

May 29, 2026

## Samakhiyali Tollway 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	1446.00	1446.00	[ICRA]A- (Stable); reaffirmed
<b>Total</b>	<b>1446.00</b>	<b>1446.00</b>	

\*Instrument details are provided in Annexure II

### Rationale

The rating reaffirmation for Samakhiyali Tollway Private Limited (STPL) continues to factor in the favourable location of the project stretch with an established toll collection track record of more than 10 years. The project stretch (Samkhiyali-Santalpur) is located on NH-27, connecting the busy Kandla and Mundra ports on the west coast and Morbi (ceramic cluster of India) to northern/Central India. Further, STPL, being a part of Amritsar Jamnagar Expressway (AJE), is expected to support the traffic growth on the stretch going forward. The stretch is currently undergoing expansion from 4 lanes to 6 lanes where the construction activities are expected to be completed by January 2027, although delayed from the original scheduled completion date (SCOD) of December 26, 2025. However, ICRA derives comfort from the fixed-price engineering, procurement and construction (EPC) and operations and maintenance (O&M) contracts with IRB Infrastructure Developers Limited (IRB), which mitigates the cost overrun risks to an extent. The rating favourably factors in IRB's track record of more than two decades in the road sector including operating BOT-Toll assets. The rating notes the healthy financial profile of STPL's promoter - IRB Infrastructure Trust (IRB Trust)<sup>1</sup>. ICRA has been given to understand that IRB Trust will provide timely financial support to the special purpose vehicle (SPV) in the form of loans/advances towards shortfall in debt servicing and other financial exigencies, if any. The definition of the net distributable cash flows (NDCF) for the Trust permits it to meet the cash flow support required for all its SPVs, including STPL. The presence of structural features such as debt service reserve account (DSRA) equivalent to two quarters' debt obligations (to be infused by the sponsors on achievement of COD) and a tail period of nearly two years resulting in healthy financial flexibility provides additional comfort.

The rating is, however, constrained by execution risks, given that the project is under construction. The project achieved physical progress of nearly 60% as of April 2026 against the original SCOD of December 26, 2025. This slowdown was primarily on account of delayed shifting of utilities, and the same was noted by the National Highways Authority of India (NHAI, [ICRA]AAA (Stable); Reaffirmed; [April 01, 2026](#)). Accordingly, an extension of timeline (EoT) till January 11, 2027, has been approved by both, the NHAI and the lender, providing comfort. ICRA also favourably notes the absence of any instances of liquidated damages owing to delay in construction till date. ICRA notes that there is a high premium payout, starting from the first anniversary of the commercial operation date (COD), thereby resulting in high operating leverage. Therefore, lower-than-expected toll collection growth could adversely impact the coverage metrics. The toll collections on the stretch have witnessed moderate growth to Rs. 148 crore in FY2026 compared to Rs. 141 crore in FY2025. The traffic on the stretch was affected in Q4 FY2026 due to the West Asian crisis and the closure of the Strait of Hormuz, which impacted the port-driven (from the Mundra and Kandla ports) traffic density on the project stretch. Recovery in traffic remains a key monitorable from the credit perspective.

<sup>1</sup> IRB Infrastructure Trust had entered into a definitive agreement to acquire 99.96% equity of shares of STPL on a fully diluted basis by agreement dated October 12, 2023. As on January 04, 2024, the Trust completed the acquisition of the 99.96% shares of STPL.

The project is exposed to traffic-related risks associated with BOT-toll road assets. While the alternative route risk is low, the alternate mode risk through shifting of traffic to Kutch Railway Company Limited (KRCL, rated [ICRA]A(Stable); [December 12, 2025](#)), a feeder route to the Western Dedicated Freight Corridor, might have some impact on the traffic on the project stretch. Similarly, upgradation of pipeline infrastructure by oil majors may result in shift of petroleum, oil and lubricants (POL) commodity traffic from the project stretch. ICRA, in its base case scenario, has considered the expected impact of modal shift. Although the long-term growth in volumes handled at the Kandla and Mundra ports is likely to support the traffic on the project stretch, the extent of traffic diversion, on account of the aforementioned alternate modes, will be a key rating monitorable in the medium term. Further, the floating interest rate structure exposes STPL's cash flows to interest rate risk. STPL has entered into a fixed-price agreement with IRB for undertaking the O&M and major maintenance (MM) expenditure during the concession period. That said, undertaking routine and periodic maintenance within the budgeted costs would be a key rating monitorable.

The Stable outlook on the rating reflects ICRA's expectation of financial support from the strong promoter, the long tolling history of the project stretch with proximity to key trade routes supporting the traffic volumes, and thereby the toll collections.

## Key rating drivers and their description

### Credit strengths

#### **Strong parentage by being part of IRB Infrastructure Trust; established track record of IRB Group in maintaining road assets**

– STPL is a part of the IRB Trust wherein IRB, GIC and its affiliates and Cintra holds 51%, 25% and 24% shareholding respectively. At present, the IRB Trust has a portfolio of 15 projects (10 BOT Toll and five TOT projects), aggregating to 10,674 lane kms, spread across nine states. The rating favourable factors in the IRB Group's track record of more than two decades in the road sector including operating BOT-Toll assets. ICRA draws comfort from the healthy financial profile of the IRB Trust. ICRA has been given to understand that IRB Trust will provide timely financial support to the SPV in the form of loans/advances towards shortfall in debt servicing and other financial exigencies, if any. The definition of net distributable cash flows (NDCF) for the Trust permits it to meet the cash flow support required for STPL. Further, as per the transaction documents, the Trust has committed to provide sponsor contribution up to Rs. 646 crore to STPL towards project execution as well as fund any shortfall, if the need arises, during the entire loan tenure.

**Favourable location of project stretch with tolling history** – The project stretch (Samakhiyali-Santalpur) is located on NH-27, connecting two major ports on the west coast (Kandla and Mundra ports) to northern India. The proximity to the ports and the fact that the stretch connects Morbi (which accounts for significant share of India's ceramic production) to North India are expected to be the major traffic drivers. Moreover, the project stretch is dominated by heavy commercial vehicles. The project stretch has a tolling history of more than 10 years and witnessed a CAGR of 5.2% in traffic in PCU terms during FY2013 to FY2023. However, the stretch has witnessed moderate growth in traffic in FY2026, owing to the West Asian crisis and ICRA estimates the stretch to register a modest traffic growth in FY2027. The increase in port traffic over the years has been driving the traffic growth and the same is expected to sustain in the medium term. Further, STPL is a part of AJE, which is likely to boost traffic growth, as it will significantly reduce the travel time to northern hinterland once fully operational.

**Presence of structural features and tail period provide financial flexibility** – Structural features such as DSRA equivalent to the ensuing two quarters of debt obligation (to be infused by the sponsors on COD), cash sweep mechanism for DSCR above 1.30 times and a well-defined escrow mechanism provide credit support to the term loan. ICRA also notes the flexibility arising out of the nearly two year tail period.

### Credit challenges

**Exposed to execution and funding risks** – The company is exposed to execution risks, given that the project is under construction. The project achieved physical progress of nearly 60% as of April 2026 against the original scheduled completion

date (SCOD) of December 26, 2025. This slowdown was primarily on account of delayed shifting of utilities. Further, the risk of cost overrun is mitigated by the fixed-price EPC contract and established track record of IRB. STPL's ability to commission the project in a timely manner and within the budgeted costs would remain a key monitorable. Moreover, timely commissioning is important from revenue perspective, given that the toll rates shall increase post COD as per the concession agreement. The project cost of Rs. 2,092 crore is expected to be funded through Rs. 465 crore of promoters' contribution, debt of Rs. 1,446 crore and the remaining Rs. 181 crore through internal accruals of the asset. ICRA notes that the term debt is already sanctioned, and promoter has brought in Rs. 243 crore of equity as of November 2025. ICRA draws comfort from the strong credit profile of the sponsor and track record of timely fund infusion in other SPVs. The sponsor has provided an undertaking to meet the cost overrun and fund any shortfall in internal accruals.

**High operating leverage with modest debt coverage metrics** – ICRA notes that there is a high premium payout to NHAI, starting from the first anniversary of COD, at 42.8% of the toll income. The same shall increase by 100 bps each year till the end of the concession period, thereby resulting in high operating leverage. Further, the coverage metrics are likely to remain modest during the debt tenure, with cumulative DSCR expected to remain below 1.2 times as per ICRA's base case estimates. Therefore, higher-than-anticipated impact on the traffic or lower-than-anticipated levels of WPI could affect the coverage metrics. Nevertheless, ICRA has been given to understand that IRB Trust will provide timely financial support to the SPV towards shortfall in debt servicing and other financial exigencies, if any, which provides comfort.

**Project cash flows sensitive to traffic growth and interest rates; ensuring routine and periodic maintenance expenses within budgeted levels remains crucial** – Notwithstanding the importance of the project stretch, moderate alternative route risk and willingness of the users to pay toll, the project remains exposed to risks inherent in BOT (toll) road projects including risks of development/improvement of alternate modes of transportation (like Western DFC and gas pipeline), which could lead to lower-than-anticipated traffic growth. STPL's cash flows are exposed to interest rate risk, considering the floating interest rate on the project loan. Further, in absence of a pre-defined MM schedule in the Concession Agreement, undertaking routine and periodic maintenance within the budgeted costs would be a key rating monitorable. That said, ICRA has taken comfort from the fixed-price O&M contract with IRB for undertaking the O&M and MM expenditure as well the experience of the IRB Group in maintaining project stretches across various terrain and geographies.

### Liquidity position: Adequate

The liquidity position remains adequate with expected fund infusion from promoters, pending debt drawdown and healthy toll collections, likely to be sufficient to fund the pending construction cost. Further, the cash flows will be sufficient to meet the operational expenses and debt servicing requirement including interest expense, which is estimated at around Rs. 109 crore in FY2027, as per ICRA estimates. The principal repayments will begin 6 months from COD and are now expected to begin in August 2027. The promoters are required to fund the DSRA (equivalent to six months of principal plus interest obligations) upon COD, which is expected to support the liquidity going forward.

### Rating sensitivities

**Positive factors** – ICRA could upgrade STPL's rating on completion of the project within the budgeted cost and time and higher-than-envisaged toll collections, on a sustained basis, resulting in improvement in its coverage metrics. Specific credit metrics that could result in an upgrade include cumulative DSCR improving beyond 1.35 times.

**Negative factors** – Negative pressure on the rating could arise if there is any delay in completion of the project and/or increase in budgeted cost, or if the toll collections is lower-than-expected or the company incurs higher-than-anticipated O&M expense on a sustained basis. Negative pressure on the rating could arise if there is weakening of promoter (IRB Trust) profile and/or weakening of linkages with the promoter.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Roads - BOT Toll</a>
Parent/Group support	Parent: IRB Infrastructure Trust (IRB Trust) ICRA expects STPL's parent, IRB Trust, to be willing to extend financial support to STPL, given the strategic importance that STPL holds for the IRB Trust. ICRA expects the IRB Trust to be willing to extend financial support to STPL out of its need to protect its reputation from the consequences of a Group entity's distress.
Consolidation/Standalone	Standalone

## About the company

STPL, an SPV promoted by IRB, is undertaking the upgradation of NH-27 from Samakhiyali to Santalpur section to six lanes with paved shoulder from Km. 339+200 to Km. 430+100 in Gujarat on BOT (Toll) mode. The concession period for the project is 20 years, including construction period of 24 months. The Concession Agreement between the NHAI and STPL was signed on May 12, 2023. The appointed date for the project is December 28, 2023. The asset is a part of the IRB Trust. The NHAI premium is to be paid at 42.84% of toll collection, starting from 1 year post COD with 100 bps increment annually.

### Key financial indicators (audited)

STPL – Standalone	FY2024	FY2025
Operating income	392.5	512.2
PAT	32.7	95.7
OPBDIT/OI	11.2%	28.2%
PAT/OI	8.3%	18.7%
Total outside liabilities/Tangible net worth (times)	1.7	2.2
Total debt/OPBDIT (times)	3.5	3.0
Interest coverage (times)	239.5	10.6

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

### Status of non-cooperation with previous CRA: Not applicable

Any other information: None

## Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	FY2027		FY2026		FY2025		FY2024	
		Amount rated (Rs crore)	May 29, 2026	Date	Rating	Date	Rating	Date	Rating
<b>Fund-based-Term loan</b>	Long Term	1,446.00	[ICRA]A-(Stable)	-	-	Feb 28, 2025	[ICRA]A-(Stable)	Nov 15, 2023	[ICRA]A-(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	Term loan	FY2024	NA	FY2042	1446.00	[ICRA]A- (Stable)

Source: Company

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

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

## ANALYST CONTACTS

**Ashish Modani**  
+91 22 6169 3300  
[ashish.modani@icraindia.com](mailto:ashish.modani@icraindia.com)

**Suprio Banerjee**  
+91 22 6114 3443  
[supriob@icraindia.com](mailto:supriob@icraindia.com)

**M Rajashekar Reddy**  
+91 40 6939 6423  
[m.rajashekarreddy@icraindia.com](mailto:m.rajashekarreddy@icraindia.com)

**Anirudh Goel**  
+91 22 6169 3300  
[aanirudh.goel@icraindia.com](mailto:aanirudh.goel@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 22 6114 3406  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## ABOUT ICRA LIMITED

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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.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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