

October 19, 2026

Tracks & Towers Infratech Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long-term- Fund based - Working capital facilities - Cash credit	402.00	402.00	[ICRA]A (Stable); reaffirmed	RBI
Long-term- Fund based - Working capital demand loan	30.00	30.00	[ICRA]A (Stable); reaffirmed	RBI
Long-term/short-term - Non-fund based bank guarantee	553.16	553.16	[ICRA]A (Stable)/ [ICRA]A1; reaffirmed	RBI
Short-term - Interchangeable cash credit@	(20.00)	(20.00)	[ICRA]A1; reaffirmed	RBI
Long-term - Proposed fund-based limits	10.00	10.00	[ICRA]A (Stable); reaffirmed	RBI
Long-term/short-term - Proposed non-fund based limits	4.84	4.84	[ICRA]A (Stable)/ [ICRA]A1; reaffirmed	RBI
Total	1,000.0	1,000.0		

*Instrument details are provided in Annexure I

#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.

@Sublimit, interchangeable with BG limits

Rationale

The ratings reaffirmation for Tracks & Towers Infratech Private Limited (TTIPL) factors in its healthy order book position, established execution track record and comfortable financial risk position. The order book position (OB) of the company stood at Rs. 5,868.1 crore as on June 30, 2026, translating into 6.1 times of FY2026 operating income (OI), providing strong medium-term revenue visibility. The ratings also derive comfort from the company's established execution track record in railway infrastructure projects and its gradual diversification into roads, building, transmission and water infrastructure segments. The ratings further consider TTIPL's comfortable financial profile, reflected in healthy operating margins, low leverage with TOL/TNW of 0.5 times as on March 31, 2026, and healthy interest coverage of 12.9 times in FY2026. The ratings also draw comfort from the company's reputed customer profile, with a significant share of the order book from Government and public-sector entities, supporting payment security and mitigating counterparty credit risks to an extent. Further, the company's receivable profile remained comfortable, with majority of debtors outstanding for less than 30 days as on March 31, 2026, reflecting healthy collection efficiency.

The ratings are, however, constrained by the sizeable funding commitments towards the Chatra Expressways Private Limited (CEPL) HAM project, entailing an incremental equity commitment of Rs. 101.1 crore over FY2027-FY2028, and the planned debt-funded capex of around Rs. 140-170 crore during FY2027-FY2029. These commitments are expected to increase the company's funding requirements over the medium term and could moderate its financial flexibility. Nevertheless, the funding risk is partially mitigated by the presence of recoverable inter-corporate deposits (ICDs) aggregating Rs. 50.0 crore as on March 31, 2026, which are expected to support the equity infusion requirements for the HAM project. Further, given the relatively different risk-return profile of HAM projects compared to EPC contracts and TTIPL's limited track record in the road HAM segment, its ability to execute such projects within the envisaged timelines and costs, while maintaining comfortable leverage,

coverage metrics and liquidity, will remain a key rating monitorable. Going forward, any significant increase in development projects resulting in higher-than-expected equity commitment, which adversely affects its liquidity position, will remain a key monitorable.

The ratings are also constrained by the moderately concentrated order book profile across clients, projects and segments, and the risks associated with execution of a sizeable portion of projects that are at a relatively nascent stage, exposing the company to risks relating to timely mobilisation, approvals and execution ramp-up. The ratings are also constrained by the inherent cyclicity and intense competition in the tender-based contract award system, resulting in the risk of volatility in order inflows, revenues and pressure on profit margins. However, its established execution track record and long-standing relationships with reputed Government and public-sector clients provide comfort. Most contracts have provision for price variation, which protects the entity's profitability to an extent. In addition, the company is also exposed to sizeable contingent liabilities in the form of BGs (Rs. 386.09 crore as on March 31, 2026), mainly towards performance guarantee, mobilisation advances and security deposits. Nonetheless, ICRA draws comfort from TTIPL's healthy execution track record and no invocation of guarantees in the past. Further, ICRA notes that its moderate capex plans may limit the free cash flows and liquidity position to an extent. Nonetheless, the liquidity position is expected to remain adequate on the back of its low working capital intensity.

The Stable outlook on the long-term rating reflects ICRA's opinion that TTIPL will maintain comfortable financial profile, supported by healthy order execution and timely receipt of payments from its customers, given its reputed profile.

Key rating drivers and their description

Credit strengths

Healthy order book position providing medium-term revenue visibility – TTIPL's revenues witnessed a CAGR of 10.1% during last five years, increasing to Rs. 948.4 crore in FY2026 from Rs. 585.2 crore in FY2021, driven by healthy execution of railway infrastructure projects and gradual diversification into roads, building, transmission and water infrastructure segments. The company received fresh orders aggregating to around Rs. 3,600.0 crore during FY2026 and Q1 FY2027, resulting in the order book improving to Rs. 5,868.1 crore as on June 30, 2026. The order book-to-operating income (OB/OI) ratio stood at 6.1 times of FY2026 operating income, providing strong medium-term revenue visibility. The revenue growth is expected to remain healthy over the medium term, supported by the comfortable order book position and the company's established execution capabilities, although timely execution of the sizeable order book remains a key monitorable.

Comfortable financial profile – TTIPL's financial profile remains comfortable with healthy operating margins in the range of 8.7-10.6% over the last five years, low leverage reflected in TOL/TNW of 0.5 times as on March 31, 2026, and healthy interest coverage of 12.9 times in FY2026. The debt levels are expected to increase over the medium term owing to the planned debt-funded capex of Rs. 140-170 crore during FY2027-FY2029, equity commitments towards the HAM project and higher working capital requirements associated with the growing scale of operations. However, the company is expected to maintain comfortable leverage and debt coverage indicators, supported by healthy earnings, coupled with expected improvement in scale of operations. Further, operating margins are expected to remain healthy at 9.0-10.5% over the medium term, aided by operating leverage benefits, improved cost absorption and a favourable project mix.

Reputed clientele mitigates counterparty credit risk – TTIPL operates across the railway, roads, building, transmission and water infrastructure segments and has orders from reputed clients such as Rail Vikas Nigam Limited (RVNL), IRCON International Limited (IRCON), RITES Limited (RITES), National Highways Authority of India (NHAI), South Western Railway, East Coast Railway and the Ministry of Road Transport and Highways (MoRTH). As on June 30, 2026, around 77% of the outstanding order book was from Government and public-sector entities, which mitigates counterparty credit risk to an extent and supports timely payment realisations. Further, the company's receivables profile remained comfortable, with majority of debtors outstanding for less than 30 days as on March 31, 2026, reflecting healthy collection efficiency.

Credit challenges

Sizeable equity commitment and execution risks related to HAM project – TTIPL, through its joint venture with RVNL, is implementing the Chatra HAM project (contributes 20% of the outstanding order book as on June 30, 2026), which entails a total equity commitment of Rs. 102.7 crore, of which Rs. 1.53 crore had been infused as on March 31, 2026, with the balance Rs. 101.1 crore expected to be infused over the project implementation period. The project received the appointed date (AD) on May 23, 2026, with 90.35% right-of-way (ROW) available as on the AD. Further, the project achieved 3.32% physical progress as on June 30, 2026, and received its first interim milestone payment from the NHAI. Nevertheless, given the different risk-return profile of HAM projects compared to EPC projects, along with the company's relatively limited track record in the road HAM segment, the ability to execute the project within the envisaged timelines and costs, while managing the associated funding requirements, will remain a key rating monitorable. Further, any incremental exposure towards HAM projects could result in additional funding requirements and execution risks over the medium term.

Moderately concentrated order book and risks associated with execution of nascent-stage projects – TTIPL's order book remains moderately concentrated across clients, projects and segments. The top three customers accounted for 49.4% of the order book as on June 30, 2026. Although the company has diversified its presence across railway, road, building, transmission and water infrastructure segments, the railway and road segments accounted for around 44.5% and 30.6% of the order book, respectively, as on June 30, 2026. Besides, the top five projects constituted 59.8% of the order book as on June 30, 2026. Further, a significant portion of the order book is at a nascent stage of execution, with 62.6% of the outstanding order book having achieved less than 10% execution as on June 30, 2026, as majority of these projects were received during the last 12-18 months. Accordingly, timely receipt of approvals, mobilisation of resources and ramp-up in execution across these projects will remain key monitorable factors.

Risks associated with construction sector including sizeable non-fund based exposure – TTIPL is exposed to the cyclicity inherent in the construction industry and intense competition in the tender-based contract award system, resulting in the risk of volatility in order inflows, revenues and pressure on profit margins. However, its established execution track record and long-standing relationships with reputed Government and public-sector clients provide comfort. Most contracts have provision for price variation, which protects the entity's profitability to an extent. The company is also exposed to sizeable contingent liabilities in the form of BGs (~Rs. 386.09 crore as on March 31, 2026), mainly towards performance guarantee, mobilisation advances and security deposits. Nonetheless, ICRA draws comfort from TTIPL's healthy execution track record and no invocation of guarantees in the past.

Liquidity position: Adequate

TTIPL's liquidity is expected to be Adequate with free cash and bank balances of Rs. 17.5 crore as on March 31, 2026, and cushion available in the form of unutilised fund-based working capital facilities of Rs. 216.2 crore as on July 31, 2026 (excluding project-specific limits). The company has equity commitments of around Rs. 67.0 crore in FY2027 and Rs. 34.2 crore in FY2028 towards the CEPL HAM project and moderate capex plans of around Rs. 60.0-70.0 crore in FY2027, along with ongoing working capital requirements, which are expected to be comfortably met through estimated cash flow from operations and the cushion available in working capital limits. Also, it has given ICDs aggregating Rs. 50.0 crore as on March 31, 2026, which are recoverable on call basis and are likely to be utilised towards meeting the equity commitment requirements of the HAM project.

Rating sensitivities

Positive factors – ICRA may upgrade TTIPL's ratings, if there is a significant ramp-up in scale with project diversification and improving its profitability while maintaining debt coverage metrics and liquidity position on a sustained basis.

Negative factors – Pressure on the ratings could arise in case of a slowdown in execution and/or deterioration in working capital intensity impacting its earnings. Further, higher-than-expected increase in investments in HAM projects/Group

companies affecting the financial profile could exert pressure on the ratings. The ratings may also be revised downwards, if TOL/TNW increases to over 1.2 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Construction
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has done limited consolidation of HAM special purpose vehicles (SPV) factoring in the equity commitments and support towards meeting any cash flow mismatches

About the company

Tracks & Towers Infratech Private Limited (TTIPL) was incorporated in August 2007. It was converted from a partnership firm, Lakshmi Agencies, which was established in 1983. TTIPL is a special class civil contractor, which primarily undertakes projects in the railway segment, and its scope of work includes laying of railway tracks, construction of roadbed, major and minor bridges, signalling and telecommunications. The company has recently diversified into construction of buildings, roads, transmission and water infrastructure segments.

Key financial indicators (audited)

Tracks & Towers Infratech Private Limited	FY2025	FY2026*
Operating income	706.1	948.4
PAT	50.7	68.1
OPBDIT/OI	8.9%	10.6%
PAT/OI	7.2%	7.2%
Total outside liabilities/Tangible net worth (times)	0.3	0.5
Total debt/OPBDIT (times)	0.4	1.0
Interest coverage (times)	11.8	12.9

Source: Company, ICRA Research; * Provisional numbers; 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					
				FY2026		FY2025		FY2024	
	Type	Amount rated	Oct 19, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based – Working capital facilities –Cash credit	Long-term	402.00	[ICRA]A (Stable)	Aug 05, 2025	[ICRA]A (Stable)	Aug 06, 2024	[ICRA]A (Stable)	Aug 04, 2023	[ICRA]A (Stable)
				Aug 25, 2025	[ICRA]A (Stable)	-	-	-	-
				Mar 13, 2026	[ICRA]A (Stable)	-	-	-	-
Proposed fund-based limits	Long-term	10.00	[ICRA]A (Stable)	Aug 05, 2025	[ICRA]A (Stable)	Aug 06, 2024	[ICRA]A (Stable)	Aug 04, 2023	[ICRA]A (Stable)
				Aug 25, 2025	[ICRA]A (Stable)	-	-	-	-
				Mar 13, 2026	[ICRA]A (Stable)	-	-	-	-
Non-fund based –Bank guarantee	Long-term/short-term	553.16	[ICRA]A (Stable)/[ICRA]A1	Aug 05, 2025	[ICRA]A (Stable)/[ICRA]A1	Aug 06, 2024	[ICRA]A (Stable)/[ICRA]A1	Aug 04, 2023	[ICRA]A (Stable)/[ICRA]A1
				Aug 25, 2025	[ICRA]A (Stable)/[ICRA]A1	-	-	-	-
				Mar 13, 2026	[ICRA]A (Stable)/[ICRA]A1	-	-	-	-
Non-fund based-Proposed limits	Long-term/short-term	4.84	[ICRA]A (Stable)/[ICRA]A1	Aug 05, 2025	[ICRA]A (Stable)/[ICRA]A1	Aug 06, 2024	[ICRA]A (Stable)/[ICRA]A1	Aug 04, 2023	[ICRA]A (Stable)/[ICRA]A1
				Aug 25, 2025	[ICRA]A (Stable)/[ICRA]A1	-	-	-	-
				Mar 13, 2026	[ICRA]A (Stable)/[ICRA]A1	-	-	-	-
Fund-based - Working capital demand loan	Long-term	30.00	[ICRA]A (Stable)	Aug 25, 2025	[ICRA]A (Stable)	-	-	-	-
				Mar 13, 2026	[ICRA]A (Stable)	-	-	-	-

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated	Oct 19, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Interchangeable –Cash credit	Short-term	20.00	[ICRA]A1	Aug 05, 2025	[ICRA]A1	Aug 06, 2024	[ICRA]A1	Aug 04, 2023	[ICRA]A1
				Aug 25, 2025	[ICRA]A1	-	-	-	-
				Mar 13, 2026	[ICRA]A1	-	-	-	-
Unallocated limits	Long-term			-	-	-	-	Aug 04, 2023	[ICRA]A (Stable)
Non-fund based-Others	Short-term			-	-	-	-	Aug 04, 2023	[ICRA]A1

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/Short-term-Non-fund based-Proposed limits	Simple
Short-term-Interchangeable limits-Others	Simple
Long-term/Short-term-Non-fund based-Bank guarantee	Simple
Long-term-Fund-based-Cash credit	Simple
Long-term-Fund-based-Proposed limits	Simple
Long-term-Fund-based-Working capital demand 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	Financial Sector Regulator [#]
NA	Fund-based –Working capital facilities –Cash credit	NA	NA	NA	402.00	[ICRA]A (Stable)	RBI
NA	Fund-based - Working capital demand loan	NA	NA	NA	30.00	[ICRA]A (Stable)	RBI
NA	Non-fund based -Bank guarantee	NA	NA	NA	553.16	[ICRA]A (Stable)/ [ICRA]A1	RBI
NA	Cash credit [@]	NA	NA	NA	(20.00)	[ICRA]A1	RBI
NA	Proposed fund-based limits	NA	NA	NA	10.00	[ICRA]A (Stable)	RBI
NA	Proposed non-fund based limits	NA	NA	NA	4.84	[ICRA]A (Stable)/ [ICRA]A1	RBI

Source: Company; @Interchangeable with BG limits

[#]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.

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

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Chatra Expressways Private Limited	51.00%	Limited consolidation

Source: Company

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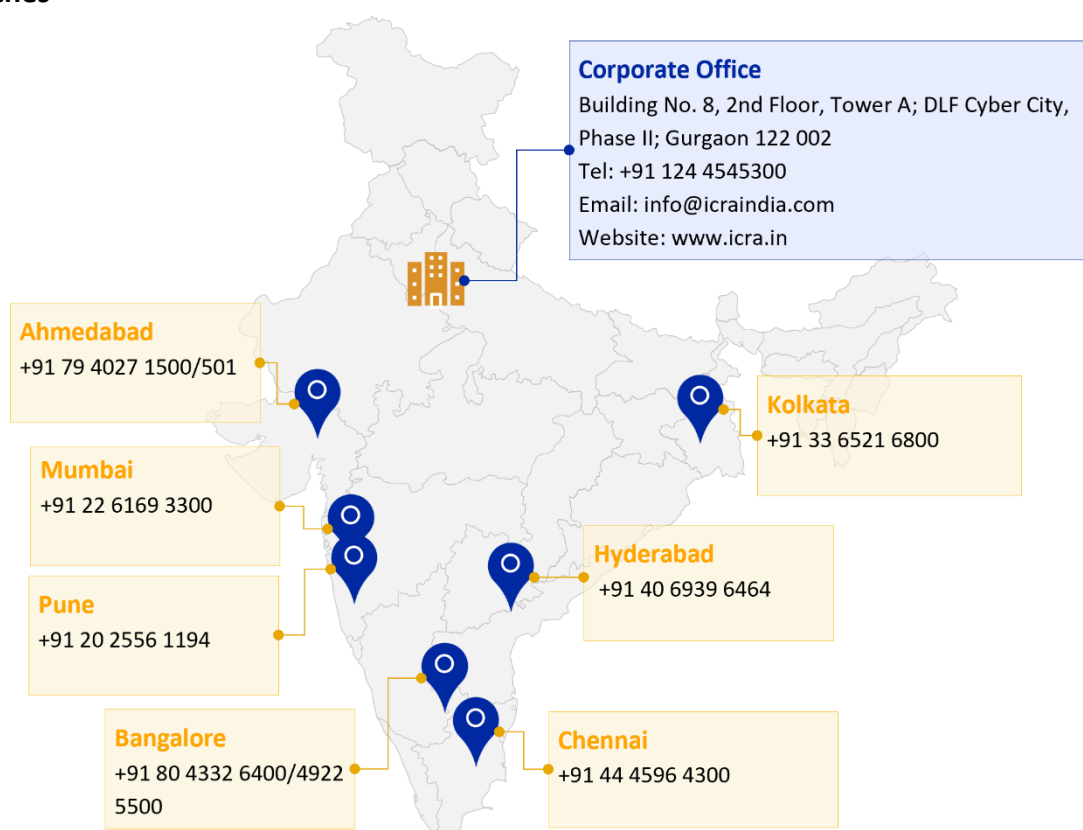
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