November 26, 2025

Bamanbore Tollway Private Limited: Rating assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating Action
Long-term – Fund-based – Term loans	16.94	[ICRA]AA+ (Stable); assigned
Total	**16.94**	

ICRA has considered the consolidated financial and business risk profiles of 8 of the 9 special purpose vehicles (SPVs), except Porbandar Jetpur Tollway Private Limited (PJTL), which are a part of National Highway Authority of India's (NHAI, [ICRA]AAA (Stable), April 02, 2025) first toll-operate-transfer (TOT) bundle to arrive at the consolidated rating of the SPVs included in the surplus sharing arrangement (described below). The SPVs considered for consolidated analysis are Siddhantham Tollway Private Limited (STPL), Diwantham Tolllway Private Limited (DTPL), Ankapalli Tollway Private Limited (ATPL), Diwancheruvu Tollway Private Limited (DCTPL), Icchapuram Tollway Private Limited (ITPL), Puintola Tollway Private Limited (PTPL), Bamanbore Tollway Private limited (BTPL) and Garamore Tollway Private Limited (GTPL). These 8 TOT SPVs (hereafter referred as *TOT Bundle-1*) are recognised as co-obligors with cross default clauses and are bound by the terms an inter-company guarantee agreement, which provides for a mechanism for the sharing of surplus funds among these SPVs for consolidated debt servicing.

Rationale

The rating assigned to BTPL considers the benefits of being a part of the cash pooling mechanism and cross-default linkages with other SPVs of TOT Bundle-1. ICRA notes the importance of the project stretches under TOT Bundle-1, with 6 being a part of the Golden Quadrilateral and spur roads of National Highway (NH)-216 in Andhra Pradesh, and the remaining 2 SPVs in Gujarat forming the eastern terminus of the East-West Corridor. These stretches connect key ports to industrial clusters situated in their hinterlands. The TOT Bundle-1 derives about 70% of its revenue from Andhra Pradesh and witnessed a CAGR of 5.3% in revenue during FY2021-FY2025. Commercial traffic constitutes ~47% of the traffic volume at a portfolio level, providing a stable revenue base. The rating derives comfort from the healthy debt service coverage ratio (DSCR) of over 2.0 times on a cumulative basis as per ICRA's base case estimates, supported by healthy toll collection and a long debt amortisation period, along with considerable flexibility arising from a portfolio-level tail period of 5.4 years. Further, ICRA takes comfort from the presence of favourable structural features like a debt service reserve account (DSRA) for 4 months of ensuing debt obligations (both principal and interest), provisioning for periodic maintenance through a major maintenance reserve account (MMRA) and system upgrade reserve account (SURA), escrow mechanism with a well-defined cash flow waterfall and consolidated covenant testing before distribution. ICRA takes note of the strong track record of the sponsor – Macquarie Asia Infrastructure Fund 2 (MAIF2), which is a fund managed by Macquarie Asset Management, a leading global infrastructure asset management firm.

However, the rating strengths are offset by the inherent risks in toll road projects, including the development/improvement of alternative routes/modes of transport (like the Dedicated Freight Corridors, Rapid Rail Transit systems, major gas pipeline networks, etc), which could result in the migration of traffic to these alternate routes/modes from the project stretches. Other risks include lower-than-anticipated traffic growth rates or WPI inflation, which could impact toll collection. Further, the coverage indicators remain exposed to interest rate risks due to the floating interest rates of the loans. Nonetheless, the pool's coverage metrics have an adequate cushion to withstand 100-200bps impact in the interim. The management has appointed various contractors to undertake both routine and major maintenance. These are fixed-price contracts with provisions for liquidated damages, thereby mitigating O&M-related risks to an extent. At present, the SPVs are executing the first major maintenance cycle, which is expected to be completed across most stretches by FY2027. Undertaking routine and major maintenance within the budgeted costs will remain a monitorable. While NHAI had imposed penalties on the project SPVs for deviation from stipulated condition of the road stretches in the past and some claims remain under dispute, no material adverse impact on the credit profile is expected since the management proactively preponed the first major maintenance cycle to address these issues. While some residual claims against few project stretches remain under contention, the respective amounts are not material relative to the liquidity maintained (beyond reserves like DSRA, MMRA and SURA) at the consolidated level.

ICRA notes that the impact of project augmentation on each SPV's, and the consolidated coverage indicators is expected to be minimal. The concession agreement stipulates a target traffic level for augmentation of a project stretch to 6 lanes from 4 lanes. Once the project traffic exceeds and sustains over this target traffic level for a pre-defined period, augmentation may be undertaken by NHAI (at its own cost) through an engineering, procurement and construction (EPC) contract. The concession agreement defines a period over which the augmentation process is to be completed, and during this period, there will be a pre-defined reduction in toll rates. Toll collection could also be impacted due to traffic migrating to competing stretches during augmentation, though this risk is mitigated due to the absence of suitable alternate routes and the importance of the project stretches for facilitating movement between ports and their industrial hinterlands. Nevertheless, revenues will be affected during the augmentation period, which could stress the coverage indicators. As per the financing agreement with the lender consortium, in the event of a delay in the commencement of augmentation, a formula-driven debt prepayment mechanism will be triggered, which will result in a revision in the existing ballooning debt structure (such prepayments were triggered in 1 SPV in FY2025). In ICRA's view, this is not expected to materially impact either any SPV's, or the consolidated coverage indicators during the pre-augmentation period. Crucially, the revised debt structure will result in lower debt outflows during augmentation, which will protect coverage metrics, despite the reduced toll income during this period. However, a delay in completion of augmentation could lead to a short-term mismatch in cashflows. While NHAI is likely to compensate the SPVs, which have suffered revenue losses due to traffic diversion and/or lane closure during augmentation, the coverage metrics could be adversely impacted in the event of the compensations being lower-than-expected, or if there is a delay in the receipt of compensation. In this regard, ICRA takes comfort from the strong revenue potential of all the TOT Bundle-1 SPVs on a standalone basis, the surplus-sharing mechanism on a consolidated level, and the considerable liquidity, which is expected to be maintained in the form of free cash/DSRA, given the strong restrictive payment covenants. Notwithstanding these strengths, the timely commencement and completion of augmentation (which could impact traffic density and the major maintenance schedule) will remain a key monitorable.

The rating favourably factors BTPL's comfortable business profile with a track record of healthy revenue growth (CAGR 18.1% over FY2021-FY2025) and its robust financial profile with a minimum DSCR of ~25.0 times. ICRA takes note of the possibility of near-term sale of the project SPVs. The crystallisation of such sale events, either with individual or packages of SPVs, could have a dilutive impact on diversification benefits and consolidated coverage metrics. Consequently, the sale of project SPVs and its impact on coverage indicators will remain a key monitorable and will be assessed upon the occurrence of these events.

The Stable outlook is driven by the robust revenue potential of the project SPVs, strong operational profile and proven track record of the sponsors of managing such assets, including strong coverage metrics, which is expected to continue in the near to medium term.

Key rating drivers and their description

Credit strengths

Strong operational profile characterised by favourable location and route importance – BTPL is a part of the East-West corridor in western Gujarat and provides connectivity from Rajkot and Morbi to the key ports of Mundra and Kandla through the contiguous stretch, GTPL. The presence of large industrial areas provides strong traffic and revenue growth visibility, which is further supported by a healthy share of commercial traffic at 40% in FY2025. The business profile of the SPV is supported by the absence of alternate routes at present which could lead to traffic leakage and revenue loss. Further, the management has proactively taken steps to arrest revenue loss due to illegal tolling activity near the official toll plaza through check toll plazas/height restrictors, etc, with due approval from NHAI. During FY2021-FY2025, it recorded a CAGR of 18.1% in revenue, supported by healthy traffic growth of 9.8%.

Strong financial profile, healthy debt service cover and presence of tail period provide financial flexibility – ICRA takes comfort from the favourable distribution of the consolidated debt of TOT Bundle-1, which has resulted in BTPL carrying a relatively lower portion of the total debt (0.3%). This, coupled with the SPV's healthy cash flow generation is expected to lead to strong coverage ratios with a minimum DSCR of ~25.0 times as per ICRA's base case estimates. Additionally, BTPL, along with the 7 other SPVs part of the surplus sharing arrangement, enjoy a tail period of 5.4 years, which lends financial flexibility and supports the refinancing ability.

Presence of structural features like a DSRA, MMRA/SURA, along with a well-defined escrow mechanism – BTPL is required to maintain 4 months of ensuing debt obligations (principal + interest). The presence of a tight escrow mechanism with a well-defined cash flow waterfall provides comfort. Additionally, the SPV is required to maintain an MMRA and SURA from project cash flows, which is adequately funded as per ICRA estimates.

Credit challenges

Project cash flows sensitive to traffic growth rate assumptions and interest rate fluctuations – Despite the importance of the project stretch, low alternative route risk and willingness of the users to pay toll, the project remains exposed to risks inherent in toll road projects, including risks of development/improvement of alternative routes and alternate modes of transportation (like the Dedicated Freight Corridors). Any moderation in traffic growth rates or WPI from the anticipated levels could weaken the project's coverage metrics. BTPL's cash flows are exposed to interest rate risk, considering the floating interest rates on the project loan.

Ensuring routine and major maintenance within budgeted estimates – In absence of a pre-defined major maintenance schedule in the Concession Agreement, periodic maintenance is required on need basis, which may result in volatility in operating expenses. Undertaking routine and periodic maintenance within the budgeted costs would remain important. In this regard, ICRA has taken comfort from the strong estimated cash flow and significant cushion built in the cost estimates for undertaking the O&M and MM expenditure.

Ensuring timely commencement and completion of augmentation – Timely commencement and completion of augmentation will be a key monitorable. A delay in the completion of augmentation by third-party EPC contractors could lead to stressed coverage metrics during the period between the scheduled and actual completion of augmentation, if the compensation received from NHAI is lower-than-anticipated, or if there is a delay in the receipt of compensation.

Liquidity position: Strong

The liquidity position is assessed as strong on account of the SPV maintaining free cash balances of Rs. 37.6 crore as on September 30, 2025, in addition to reserves (including DSRA, MMRA and SURA) of Rs. 7.5 crore. Annual debt obligations for FY2026 are Rs. 1.5 crore, which can be comfortably met from its project cash flows. Additionally, BTPL is expected to meet its MMRA and SURA requirements through its cash flows. NHAI has levied penalties of Rs. 35.1 crore on BTPL, of which Rs. 5.8 crore have been paid under protest. While a favourable resolution is expected in this matter, BTPL's balance sheet liquidity is expected to be sufficient in the event of a crystallisation of these contingent liabilities.

Rating sensitivities

Positive factors – The rating could be upgraded if the TOT SPVs maintain their toll collection growth momentum resulting in healthy coverage metrics on a sustained basis.

Negative factors – Downward pressure on the rating could emerge if toll collection is lower than expected resulting in a cumulative DSCR below 1.80 times. Non-adherence to the debt structure or higher-than-expected indebtedness could put pressure on the rating. Further, any delays in the completion of augmentation leading to a material loss in revenue, or the sale of any TOT SPVs impacting the consolidated coverage metrics could also lead to a downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	[Corporate Credit Rating Methodology] [Roads - BOT Toll]
Parent/Group support	For arriving at the ratings, ICRA has considered the strong business, financial linkages of 8 (of 9) entities of TOT Bundle-1 (except Porbandar-Jetpur Tollway Private Limited (PJTPL)), given in Annexure II. All entities are in the same business of operating and maintaining toll roads, share the same management and act as co-obligors with cross-default linkages. The SPVs benefit from the cash flow support mechanism established through an inter-company guarantee agreement, which provides for a well-defined mechanism of movement of surplus funds among the TOT SPVs for debt servicing. This guarantee is irrevocable, absolute, unconditional, holds the borrowers jointly and severally liable and will remain in effect until the final settlement date. The analytical procedure adopted for arriving at the ratings are – • An assessment of the standalone profile of the 8 SPVs bound by the inter-company guarantee agreement. • An assessment of the Group's credit profile by undertaking a consolidated analysis of the 8 SPVs in view of the linkages between them. • The final rating is arrived at by suitably notching up the standalone rating after duly considering the Group's rating and the linkages between the standalone entity and the Group.
Consolidation/Standalone	Standalone

About the company

The project stretch is a 71.94 km long road (4-lane stretch, divided by a central median) with one toll plaza, situated at Vaghasia (km 213,100). The project begins at Bamanbore KM 182+600 of NH8A and passes through Bhalgam, Jodhpar, Chandrapur, Wankaner, Dhuva, Morbi, Juna Sadulka and ends at KM 254+537 of NH8A, Garamore in Gujarat. It is a part of NHAI's TOT Bundle-1, which was tendered in 2018. The appointed date was August 29, 2018, with a concession period of 30 years.

About the TOT Bundle-1: This bundle was tendered in 2018 and consists of 9 projects, with 6 being a part of the Golden Quadrilateral and spur roads of National Highway (NH)-216 in Andhra Pradesh, and the remaining 3 SPVs in Gujarat forming the eastern terminus of the East-West Corridor. The projects benefit from their favourable locations – the SPVs in Andhra Pradesh profit from the presence of important industrial clusters in the Kakinada and Srikakulam districts, along with the fertile Godavari delta, which supports large agro-based industries and commercial activities. These 6 stretches provide vital connectivity to important ports like Visakhapatnam, Gangavaram and the Kakinada deep water port. Similarly, the 3 SPVs in Gujarat form vital links for commercial traffic from important industrial clusters like Rajkot, Porbandar and Morbi to the Mundra, Kandla and Porbandar ports.

Key financial indicators (audited)

BTPL Standalone	FY2024	FY2025
Operating income (in Rs. crore)	73.81	87.36
PAT (in Rs. crore)	(80.65)	(96.82)
OPBDIT/OI (%)	34.46%	(7.90%)
PAT/OI (%)	(109.27%)	(110.83%)
Total outside liabilities/Tangible net worth (times)*	(10.08)	(5.14)
Total debt/OPBDIT (times)	27.24	(108.35)
Interest coverage (times)	0.32	(0.09)

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; *ICRA has considered the funds infused by the promoters in the form of unsecured optionally convertible debentures as debt while calculating total outside liabilities*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current rating (FY2026)			Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Nov 26, 2025	Date	Rating	Date	Rating	Date	Rating
Fund-based – Term loans	Long Term	16.94	[ICRA]AA+ (Stable)	-	-	-	-	-	-

Complexity level of the rated instrument

Instrument	Complexity indicator
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	Term loan	Aug 11, 2023	-	Mar 31, 2043	16.94	[ICRA]AA+ (Stable)

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis for TOT Bundle-1:

SPV Name	Shareholding of Macquarie Asai Infrastructure Fund 2	Consolidation Approach
Siddhantham Tollway Private Limited	100.0%	Full consolidation
Diwantham Tollway Private Limited		
Ankapalli Tollway Private Limited		
Diwancheruvu Tollway Private Limited		
Icchapuram Tollway Private Limited		
Puintola Tollway Private Limited		
Bamanbore Tollway Private Limited		
Garamore Tollway Private Limited		

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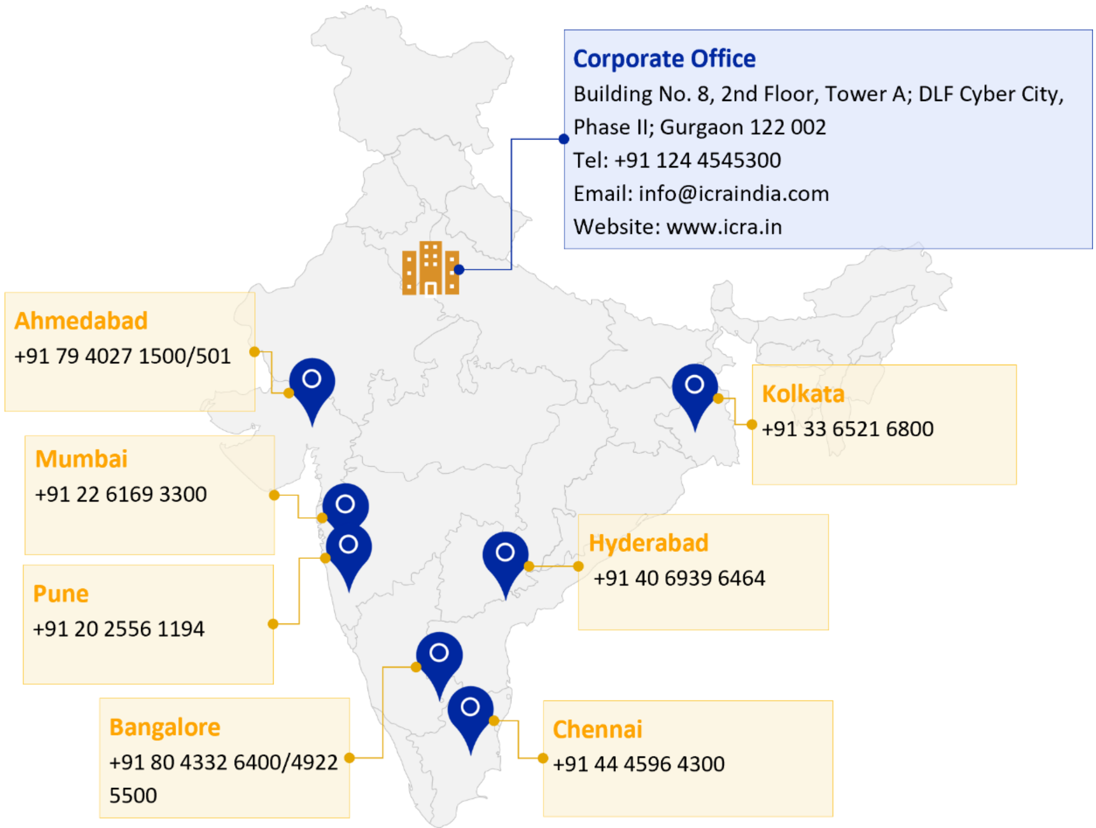

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