

November 19, 2025

CUBE HIGHWAYS AND INFRASTRUCTURE V PTE. LTD.: [ICRA]AA (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (USD million)	Rating action
Long-term – Non-fund based – Others	37.98	[ICRA]AA (Stable); assigned
Total	37.98	

*Instrument details are provided in Annexure I

Rationale

The rating assigned to Cube Highways and Infrastructure V Pte. Ltd. (CH-V) reflects the strong credit profile and extensive track record of operations of its underlying investee companies/ special purpose vehicles (SPVs), which are expected to provide steady cash flows through distribution income (including interest, dividends, and redemption of subordinate debt). These investee companies constitute three build-operate-transfer (BOT)-Toll assets viz., Baharampore-Farakka Highways Limited (rated [ICRA]AA- (Stable)), Devanahalli Tollway Private Limited and Western MP Infrastructure & Toll Roads Pvt. Ltd., along with two toll-operate-transfer (TOT) bundles, namely TOT-11¹ and TOT-14².

ICRA notes that despite limited upstreaming of cash flows from investee companies so far, as initial operations (after-acquisition) across the assets were being stabilised, the assets have been generating a healthy cash surplus. Moreover, CH-V does not have any external fund-based borrowings as on September 30, 2025 and has maintained adequate liquidity. Over the near to medium term, CH-V plans to monetise its assets. The rating also factors in the financial flexibility that CH-V derives from being part of the Cube Highways Group, which is promoted by reputed investors such as I Squared Capital (ISQ), the Abu Dhabi Investment Authority (ADIA), British Columbia Investment Management Corporation (BCI) and Mubadala Investment Company (Mubadala). CH-V also benefits from the sponsors' established global track record in managing investments across diverse sectors. The rating factors in CH-V's absence of external fund-based debt and any future external borrowings remain a key monitorable.

The rating, however, is constrained by CH-V's subordinated position to external senior lenders under the waterfall structure governing surplus cash flow distribution from the respective assets. Additionally, the company remains exposed to risks stemming from limited asset diversification and the inherent susceptibility of the toll-based revenue model to the traffic risk.

The stable outlook reflects ICRA's expectation that CH-V's asset portfolio will continue generating strong and predictable cash flows, thereby ensuring access to surplus liquidity. This surplus could be up streamed to support comfortable coverage metrics in the event of an increase in the company's borrowings.

Key rating drivers and their description

Credit strengths

Strong financial flexibility from being a part of Cube Highways Group - CH-V benefits from the backing of multiple investors, with ISQ and ADIA holding a majority stake. The sponsor group's robust credit profile, proven global track record in infrastructure asset management and extensive experience in operating road assets in India provide comfort and enhance financial flexibility.

Strong cash flow and healthy operational track record of underlying assets - CH-V holds a portfolio of six operational road assets and is expected to benefit from stable cash flows supported by healthy traffic potential, advantageous project locations,

¹ Kokhraj Handia Expressway Private Limited (KHEPL, rated [ICRA]AA (Stable))

² Delhi Hapur Meerut Expressway Private Limited (DHMEPL) and Malayagiri Highways Private Limited (MHPL)

and an extensive operating track record. The surplus cash flows upstreamed from these assets are expected to be sufficient in meeting CH-V's funding requirements, including any potential external debt obligations.

Credit challenges

Ring-fenced cashflows at SPVs; subordinated rights over cashflows from the assets - The company's right to cash flows from the underlying assets is subordinated to external lenders, with upstreaming permitted only after fulfilling debt servicing obligations and maintaining prescribed reserves. This structural subordination elevates cash flow risk; however, the strong credit quality of the assets, coupled with an adequate liquidity buffer, provides partial mitigation.

Modest asset diversification – Despite the company having a diversified portfolio comprising six assets, its cash flow generation is significantly concentrated in two assets, which together account for around 60% of pre-debt servicing cash flows in FY2026P. This concentration introduces a degree of cash flow risk. Nevertheless, the long operational track record and consistent cash flow performance of these key assets provide a mitigating factor, partially offsetting the concentration risk.

Liquidity position: Adequate

CH-V had unencumbered cash balance of around Rs. 11.6 crore as on December 31, 2024 and no external fund-based borrowings. The distribution of cash surplus from the underlying investment companies is expected to be sufficient to meet operational expenses.

Rating sensitivities

Positive factors – The rating may be upgraded if there is sustained and material upstreaming of cash flows from the underlying assets, resulting in consistently strong debt coverage metrics.

Negative factors – The rating could witness a downward revision in case of weakening in the credit profile of the underlying assets or unexpected support requirement from CH-V to these assets. Pressure on the rating could also arise if any debt-funded acquisitions result in a material increase in debt levels and deterioration in coverage metrics on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Investment Companies Roads (BOT Toll)
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the standalone financials of CH-V.

About the company

Cube Highways and Infrastructure V Pte. Ltd. (CH-V), incorporated in June 2021, is a Singapore-based entity focused on investment activities in road infrastructure projects. Its primary objective is to deliver long-term equity returns to investors. CH-V is owned by multiple investors, with ISQ and ADIA holding the majority share. Operating as an independent, professionally managed platform, it leverages the deep transportation expertise of its management and advisory teams to execute projects effectively.

Key financial indicators (audited)

CH-V (Standalone)	CY2023 [^]	CY2024 [*]
Operating income	-	-
PAT	227.8	1,791.9
OPBDIT/OI	NM	NM
PAT/OI	NM	NM
Total outside liabilities/Tangible net worth (times)	1.4	1.0
Total debt/OPBDIT (times)	NM	NM
Interest coverage (times)	NM	NM

Source: Company, ICRA Research; All ratios as per ICRA's calculations; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NM: Not meaningful; Amount in Rs. crore; [^]For CY2023, conversion rates applied are Rs. 82.57/ USD for P&L figures and Rs. 83.25/ USD for balance sheet figures. ^{*}For CY2024, conversion rates are Rs. 83.67/ USD for P&L figures and Rs. 84.97/ USD for balance sheet figures; Net profits are driven by fair value gain/loss routed through P&L.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instruments	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (USD million)	Nov 19, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Non-fund based – Others	Long-term	37.98	[ICRA]AA (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Non-fund based – Others	Very 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 (USD million)	Current rating and outlook
NA	Long-term – Non-fund based – Others	NA	NA	NA	37.98	[ICRA]AA (Stable)

Source: Company, ICRA Research

[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 22 6169 3300

ashish.modani@icraindia.com

Suprio Banerjee

+91 22 6114 3443

supriob@icraindia.com

Ritu Goswami

+91 124 4545 826

ritu.goswami@icraindia.com

Mrinal Jain

+91 124 4545 863

mrinal.j@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.