

October 13, 2026

## Jaitpur Ballabhgarh Highways Private Limited: Provisional rating finalised

### Summary of rating action

| Instrument*                        | Previous rated amount<br>(Rs. crore) | Current rated amount<br>(Rs. crore) | Rating action                                    | Financial sector regulator <sup>#</sup> |
|------------------------------------|--------------------------------------|-------------------------------------|--------------------------------------------------|-----------------------------------------|
| Long-term – Fund-based – Term loan | 638.44                               | 616.96                              | [ICRA]AAA (Stable); Provisional rating finalised | RBI                                     |
| <b>Total</b>                       | <b>638.44</b>                        | <b>616.96</b>                       |                                                  |                                         |

\*Instrument details are provided in Annexure I

<sup>#</sup>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

### Rationale

ICRA has finalised the provisional rating assigned to the Rs. 616.96 crore term loans of Jaitpur Ballabhgarh Highway Private Limited (JBHPL) at [ICRA]AAA (Stable). The finalisation of the provisional rating considers the execution of the escrow agreement, opening of escrow account for term loans and creation of debt service reserve (DSR). The acquisition of the project from Dineshchandra Vaishnodevi Infra Private Limited (DVIPL) through harmonious substitution was completed upon execution of the endorsement agreement dated September 14, 2026.

The rating assigned to the bank facilities of JBHPL factors in the operational status of the hybrid annuity mode (HAM) road project, with a track record of receipt of four semi-annual annuity payments, including interest on annuity and operations and maintenance (O&M) payments, without any material deductions, awarded by the National Highways Authority of India (NHAI; rated [ICRA]AAA (Stable)). 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, presence of a six month DSR (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 four 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 timely receipt of fourth semi-annual annuity (including interest on annuity) and 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 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 primarily mitigated by the repo rate-linked interest structure of the term loan, which provides a natural hedge, given that the 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 four semi-annuities** – The HAM project operated by JBHPL achieved the final 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 September 2026, it has received four 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 CA, 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. Nevertheless, comfort is derived from the established operational track record of the Cube Highways Group, the formalisation and execution of the O&M contracts and the presence of cost buffers in O&M and major maintenance estimates relative to ICRA's benchmarks.

### Liquidity: Adequate

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

## 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 | <a href="#">Corporate Credit Rating Methodology</a><br><a href="#">ICRA's Policy on Assigning Provisional Ratings</a><br><a href="#">Roads - Hybrid Annuity</a> |
| Parent/Group support            | Not applicable                                                                                                                                                  |
| Consolidation/Standalone        | The rating is based on the standalone financials of JBHPL.                                                                                                      |

## 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)) for the acquisition of the road project previously operated by DVIPL, under the harmonious substitution framework of the NHAI. The acquisition was completed upon the execution of endorsement agreement dated September 14, 2026. As per the CA dated October 21, 2020, the concessionaire is responsible for the development, O&M of the six-laning project from the junction with Jaitpur–Pushpa 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 rating (FY2027) |           |                          |                    |              |                                | Chronology of rating history for the past 3 years |        |        |        |        |        |
|-------------------------|-----------|--------------------------|--------------------|--------------|--------------------------------|---------------------------------------------------|--------|--------|--------|--------|--------|
|                         |           |                          |                    | FY2027       |                                | FY2026                                            |        | FY2025 |        | FY2024 |        |
| Instrument              | Type      | Amount rated (Rs. crore) | October 13, 2026   | Date         | Rating                         | Date                                              | Rating | Date   | Rating | Date   | Rating |
| Fund-based – Term loan  | Long-term | 616.96                   | [ICRA]AAA (Stable) | May 01, 2026 | Provisional [ICRA]AAA (Stable) | -                                                 | -      | -      | -      | -      | -      |

## 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 I: Instrument details

| ISIN | Instrument name        | Date of issuance / Sanction | Coupon rate | Maturity date | Amount rated (Rs. crore) | Current rating and outlook                       | Financial sector regulator <sup>#</sup> |
|------|------------------------|-----------------------------|-------------|---------------|--------------------------|--------------------------------------------------|-----------------------------------------|
| NA   | Fund-based – Term loan | February 2026               | NA          | August 2038   | 616.96                   | [ICRA]AAA (Stable); Provisional rating finalised | RBI                                     |

Source: Company, ICRA Research

<sup>#</sup>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

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

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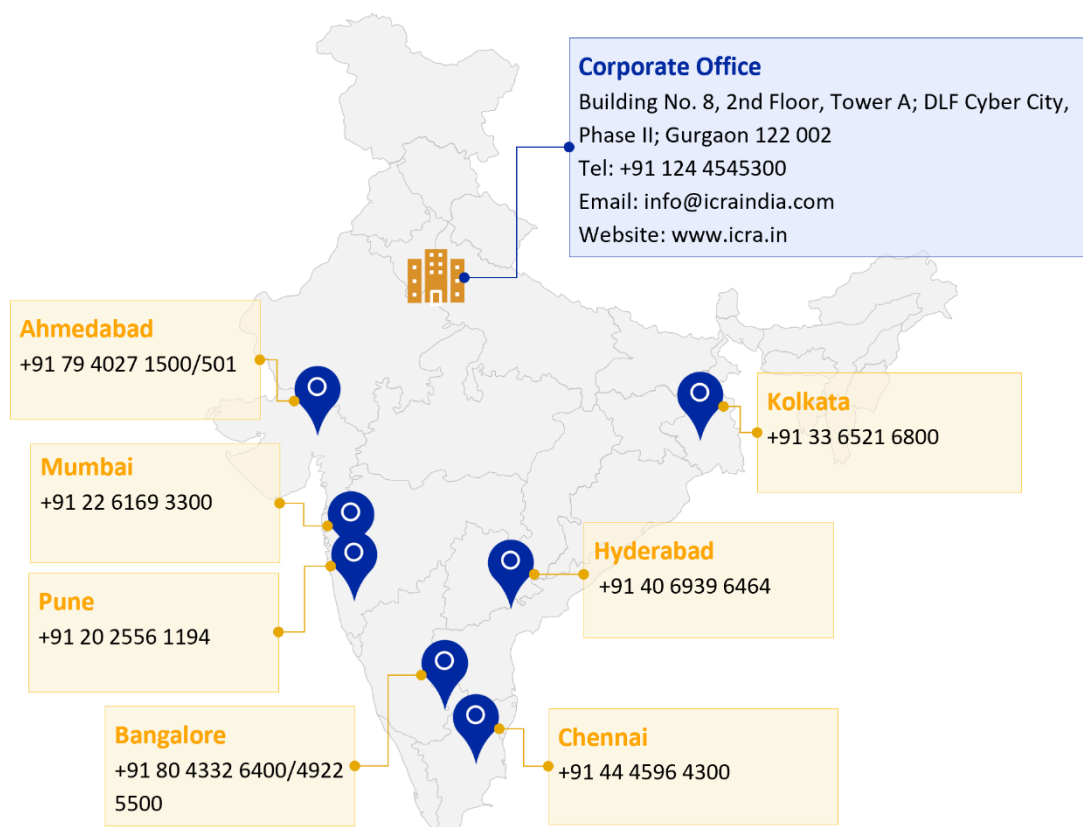
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