities or increase in routine and MM expenses from the budgeted level could impact its coverage metrics, which remain a key rating monitorable. BTHPL has a fixed-price O&M and MM contract with OSEPL. Hence, any substantial deterioration in the credit profile of the O&M contractor will impact the SPV's ability to undertake maintenance and will remain a monitorable.

Liquidity position: Adequate

The liquidity position is adequate with cash flow from operations expected to be sufficient to meet the debt servicing obligations of Rs. 80.5 crore in FY2026 and Rs. 79.5 crore in FY2027. The company's liquidity position is supported by the presence of six months' DSRA, and free liquid balances of Rs. 188.66 crore as on July 31, 2025.

Rating sensitivities

Positive factors – Not Applicable

Negative factors – Pressure on the rating could arise if there are major deductions or delays in the receipt of semi-annual annuities or O&M payments, or if the O&M expenses significantly exceed the estimates, or if there is any additional debt availed by the SPV that impacts its coverage indicators, with the cumulative DSCR reducing below 1.25 times. The rating could come under pressure if there is any non-adherence to the debt structure.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Roads - Hybrid Annuity
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Binjabahal to Telebani Highway Private Limited (BTHPL, erstwhile Binjabahal to Telebani Section (KM.414.00 To KM.491.71) of NH-6 (NEW NH-49) Highway Private Limited). BTHPL is an SPV formed in 2016 for development of Binjabahal to Telebani section of NH-49 under the design, build, operate and transfer (DBOT) model on a HAM basis awarded by the NHAI. BTHPL is promoted by OSEPL and its subsidiary Oriental Tollways Private Limited (OTPL). The project entailed augmentation of the two-lane carriageway of the existing section from 414.98 km to 493.30 km (78.31 km) to a four-lane carriageway on the Binjabahal to Telebani section of the National Highway No. 6 (New NH-49) in Odisha. The construction period was 2.5 years and the operational period for the project is 15 years. The appointed date was declared as January 15, 2018, and achieved PCOD in May 2021 and final COD in May 2022.

Key financial indicators (audited)

	FY2023	FY2024	FY2025*
Operating income	180.4	105.1	98.3
PAT	70.3	44.8	50.5
OPBDIT/OI	73.8%	83.6%	86.7%
PAT/OI	39.0%	42.7%	51.4%
Total outside liabilities/Tangible net worth (times)	2.2	1.8	1.5
Total debt/OPBDIT (times)	4.3	5.8	5.5
Interest coverage (times)	3.1	1.9	2.2

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; BTHPL 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

Current (FY2026)				Chronology of rating history for the past 3 years					
Instrument	Type	Amount Rated (Rs Crore)	Sep 09, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Long-term – Fund-based – Term loan – I	Long Term	354.22	[ICRA]AAA (Stable)	Sep 09, 2024	[ICRA]AAA (Stable)	Jul 14, 2023	[ICRA]AAA (Stable)	Jul 05, 2022	[ICRA]AAA (Stable)
Long-term – Fund-based – Term loan – II	Long Term	39.20	[ICRA]AAA (Stable)	Sep 09, 2024	[ICRA]AAA (Stable)	Jul 14, 2023	[ICRA]AAA (Stable)	Jul 05, 2022	[ICRA]AAA (Stable)
Long-term – Fund-based – Term loan – III	Long Term	80.00	[ICRA]AAA (Stable)	Sep 09, 2024	[ICRA]AAA (Stable)	Jul 14, 2023	[ICRA]AAA (Stable)	Jul 05, 2022	[ICRA]AAA (Stable)

Complexity level of the rated instruments

Instrument	Complexity indicator
Fund-based facility – Term loan	Simple

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	Fund-based facility – Term loan – I	June 2022	NA	FY2035	354.22	[ICRA]AAA (Stable)
NA	Fund-based facility – Term loan – II	June 2022	NA	FY2035	39.20	[ICRA]AAA (Stable)
NA	Fund-based facility – Term loan – III	June 2022	NA	FY2036	80.00	[ICRA]AAA (Stable)

Source: Company

Note: Project was sanctioned debt of Rs. 458.93 crore (Term loan – I), Rs. 39.90 crore (Term loan – II) and Rs. 100.00 crore (Term loan – III), aggregating to Rs. 598.83 crore and the current rating is done on present outstanding loan of Rs. 473.42 crore as on May 27, 2025.

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

Annexure II: List of entities considered for consolidated analysis – Not Applicable

ANALYST CONTACTS

Ashish Modani

+91 20 6606 9912

ashish.modani@icraindia.com

Suprio Banerjee

+91 22 6114 3443

supriob@icraindia.com

Vinay Kumar G

+91 40 6939 6424

vinay.g@icraindia.com

M Rajashekar Reddy

+91 40 6939 6423

m.rajashekarreddy@icraindia.com

KBS Siva Krishna

+91 40 6939 6415

k.krishna@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



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

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.