

May 01, 2026

Jaitpur Ballabhgarh Highways Private Limited: Provisional [ICRA]AAA (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan [^]	638.44	Provisional [ICRA]AAA (Stable) assigned
Total	638.44	

*Instrument details are provided in Annexure II;

[^]The rating assigned is provisional as of now and is subject to the fulfilment and review of all pending actions/documentation. The final rating may differ from the provisional rating in case the completed actions/documentation is not in line with ICRA's expectations.

Rating in absence of pending actions/ documents

Not meaningful

Rationale

The rating assigned to the bank facilities of Jaitpur Ballabhgarh Highways Private Limited (JBHPL) factors in the operational status of the hybrid annuity mode (HAM) road project, with track record of receipt of three semi-annual annuity payments, including interest on annuity and O&M payments, without any material deductions, awarded by the National Highways Authority of India (NHAI; rated [ICRA]AAA (Stable)). It is proposed to be acquired through harmonious substitution from Dineshchandra Vaishnodevi Infra Private Limited (DVIPL). Interim approvals have been received from the NHAI, with only the final approval pending, following which the endorsement and escrow agreements will be executed. The rating is further supported by strong projected debt service coverage ratios (DSCR) of over 1.3 times during the debt tenure and structural features of the debt, including an escrow mechanism with a defined cash flow waterfall, provision for a six month DSR to be created upfront at the time of disbursement, creation of a major maintenance reserve (MMR), and a restricted payment clause with a minimum DSCR threshold of 1.15 times

Post achievement of the final commercial operation date (COD) in September 2024, the project has received three semi-annual annuity payments. While the third annuity was received with a marginal delay of six days, beyond the 15-day period stipulated in the concession agreement (CA), ICRA draws comfort from the buffer of over two months between the annuity due date and the scheduled debt servicing date under the proposed debt terms, the presence of a pre-default structured debt service reserve (DSR) to mitigate any delay in annuity receipt, and the strong credit profile of the counterparty, NHAI, which supports the timely receipt of annuities. The rating notes the healthy credit profile of the sponsor, Cube Highways and Infrastructure V Ptd. Ltd. (CH V; rated [ICRA]AA (Stable)), and its established track record of operating and maintaining road assets. JBHPL derives financial flexibility from being a part of the Cube Highways Group, which provides comfort through the Group's demonstrated ability to support its portfolio assets, strong institutional sponsorship, and established experience in managing infrastructure investments.

The rating, however, factors in the exposure of the project's cash flows to inflation risk, as O&M receipts, though indexed to inflation (70% WPI and 30% CPI), may not be adequate to compensate for the actual increase in O&M and periodic maintenance expenses. The interest rate risk is largely mitigated by the repo rate-linked interest structure of the term loan, which provides a natural hedge, given that interest on annuities receivable from the NHAI is linked to the RBI's bank rate. The rating considers the asset concentration risk arising from reliance on a single project stretch. Accordingly, any material rise in O&M or major maintenance expenses over the budgeted levels, or significant deductions in annuity or O&M receipts, could impact the coverage metrics and remains a key rating sensitivity. ICRA draws comfort from the Cube Highways Group's

established track record in operating and maintaining road assets and the presence of cost buffers in O&M and major maintenance estimates relative to ICRA's benchmarks.

The Stable outlook reflects the expectation of timely receipt of annuities, which will support the strong debt coverage metrics, given the structural features of the debt and the presence of a strong counterparty.

Key rating drivers and their description

Credit strengths

Operational nature of project with track record of three semi-annuities – The HAM project to be acquired by JBHPL, achieved the final commercial operation date (COD) effective from September 16, 2024. The achievement of the final COD and finalisation of project completion cost, eliminate the residual execution risks and hence uncertainty related to the annuity amounts. As of January 2026, it has received three semi-annuity payments, including interest on annuity and O&M payment, without any material deductions/ penalties.

Annuity nature of project with strong counterparty – The annuity nature of the project eliminates the traffic risk in HAM road projects. As per the concession agreement, JBHPL will be receiving 30 semi-annual annuities starting six months from completion (or provisional completion) totalling to 60% of the final project completion cost, along with the interest on the residual annuities payable (at bank rate + 3%), and the inflation-adjusted O&M cost bid over the 15-year operations period from the project owner and authority, the NHAI, a key Central Government entity responsible for the development and maintenance of the national highways in the country.

Strong projected debt coverage indicators and presence of structural features – JBHPL is expected to have a strong cumulative DSCR of over 1.3 times during the debt tenure. This provides it adequate cushion to withstand any adverse movements in the bank rate and/or maintenance expenses to a major extent. The credit profile is supported by structural features of the debt, such as the presence of escrow, a cash flow waterfall mechanism, a DSR equivalent to ensuing six months of debt servicing obligation and creation of MMR. Further, the presence of restricted payment clause with minimum DSCR of 1.15 times provides comfort. Timely receipt of annuity payment is important as the cash inflows are concentrated. However, comfort is drawn from a buffer of over two months between the annuity due date and the scheduled debt servicing date, presence of a pre-default structured DSR to mitigate any delay in annuity receipt, and the strong credit profile of the counterparty, NHAI.

Credit challenges

Project's cash flows and returns exposed to inflation risks – JBHPL's cash flows are exposed to inflation risks as O&M receipts, though linked to inflation (70% WPI and 30% CPI), may not be adequate to compensate for any increase in O&M/periodic maintenance expenses. However, the interest risk is mitigated to a major extent by the healthy DSCR, which is expected to withstand any adverse movements, to some extent.

Ensuring O&M as per concession requirement and asset concentration risks – JBHPL's sources of income are the annuity, interest on outstanding annuities and the annual O&M payments from the NHAI. Hence, it must ensure satisfactory upkeep of the carriageway and undertake O&M and major maintenance of the project stretch as per the CA to avoid any deductions from annuities and O&M payments. Therefore, any significant deduction from the annuities or O&M payments could impact its coverage metrics and remains a key rating monitorable. However, ICRA draws comfort from the Cube Highways Group's established track record in operating and maintaining road assets and the presence of cost buffers in O&M and major maintenance estimates relative to ICRA benchmarks.

Liquidity position: Adequate

JBHPL's liquidity position is expected to remain adequate, supported by the anticipated timely receipt of annuities without material deductions. The liquidity is further supported by the upfront creation of a DSR equivalent to six months of principal and interest obligations at the time of disbursement.

Rating sensitivities

Positive factors – NA

Negative factors – Pressure on the rating could arise if there are major deductions or delays in receipt of semi-annuities or O&M payments, or if the O&M expenses significantly exceed the estimates, or if there is any additional debt availed by JBHPL that materially 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 or dilution of the debt structure.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Roads – Hybrid-Annuity ICRA's Policy on Assigning Provisional Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on the standalone financials of JBHPL.

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

The assigned rating is provisional and would be converted into final upon:

- Execution of the escrow agreement.
- Creation of debt service reserve (DSR) as stipulated in the sanctioned terms.

Validity of the provisional rating

In case the debt instrument/borrowing facility for which a provisional rating has been assigned is subsequently issued, 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. Under no circumstances shall the validity period be extended beyond 180 days from the date of issuance. For further details, refer to ICRA's Policy on Provisional Ratings available at www.icra.in.

If neither the pending actions/documents nor the issuance is completed after one year of the 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 issuance is completed, but the pending actions/documents are not completed by the entity within 90 days (validity period) from the date of issuance, the provisional rating will be converted into final upon the review of the required actions/documents to the extent they are completed by the end of the validity period. This implies that the provisional rating may even be revised at the end of validity period, while being converted into final, to a level commensurate with rating in the

absence of pending actions/documents (as disclosed above). ICRA may consider extending the validity period in accordance with its Policy on Provisional ratings available at www.icra.in.

About the company

JBHPL is a special purpose vehicle (SPV) incorporated in July 2025 by Cube Highways and Infrastructure V Pte. Ltd. (CH V, rated at [ICRA]AA (Stable)) to acquire the road project, currently operated by DVIPL, under the harmonious substitution framework of the NHAI. As per the concession agreement dated October 21, 2020, the concessionaire is responsible for the development, operation and maintenance of the six-laning project from the junction with Jaitpur–Pushta Road to the junction with Sector 62/65 dividing road on the Faridabad–Ballabhgarh Bypass section of NH 148NA, in Haryana. The total project length is 25.375 km, including a spur length of 1.375 km up to the junction of the Faridabad–Ballabhgarh Bypass in Haryana, and is implemented under the HAM.

Key financial indicators (audited)

Not applicable, as FY2026 is the first year of incorporation.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	May 01, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based – Term loan	Long-term	638.44	Provisional [ICRA]AAA (Stable)	-	-	-	-	-	-

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. no.	Activity name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)

9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund based – 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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund-based – Term loan*	February 2026	NA	August 2038	638.44	Provisional [ICRA]AAA (Stable)

Source: Company, ICRA Research; *The rating assigned is provisional as of now and is subject to the fulfilment and review of all pending actions/documentation. The final rating may differ from the provisional rating in case the completed actions/documentation is not in line with ICRA's expectations.

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

Annexure III: List of entities considered for consolidated analysis – Not applicable

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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.

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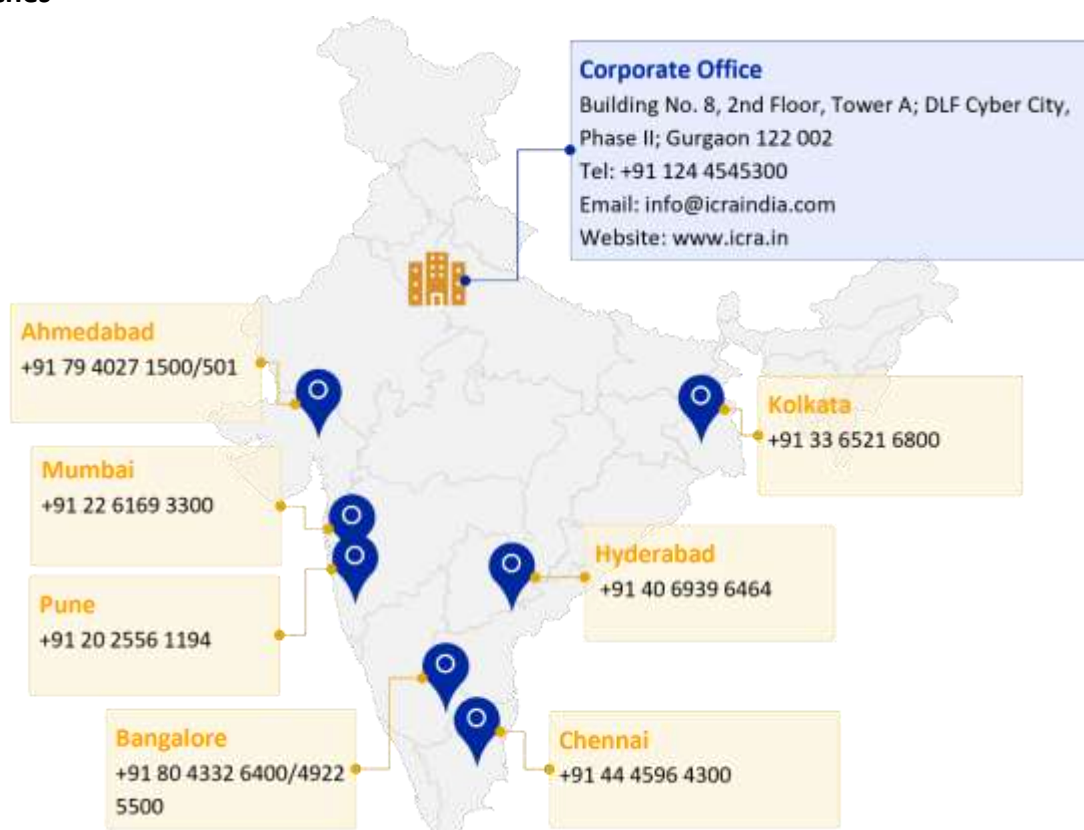
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