

June 09, 2025

To

Listing Department
BSE Limited
20th Floor, P. J. Towers
Dalal Street, Mumbai – 400 001
Scrip Code: 543899 ISIN: INE0NR623014
Scrip Code: 974936 ISIN: INE0NR607017
Scrip Code: 975770 ISIN: INE0NR607025
Scrip Code: 976397 ISIN: INE0NR607033
Scrip Code: 976434 ISIN: INE0NR607041
Scrip Code: 976636 ISIN: INE0NR607058
Scrip Code: 976637 ISIN: INE0NR607066

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Symbol: CUBEINVIT

Subject: Intimation regarding Credit Rating of Cube Highways Trust

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 23 of Securities Exchange Board of India (SEBI) (Infrastructure Investment Trusts) Regulations, 2014, read with SEBI Master Circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024, as amended from time to time and Regulation 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that following credit rating(s) have been received:

| Sr. No. | Name of Credit Rating Agency | Particulars | Size of the issue (billion) | Rating |
|---------|------------------------------|-------------------------------------|-----------------------------|---------------------------|
| 1. | India Ratings & Research | Proposed Commercial Papers | INR 13.50 | IND A1+ (assigned) |
| | | Long-Term Issuer Rating | - | IND AAA/Stable (affirmed) |
| | | Non-Convertible Debentures | INR 34.30 | |
| | | Bank guarantee | INR 2.5 | |
| | | Rupee Term Loan | INR 80.65 | |
| | | Proposed Non-Convertible Debentures | INR 0.08 | Withdrawn |

We enclose herewith credit rating letter issued by rating agency for your information.

Request to take the same on record.

For Cube Highways Fund Advisors Private Limited
(acting in its capacity as Investment Manager to Cube Highways Trust)

Richa Gupta Rohatgi
Company Secretary and Compliance Officer

Copy to:

Cc:

Trustee to the InvIT
Axis Trustee Services Limited
Axis House, P B Marg, Worli,
Mumbai, Maharashtra, India, 400025

Debt Security Trustee
Catalyst Trusteeship Limited
901, 9th Floor, Tower-B Peninsula
Business Park, Senapati Bapat Marg
Lower Parel(W), Mumbai, Maharashtra- 400013

CUBE HIGHWAYS FUND ADVISORS PRIVATE LIMITED

CIN: U74999DL2021FTC379941

Regd. Office: B-376, UGF, Nirman Vihar, New Delhi - 110092

Corporate Office: Unit No. 1901, 19th Floor, Tower-B, World Trade Tower, Plot No. C-1, Sector-16, Noida, U.P-201301

E-mail: - compliance.officer@cubehighways.com, **Phone:** +91-120-4868300

Mr. Saurabh Bansal
Vice President - Cube Highways Fund Advisors Private Limited (IM of CHT)
CUBE HIGHWAYS TRUST
Unit No.1901, 19th Floor, Tower B,
World Trade Tower, Plot No.C-1,
Sector 16, Noida-201301

June 09, 2025

Dear Sir/Madam,

Re: Rating of Commercial Paper programme of CUBE HIGHWAYS TRUST

India Ratings and Research (Ind-Ra) has rated Cube Highways Trust's (CHT) Proposed Commercial Paper Program as follow:

| Instrument Type | Size of Issue (billion) | Rating assigned along with Outlook/ Watch | Rating Action |
|----------------------------|-------------------------|---|---------------|
| Proposed Commercial Papers | INR13.50 | IND A1+ | Assigned |

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings, India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the

general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings' reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

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It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. For the purpose of issuance of the instrument, this letter is valid for 60 calendar days from the date of the letter. Once the instrument is issued, the above rating is valid for a maximum period of 1 year from the date of issuance. Notwithstanding the above, the rating is subject to review on a continuing basis, with formal reviews being undertaken at regular intervals of no more than 12 months. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch at any time due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. And any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Vishal Kotecha
Director

Mr. Saurabh Bansal
Vice President - Cube Highways Fund Advisors Private Limited (IM of CHT)
CUBE HIGHWAYS TRUST
Unit No.1901, 19th Floor, Tower B,
World Trade Tower, Plot No.C-1,
Sector 16, Noida-201301

June 09, 2025

Dear Sir/Madam,

Re: Rating Letter for NCD & BLR of CUBE HIGHWAYS TRUST

India Ratings and Research (Ind-Ra) has taken the following rating actions on Cube Highways Trust (CHT) and its debt instruments:

| Instrument Type | Maturity Date | Size of Issue (billion) | Rating assigned along with Outlook/ Watch | Rating Action |
|---------------------------------------|---------------|-----------------------------------|---|---------------|
| Long-Term Issuer Rating | - | - | IND AAA/Stable | Affirmed |
| Non-convertible debentures ^ | - | INR34.30 | IND AAA/Stable | Affirmed |
| Bank guarantee | | INR2.5 | IND AAA/Stable | Affirmed |
| Rupee term loan# | 31 March 2042 | INR80.65 (reduced from INR93.925) | IND AAA/Stable | Affirmed |
| Proposed non-convertible debentures** | | INR0.08 | WD | Withdrawn |

^ Refers to issue size

#term loan reduced from INR 93925 million to INR 80,650 million

**NCDs of INR11,520 million issued out of earlier envisaged issuance of INR 11,600 million and the company will not be availing the balance issuance of INR 80 million. Hence, the rating stands withdrawn on management confirmation of the same. The proceeds from NCD issuance have been utilised to pay off the term loan.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports,

legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Vishal Kotecha
Director

Annexure: Facilities Breakup

| Instrument Description | Banks Name | Ratings | Outstanding/Rated Amount(INR million) |
|------------------------|---|----------------|---------------------------------------|
| Term loan | State Bank of India | IND AAA/Stable | 56226.92 |
| Term loan | Axis Bank Limited | IND AAA/Stable | 4138.98 |
| Term loan | HDFC Bank Limited | IND AAA/Stable | 6454.00 |
| Term loan | National Bank for Financing Infrastructure and Development (NaBFID) | IND AAA/Stable | 13829.86 |
| Bank Guarantee | Axis Bank Limited | IND AAA/Stable | 1000.00 |
| Bank Guarantee | IndusInd Bank Limited | IND AAA/Stable | 1500.00 |

Annexure: ISIN

| Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Ratings | Outstanding/Rated Amount(INR million) |
|------------|--------------|------------------|-------------|---------------|----------------|---------------------------------------|
| NCDs | INE0NR607017 | 28/06/2023 | 7.49 | 15/04/1941 | IND AAA/Stable | 10300 |
| NCDs | INE0NR607025 | 26/06/2024 | 7.95 | 31/03/1944 | IND AAA/Stable | 6480 |
| NCDs | INE0NR607041 | 21/02/2025 | 7.59 | 31/03/1944 | IND AAA/Stable | 6000 |
| NCDs | INE0NR607066 | 25/04/2025 | 7.3 | 25/04/1932 | IND AAA/Stable | 6000 |
| NCDs | INE0NR607058 | 25/04/2025 | 7.25 | 25/04/2028 | IND AAA/Stable | 5520 |

Source: NSDL

V/S

India Ratings Assigns Cube Highways's Proposed CPs 'IND A1+'; Affirms Existing Ratings

Jun 06, 2025 | Road Assets–Toll | Annuity | Hybrid-Annuity

India Ratings and Research (Ind-Ra) has taken the following rating actions on Cube Highways Trust (CHT) and its debt instruments:

Details of Instruments

| Instrument Type | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (billion) | Rating assigned along with Outlook/ Watch | Rating Action |
|---------------------------------------|------------------|-----------------|---------------|-----------------------------------|---|---------------|
| Long-Term Issuer Rating | - | - | - | - | IND AAA/Stable | Affirmed |
| Proposed Commercial Papers | - | - | - | INR13.50 | IND A1+ | Assigned |
| Non-convertible debentures*,^ | - | - | - | INR34.30 | IND AAA/Stable | Affirmed |
| Bank guarantee | | | | INR2.5 | IND AAA/Stable | Affirmed |
| Rupee term loan | - | - | 31 March 2042 | INR80.65 (reduced from INR93.925) | IND AAA/Stable | Affirmed |
| Proposed non-convertible debentures** | | | | INR0.08 | WD | Withdrawn |

* Details in annexure;

^ Refers to issue size

**NCDs of INR11,520 million issued out of earlier envisaged issuance of INR 11,600 million and the company will not be availing the balance issuance of INR 80 million. Hence, the rating stands withdrawn on management confirmation of the same. The proceeds from NCD issuance have been utilised to pay off the term loan.

Analytical Approach

CHT is an infrastructure investment trust (InvIT) sponsored by Cube Highways and Infrastructure Pte Ltd and Cube Highways and Infrastructure III Pte Ltd (sponsor, Cube Highways) for holding operational road assets in India. The InvIT houses 25 road assets with an aggregate length of 1,940km spread across 12 states. It acquired 51% stake in June 2024 and the balance stake of 49% in December 2024 in six hybrid annuity model (HAM)-based projects. It also acquired NAM Expressway Limited's (NAMEL, [debt rated at 'IND AA'/Stable](#)) 212.9km-toll road project from Narketpally to Addanki and Medarametla which is a part of the Andhra Pradesh and Telangana State Highway 2, in February 2025.

For the rating purpose, Ind-Ra continues to fully consolidate the cash flows of all the 25 special purpose vehicles (SPVs; tranche I and tranche II SPVs, whose details are in the Annexure) under the InvIT. As per the InvIT regulations, the trust has appointed Axis Trustee Services Limited as the trustee, Cube Highways Fund Advisors Private Limited (CHFAPL) as the investment manager (IM), and Cube Highways and Transportation Assets Advisors Private Limited as the project

manager (PM). Considering majority of the debt is at the InvIT level, which was used towards payment of SPVs' debt except for Mahua Bharatpur Expressway Limited (MBEL, debt rated at '[IND AAA/Stable](#)'), with an aggregate senior debt of less than 1% of InvIT debt continuing at the SPV level, the debt servicing ability continues to be strong amid pooling of cashflows from all the projects.

Detailed Rationale of the Rating Action

CHT has fully acquired seven assets, part of Tranche II assets, comprising six HAM projects in December 2024 and one toll project in February 2025. The assets are geographically diversified with stable annuity cashflows in HAM assets from a strong counterparty – National Highways Authority of India (NHAI, '[IND AAA/Stable](#)'), adding comfort to the cashflows. The acquisitions have been funded by a mix of debt for refinancing and opening cash. Post the acquisition of NAMEL, CHT's net debt/enterprise value (EV) was around 45% as on 31 March 2025 which is within the regulatory stipulations. The proposed debt terms allow a debt cap until 60% of the EV, subject to CHT meeting the regulatory requirements of six continuous distributions and maintaining 'AAA' rating. The proceeds from NCDs and term debt have been utilised for refinancing the entire debt at SPVs and there are no external debt at the six HAM assets and NAMEL asset. The debt for NAMEL acquisition is in form of NCDs and term loans and has been utilised for complete refinancing of debt at NAMEL and reimbursement of sponsor loan in the SPV along with the acquisition of equity stake.

The ratings are supported by CHT's healthy growth in average daily toll collections of about 8% in FY25 and about 10.1% yoy in 4QFY25, on the back of healthy traffic growth of 6.2% in FY25 and 8.4% yoy in 4QFY25 and toll rates hikes, well-diversified project portfolio, long operational track record, pooling of cash flows from all projects and robust debt structural features, including comfortable debt service coverage ratios (DSCRs), a cash trap mechanism linked to debt coverages, internal liquidity buffers comprising a debt service reserve account (DSRA) equivalent to one quarter of debt service and a strong project life coverage ratio, supported by a long concession period.

The InvIT's cashflows show considerable resilience to stress, reflecting a cushion for timely debt servicing in case of any downside. The cash flows from the 25 SPVs in the form of dividends, interest on InvIT's debt, and the repayment of InvIT loans, will flow to the InvIT and the net cash generated by the InvIT is distributed to unitholders every quarter. CHT completed had eight cycles of distribution until 4QFYE25, with a total distribution of INR27.69 billion to unitholders. As per the Securities and Exchange Board of India's (SEBI) InvIT norms, the InvIT will limit external debt to 49% of its valuation until certain conditions are met post which the debt has been capped at 60% as per the financing documents. The ratings are constrained by the risk emanating from the upcoming alternate routes or the mode of transportation that would impact the revenue, the susceptibility of DSCR to volatility in interest rates and operation and maintenance (O&M) costs, and the presence of a put option. The rating assigned by Ind-Ra is not a comment on CHT's ability to meet distribution/dividend payouts to unitholders/investors, neither should it be construed as a comment on the debt servicing ability of the individual assets or SPVs held by the trust.

List of Key Rating Drivers

Strengths

- InvIT structure provides diversification benefits
- Healthy track record of operational assets with geographical diversification
- Experienced developers; strong and reputed investors
- Robust debt protection features
- Low operational risk

Weaknesses

- Acquisitions remain key

Detailed Description of Key Rating Drivers

InvIT Structure Provides Diversification Benefits: The pooled structure of the InvIT results in the availability of cashflows from a pool of 18 toll road assets, one annuity asset and six Tranche II HAM assets. The 25 projects are located across Rajasthan, Uttar Pradesh, Jharkhand, Bihar, Tamil Nadu, Kerala, West Bengal, Karnataka, Haryana, Telangana and Andhra Pradesh, minimising the impact of any one-time event-related risks at isolated locations to an extent. The

seven HAM/annuity project are backed by NHAI; however, the majority of EBITDA is contributed by toll projects.

The acquisition by the trust comprises six HAM assets with an estimated EV net of cash of above INR25 billion. The net debt/EV post the acquisition of six HAM assets is around 40%, well below the debt ceiling of 70% of the InvIT's valuation (lenders stipulation is up to 60%), in accordance with the Regulation 20(3) of the SEBI (Infrastructure Investment Trust) Regulations, 2014 (InvIT Regulations). As on 31 March 2025, the net debt/EV post the acquisition of NAMEL was below 45% of the InvIT's valuation.

Healthy Track Record of Operational Assets with Geographical Diversification: The portfolio comprising 25 road projects (including the acquisition of NAMEL) is spread across 12 states with 18 toll road projects having a long tolling track record of five-to-15 years, while the seven annuity/HAM projects have a track record of receiving 71 semi-annual annuities without any material deduction. No asset contributes more than 20% to the overall revenue generated by the InvIT, thus mitigating any concentration risk.

The 18 toll assets, including NAMEL, which has been acquired recently, recorded healthy growth of about 8% in average daily toll collections in FY25, on the back of healthy traffic growth of 6.2% during the year and increase in toll rates on account of the modest wholesale price index (WPI). The average daily toll collections grew 10.1% yoy in 4QFY25. The average daily traffic growth across assets was robust at 8.4% yoy during the fourth quarter of FY25; however, one asset, Western UP Tollway Private Limited (WUPTPL), witnessed a decline of 2% in average daily revenue collection in FY25, majorly due to the moderation of traffic after witnessing high growth in FY23 and sustained traffic with moderate growth in FY24. Considering WUPTPL contributes only 4%-5% to the overall InvIT revenue and the project concession is ending in FY27 i.e. in the next 1.5 years, the impact of the same on the InvIT cashflows is limited. A large portion of the toll (96.6%) is collected through FASTag-based electronic collections. The annuity/HAM assets have been receiving annuities from NHAI in a timely manner and without any major deductions.

The impact of traffic diversion due to alternate routes on some project stretches has been factored in Ind-Ra's base case assumptions. Apart from Andhra Pradesh Expressways Limited (APEL) and WUPTPL having residual concession life between one-to-two years, all the remaining projects provide long-term revenue visibility with long residual concession life between seven and 25 years.

The historical traffic trends in the project stretches show a healthy mix of commercial and passenger traffic. Furthermore, the traffic dynamics for each project are special and driven by multiple factors, including local and long-distance traffic. In addition, commodities carried across the projects vary depending on stretch-specific factors. Ind-Ra's base case analysis factors in assumptions for moderate traffic growth rates and diversion in traffic, due to new roads coming up over the next few years. The growth in toll revenue factors in annual toll rate revisions being 100% linked to WPI for Jaipur Mahua Tollway Private Limited (JMPL), MBEL, WUPTL, Nelamangala Devihalli Expressway Private Limited (NDEPL) and NAMEL while for the balance toll road assets, toll hikes are fixed at 3% plus 40% of the WPI.

The risk stemming from a considerable exposure to the toll projects and possible diversion is addressed by the long operational history and geographical diversification of the portfolio projects, strong coverage ratios, and healthy project life coverage ratio considering a long tail period and internal liquidity buffers.

Experienced Developers; Strong and Reputed Investors: CHT is backed by global investors – Cube Highways (I Squared Capital, Japan Highways International BV, Abu Dhabi Investment Authority being major investors in CH Group), British Columbia Investment Management Corporation and Mubadala Investment Company together have 72% shareholding in Cube Highways Trust as on 22 December 2024. CHT's IM has a well-equipped team of professionals with an extensive experience in the infrastructure space. The PM also comprises a senior management team with an extensive knowledge and understanding of technical aspects related to the maintenance of roads and use of modern methods to resolve maintenance-related issues. The IM and PM are 100% subsidiaries of the Cube Highways Group. Cube Highways has a portfolio of 29 road assets of over 10,000km, of which 25 assets were part of CHT as on 28 February 2025.

Robust Debt Protection Features: While the majority of debt resides at the InvIT level, a debt of INR1.25 billion (about 1% of consolidated debt) continued at the SPV level as on 31 March 2025. The rated rupee term loan (RTL) is long term in

nature, and is amortised over 20 years ending FY42, with the interest being linked to the marginal cost of lending rate of the lender(s) and repo rate for one lender. This exposes the trust to volatility in interest rates, although the cushion in the cash flow will partially help absorb the impact of such fluctuations. The non-convertible debentures are also long term in nature with an amortising structure and a fixed interest rate, thus mitigating the risk of interest rate volatility to an extent. The RTL will have a healthy tail period of eight years, the difference between the loan maturity and the concession maturity, considering that the concession period of certain road assets is likely to expire in FY50. The debt raised through NCDs issuance of INR6,000 mn (part of the total debt raised for NAMEL acquisition of INR26,310 mn in form of NCDs and term debt) has been utilised for acquisition of NAMEL and the debt shall be amortised till FY2044 with repayment commencing in FY2030. Furthermore, CHT raised NCDs of INR11,520 million in two tranches of INR 6,000 million and INR5,520 million, with bullet repayments in FY33 and FY29, respectively. The proceeds from these NCDs was utilised to pay off the term debt from bank. The NCDs' terms provide adequate liquidity cushion in the form of a three-month DSRA and a MMR for the next three months, equivalent to MM expenses. The proposed debt structure includes debt protection features, including a cash trap when the DSCR breaches 1.25x for the trailing 12 months, and a requirement for the InvIT to limit external debt to 60% of its valuation. Any transfer to the distribution account will be made only after meeting external debt obligations of InvIT and at the SPV level, DSRA and MMR requirement. The NCDs are exposed to refinancing risk due to the presence of bullet repayment at the end of third and seventh year which is mitigated to some extent, given the strong coverages, healthy revenue visibility, given the strong track record of toll collections and the presence of the reputed sponsor. The net debt/ enterprise value (EV) continues to be lower than 49%; however, the existing debt term allows increasing the debt limit to 60% post fulfilling SEBI's regulatory requirements. CHT also plans to raise funds amounting to INR13,500 million through the proposed commercial papers (CP) for a term of three-to-six months, which shall be repaid through the opening cash available at the two SPVs to be acquired, and any balance would be repaid by availing the term debt during FY26.

The existing debt terms provides adequate liquidity cushion in the form of a three-month DSRA and a major maintenance reserve (MMR) for the next three months, equivalent to major maintenance (MM) expenses, which have been created. Furthermore, in the years of significant MM requirement, MMR is created from the prior year surplus cashflows post debt servicing, thereby mitigating cash flow mismatches. The debt structure includes debt protection features, including a cash trap when the DSCR breaches 1.25x for the trailing 12 months, and a requirement for the InvIT to limit external debt to 60% of its valuation. Any transfer to the distribution account will be made only after meeting external debt obligations of InvIT and at the SPV level, DSRA and MMR requirement. The refinancing risk of the project due to the presence of a put option at the end of the 10th and 15th year is mitigated, to some extent, given the strong coverages, healthy revenue visibility, given the strong track record of toll collections and the presence of the reputed sponsor. Accordingly, the refinancing risk of the projects due to the presence of a put option for NCDs of INR 6000mn at the end of the 5th year and every 3 years thereafter is also mitigated to some extent. The project life coverage ratio in the year of the put option is comfortable, as per Ind Ra's base case. The bank guarantee (BG) of INR1,500 million has been raised at the InvIT level and used towards replacement of part DSRA. The applicable fee for the BG issuance shall be payable upfront.

Low Operational Risk: The IM of the InvIT has appointed Cube Highways and Transportation Assets Advisors as the PM, which undertake the O&M of the projects. The PM is a group company of Cube Highways, managing the assets held by InvIT. The PM consists of a team of professionals from Cube Highways, who do the planning and procurement of key materials in-house and appoint O&M contractors for routine maintenance, tolling and MM activities; they would work under the supervision of the PM.

The MM is funded from the project cashflows and an MMR for the next three months equivalent MM expenses will be created at the SPV or InvIT level. As per the management, the MMR for the project SPVs will be funded through internal accruals. The O&M costs assumed in all the projects are in line with the average costs reported by Ind-Ra-rated peers. The road quality and project-level operating expenses remaining in line with Ind-Ra's assumptions will be a key rating monitorable.

Ind-Ra has factored in the strong track record of CHT and its pro-active road maintenance strategy across the portfolio. Cube Highways employs scientifically advanced measures to test and monitor the quality of the road before undertaking the MM activity, enabling Cube Highways to take up preventive and corrective measures ahead of the players who use conventional methods.

Acquisitions Remain Key: CHT has scaled up its portfolio in FY25 to 25 assets as it has acquired six HAM assets and one toll road project – NAMEL for which acquisition process completed in 4Q of FY25. CHT, over the near-to-medium term, shall continue to explore opportunities for adding assets and diversifying the trust portfolio. Although the SEBI InvIT regulations 2014 allow CHT to acquire pre-commercial operation date projects, the IM intends to acquire revenue-generating assets based on yield thresholds, traffic characteristics and geographic diversity, among others. The strength of acquisitions and their funding patterns will determine the credit strength of the InvIT. The IM will assess the potential acquisitions and propose the same to the unitholders for their approval.

A share purchase agreement between Cube Highways Trust and National Investment and Infrastructure Fund Limited (NIIF) has been executed for the acquisition of 100% shareholding in the latter's two SPVs. The completion of acquisition would depend upon the receipt of relevant regulatory approvals and fulfilment of contractual obligations. CHT proposes to acquire NIIF's two assets at an EV of around INR41,847 million. The target portfolio comprises two annuity-based concessions from NHAI, namely QEPL and AJUHL. Both the projects are operational, together have around 80km of stretch in the state of Jammu and Kashmir, and have concession periods of 20 years each. The agency will evaluate all acquisitions which will be key monitoring events for a rating review.

Liquidity

Adequate: Ind-Ra expects CHT to generate healthy surplus cash flows annually, given the strong average DSCR of around 1.90x post adding Tranche II assets to the InvIT. These coverages are resilient to potential stress on the toll revenue, operating costs and interest expenses. CHT maintained a DSRA of INR4,540 million (including DSRA of INR1,500 million in the form of BG) as on 31 March 2025, equivalent to one quarter of debt servicing to meet any contingencies throughout the debt term, apart from free cash of around INR11,400 million. The surplus available as on 31 March 2025, including DSRA/MMR funds, was INR14,050 million; however, such cash was subject to distribution of around INR5,000 million for the quarter ending March 2025. The liquidity is also supported by the provision for trapping of cash if the DSCR falls below 1.25x for the trailing 12 months, checked on a quarterly basis. The cash will not be distributed to unitholders until the DSCR is restored to 1.25x. Also, an additional quarter of DSRA is required to be maintained in the event external credit rating falls to 'AA' or below.

Rating Sensitivities

Positive: Not applicable

Negative: Future developments that could, individually or collectively, lead to a negative rating action are:

- lower-than-expected toll revenue by more than 10% or higher-than-envisaged cost, on a sustained basis, leading to the average DSCR falling below 1.60x,
- a steep decline in the DSCR due to any acquisition of weaker assets or an adverse funding pattern,
- inadequate visibility for refinancing the bullet maturities,
- the non-maintenance of liquidity reserves in line with the financing documents, and
- non-adherence to the structural features of the transaction.

Any Other Information

Key Terms of RTL Debt:

| | |
|----------------------------|--|
| Tenure | The door-to-door tenure of 20 years from the date of disbursement |
| Financial covenants | ·Annual minimum DSCR of 1.25x ·Debt/EV capped at 60% |
| DSRA | Equivalent to one-quarter interest and principal obligations for the debt maintained at InvIT level |
| MMR | MMR for next three months' MM requirement, to be created at SPV/InvIT level till the end of the loan tenor |

| | |
|------------------------------|---|
| Put Option | At the end of 10th and 15th year from the first disbursement, the lender shall have the option to require the borrower to mandatorily prepay or refinance its facility, and the borrower shall be under an obligation to refinance or mandatorily prepay the same within 120 days of notice from the lenders |
| Restricted conditions | <p>payment</p> <p>Restricted payment can be made on quarterly basis if the following conditions are satisfied:</p> <ul style="list-style-type: none"> ·No event of default/potential event of default has occurred and is continuing; ·No breach of financial covenants has occurred or any other terms and conditions as provided in the financing documents unless the same has been cured to the satisfaction of the lenders; ·All minimum reserve requirements including but not limited to DSRA and MMR are funded adequately to the satisfaction of the lender across the portfolio; ·Minimum rating of 'AA-' is maintained; ·All statutory dues due and payable have been paid or adequate reserves have been made in respect of these; and ·Debt/EV is within the cap as stipulated by SEBI. |

Key Terms of NCDs debt:

| | |
|-------------------------------|---|
| Facility Amount | Up to INR6.48 billion |
| Tenure | The door-to-door tenure of 20 years from the date of disbursement |
| Financial covenants | <ul style="list-style-type: none"> ·Annual minimum DSCR of 1.25x ·Net debt/EV capped at 60% |
| DSRA | Equivalent to the aggregate of the Redemption amount and Coupon payable in the next 3 months for the debt maintained at InvIT level |
| Put/Call Option | At least 90 days prior to the Coupon payment date falling on the last day of FY26 and every two years thereafter or such other period as mutually agreed |
| Permitted Indebtedness | <p>Permitted Indebtedness at InvIT level:</p> <ul style="list-style-type: none"> ·Rating of AAA from a credit rating agency; ·Consolidated borrowing (after considering the additional debt) to EV shall remain below 60%. Any increase in indebtedness beyond 60% shall require prior consent of lenders; ·The facility should not have been accelerated by the lenders and no notice of event of default in relation to a subsisting event of default should have been served by the lenders; and ·Permitted indebtedness does not allow to load debt on the InvIT for distribution to unitholders. |
| Permitted Acquisition | <p>The InvIT shall procure the prior written approval of the lenders for the acquisition of any new asset, if:</p> <ul style="list-style-type: none"> ·such proposed acquisition of new assets results in the credit rating of the issuer falling below AAA; ·Consolidated debt to EV exceeds 60% (either prior or post the acquisition) subject to applicable SEBI regulations including mandatory rating of AAA if the consolidated borrowing exceeds 49%; and ·Assets being acquired under such acquisition are in sectors other than roads; and ·Any of the assets being acquired is yet to be operational (i.e., toll collection/annuity is not being allowed), either basis COD or PCOD. <p>Subject to the conditions for availing permitted indebtedness, the trust shall be permitted to provide sponsor support/ guarantee for any senior debt at SPV level debt which is permitted under permitted indebtedness subject to escrow waterfall provisions.</p> |

Key terms of NCDs of INR6 billion of NAMEL debt:

| | |
|--|--|
| Senior Debt Facility – Issue size (Issue) | Debentures of INR6,000 million |
| Tenor | Door-to-door tenor of 20 years from the deemed date of allotment with the final maturity date of 31 March 2044 |
| Put/Call Option Date | At the end of the 5th year from the initial drawdown date |
| Step-up/Step-down | In the event of a rating downgrade of the Debentures or Issuer by any rating agency i.e., the credit rating falls below AAA, the Coupon Rate shall be increased by 25 basis points (equals 0.25%) per notch of the downgrade, and the enhanced coupon shall be payable effective from the date of the rating downgrade. In case rating is subsequently upgraded, Coupon Rate shall be decreased by 25 basis points (equals 0.25%) per notch of the upgrade. In case of multiple ratings of the Issuer and/or Debentures by different rating agencies, the lowest among all ratings will be considered for this clause. |
| Final Redemption Date | 31 March 2044 |
| Debt Service Reserve Account (DSRA) | <p>The borrower shall create a DSRA with an amount equivalent to principal and interest and payable in respect of the facility (DSRA amount) during the subsequent three months.</p> <p>In the event of downgrade in the external credit rating of the borrower by a credit rating agency to AA or below, which is continuing, the borrower shall subject to availability of cash flow, ensure the reserve in DSRA is an amount equivalent to principal and interest payable in respect of the facility during the subsequent two financial quarters in the form of Permitted investments only.</p> <p>DSRA allowed can be held in the form of permitted investments or bank guarantee without any security by project SPVs from scheduled commercial bank with a minimum rating of AA or above. However, DSRA BG can be availed by InvIT in unsecured manner (including with cash collateral which is to be made only from distribution account). Commission on DSRA BG to be paid / cash margin to be created from distribution account.</p> <p>DSRA can also be maintained at the SPV level (in or more SPVs) having no external debt (currently will be maintained in NKTL). In such case, funds lying in the DSRA account at the InvIT level shall be infused into the SPV for maintaining such DSRA at the SPV level. Further, in the event such DSRA is required to be utilized, then the funds lying in the DSRA account of the SPV shall be up streamed to the InvIT level for utilization.</p> |
| Covenants - Trust | <p>Financial Covenants</p> <ul style="list-style-type: none"> ·Minimum DSCR of 1.25x ·The aggregate consolidated borrowings including project SPVs net of cash and cash equivalents shall not exceed 60% of the value of the InvIT's assets, unless explicitly approved by the lenders subject to SEBI Regulation. If ECR falls below AAA or six continuous distributions have not happened post listing, Net debt/ EV should not exceed 49%. In case rating downgrades below AAA post incurring such additional Indebtedness, Issuer will have six months to rectify same or within timeline as per prevalent SEBI regulations. <p>In the event of a breach of any financial covenant, the Issuer shall be permitted to rectify such breach by providing to the Lenders some additional security, prepaying a necessary portion of the senior debt facility and/or cause the unit holders of the issuer or the sponsors, to infuse necessary funds into the issuer.</p> |

| | |
|---|---|
| Provisions related to Cross Default Clause | <p>(a) Any declaration of an event of default on account of a payment default under the documents in respect of any Financial Indebtedness availed by the issuer (other than the debt securities);</p> <p>(b) Any declaration of an event of default under the project SPV financing documents which has led to a downgrade in the credit rating of the issuer to AA- or below, as determined by a credit rating agency within 30 days of occurrence of such event.</p> |
|---|---|

Key terms of NCDs of INR11.52 billion utilized for refinancing of ICICI debt:

| Particulars | Details |
|------------------------------|--|
| Facility | NCDs INR 1152,00,00,000 |
| Purpose | <p>(a) for part or full repayment of any of outstanding amounts (existing as on date of this Deed) in relation to any one or more of the Senior Debt Facilities;</p> <p>(b) for on lending to the relevant Project SPVs for creation of DSRA for the Issue in part or in full.</p> |
| Listing | The debt securities will initially be listed on the wholesale debt market segment of the stock exchange, which listing shall be completed within 3 (three) trading days from the issue closing date under the offer document or within such period as permitted under applicable law. |
| DSRA | <p>Equivalent to the aggregate of the Redemption Amount and the Coupon payable in the next 3 (three) months to the debt security holders in terms of the debt securities</p> <p>(i) in the event of a downgrade in the external credit rating of the issuer or the debt securities by a credit rating agency to AA or below, which is continuing, the Issuer shall have ensured that the DSRA is the aggregate of (a) an amount equivalent to the redemption amount and the coupon payable in respect of the debt securities during the subsequent 2 (two) fiscal quarters is maintained in accordance with the terms hereof;</p> |
| MM Reserve | "MM Reserve" shall mean the reserve created by the issuer or the relevant project SPV, which when taken in aggregate, meets the reserve requirement for such project SPV in relation to the MM Expenses of such project SPV for the ensuing 3 (three) months. |
| Coupon Payment Date | March 31, June 30, September 30 and December 31 of each year, the first such date being June 30, 2025. |
| Step Up and Step Down Coupon | <p>(i) In the event there is a downgrade in the credit rating of the Issuer or the Debt Securities below the AAA Credit Rating, the coupon for the debt securities shall be revised upwards by 0.25% (zero point two five percent) for every notch below the AAA credit rating by which such credit rating has downgraded, with effect from the date of such downgrade and shall be payable on the immediately next coupon payment date (the "step up coupon").</p> <p>(ii) If the credit rating of the issuer or the debt securities by any credit rating agency is subsequently upgraded, the coupon shall be revised downwards by 0.25% (zero point two five percent) for every notch by which such credit rating has upgraded, which revised coupon shall be effective from the date of such upgrade and payable from the immediately succeeding coupon payment date (the "step down coupon").</p> |
| Repayment | <p>There are 2 series of debentures with modified repayment terms as mentioned below:</p> <ul style="list-style-type: none"> · Series I- INR 552 Cr- Bullet repayment on 3 year anniversary from deemed date of allotment. · Series II- INR 600 Cr- Bullet repayment on 7 year anniversary from deemed date of allotment. <p>CHT plans to refinance the amounts before their respective dates of repayment.</p> |

| | |
|-----------------------------------|--|
| Cash Trap | <p>(a) The Issuer agrees that if at any time during the currency of the Debt Securities, the DSCR of the Issuer depreciates below 1.25 (one point two five) based on the provisional financial statements of the issuer prepared on a trailing 12 (twelve) month basis or the annual financial statements (if available), the debt security holders shall have the right to retain the surplus cash in the relevant account after meeting the payment waterfall as mentioned in the escrow agreement (“cash trap amounts”) and the said cash trap amounts shall not be released until achievement of the minimum DSCR of 1.25 (one point two five). The cash trap amounts shall be released if the minimum DSCR of 1.25 (one point two five) is achieved, as evidenced by a certificate from an independent chartered accountant.</p> <p>(b) Such Cash Trap Amounts, if any, may be utilised by the Issuer, with the prior written consent of the Debt Security Holders, towards the redemption of the Debt Securities on a Coupon Payment Date (without any obligation to pay any redemption premium), payment of the Redemption Amounts, Coupon and undertaking operations and management of the Projects.</p> |
| Financial Covenant | <p>(a) DSCR shall be maintained at not less than 1.25 (one point two five); and</p> <p>(b) the consolidated debt to enterprise value shall not exceed 60% (sixty percent), unless explicitly approved by the Debt Security Holders, subject to at all times being compliant with the SEBI InvIT Regulations. Provided that: (i) if the external credit rating of the Issuer falls below AAA; or (ii) the Issuer has failed to pay Restricted Payments for 6 (six) continuous RP Date(s), then the Consolidated Debt to Enterprise Value shall not exceed 49% (forty nine percent).</p> |
| Cross Default | <p>(a) Declaration of an event of default on account of a payment default under the documents in respect of any Financial Indebtedness availed by the Issuer (other than the Debt Securities).</p> <p>(b) Declaration of an event of default under the Project SPV Financing Documents which has led to a downgrade in the credit rating of the Issuer to AA- or below, as determined by a Credit Rating Agency within 30 (thirty) days of occurrence of such event.</p> |
| Permitted Indebtedness Conditions | <p>(a) credit rating of the issuer accounting for the permitted indebtedness, shall remain AAA as determined by any credit rating agency;</p> <p>(b) consolidated debt to enterprise value accounting for the permitted indebtedness, shall remain below 60% (sixty percent) or any limit stipulated by applicable law, whichever is lower;</p> <p>(c) the redemption amount has not been accelerated by the debt security holders and no notice of event of default in relation to a subsisting event of default has been served by the debt security holders;</p> <p>(d) compliance with the SEBI InvIT Regulations; and</p> <p>(e) such permitted indebtedness is not being availed for the purpose of making any dividend payments to the unit holders of the issuer.</p> |

Restricted
Payment
Conditions

- (a) the issuer has met its obligations to pay coupon and/or redemption amounts or other outstanding dues to the debt security holders, which are then due;
- (b) the issuer has demonstrated availability of liquidity equivalent to 1 (one) fiscal quarter for major maintenance funding requirements as per the base case business plan, collectively for all Project SPVs, either in the form of earmarked cash or availability on credit facilities for the said amount as mandated in cash flow waterfall mechanism in the escrow agreement or in the other relevant debt documents;
- (c) the DSRA or relevant debt servicing amount as required on the ensuing coupon payment date or redemption date and any other reserves as stipulated in the debt documents have been replenished;
- (d) no event of default has occurred and is continuing in respect of the issuer or will be caused due to making of such restricted payment;
- (e) the restricted payments are permitted under applicable laws;
- (f) no breach of Financial Covenants has occurred which is continuing;
- (g) the credit rating of the issuer or the debt securities has not fallen to AA- by any credit rating agency;
- (h) Mandatory redemption amounts have been paid or, where permitted or required under this deed, the mandatory redemption(s) cash reserve have been maintained for the entire mandatory redemption amount in terms of this deed;
- (i) in the event of a downgrade in the external credit rating of the Issuer or the Debt Securities by a Credit Rating Agency to AA or below, which is continuing, the issuer shall have ensured that the DSRA is the aggregate of (a) an amount equivalent to the redemption amount and the coupon payable in respect of the debt securities during the subsequent 2 (two) fiscal quarters is maintained in accordance with the terms hereof;
- (j) upon termination of any concession agreement resulting in the credit rating of the issuer or the debt securities as determined by any credit rating agency falling below the AAA credit rating, the issuer shall have: (i) redeemed the debt securities to the extent of the relevant mandatory redemption amounts or, where permitted or required under this deed, maintained the mandatory redemption(s) cash reserve for the entire mandatory redemption amount in terms of this deed, as the case may be; and (ii) if applicable, prepaid the senior debt facilities in accordance with the terms thereof; and
- (k) if the consolidated debt to enterprise value is more than 49% (forty nine percent), then the issuer shall have ensured that its credit rating is at least AAA as determined by any credit rating agency.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on CHT, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

About the Company

CHT is an InvIT managed by IM, CHFAPL. It has been registered as an InvIT under the SEBI InvIT Regulations on 5 April 2022. CHT owns a portfolio of 25 operational road projects with a total length of 1,940 km across 12 states. CHT was listed on the National Stock Exchange of India Ltd and the BSE Ltd on 19 April 2023 with an initial portfolio of 18 road assets which further increased to 25 assets in February 2025. The fund raising was done through a private placement.

The trust was set up by CH I and CH III as the sponsor and is backed by global investors – I Squared Capital, Japan Highways International BV, Abu Dhabi Investment Authority, British Columbia Investment Management Corporation and Mubadala Investment Company as significant unitholders in the trust. Cube Highways Group held around 46.8% in CHT as on 31 March 2025.

Key Financial Indicators

| Particulars (INR million; Consolidated) | FY25 | FY24 |
|---|-----------|-----------|
| Revenue from operations | 33,071.44 | 29,161.37 |
| Total revenue | 34,531.52 | 30,741.05 |
| EBITDA | 23,797.00 | 13,688.56 |
| EBITDA margin (%) | 68.9 | 44.5 |
| Finance cost | 11,171.01 | 8,731.29 |
| Interest coverage (EBITDA/interest, x) | 2.13 | 1.57 |
| Gross debt/EBITDA (x) | 6.35 | 7.84 |
| Cash and cash equivalents | 8,467.08 | 2,416.84 |
| Source: CHT and Ind-Ra | | |
| *Financial summary for FY23 is not available as the InvIT got listed on 19 April 2023 | | |

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

| Instrument Type | Rating Type | Rated Limits (billion) | Current Rating/Outlook | Historical Rating/Outlook | | | | | | | | | | |
|---------------------------|-------------|------------------------|------------------------|---------------------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------------------|
| | | | | 17 April 2025 | 18 March 2025 | 30 January 2025 | 6 January 2025 | 12 June 2024 | 30 May 2024 | 5 June 2023 | 5 May 2023 | 18 November 2022 | 10 May 2022 | |
| Rupee term loan | Long-term | INR80.65 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | Provisional IND AAA/Stable |
| Non-convertible debenture | Long-term | INR34.30 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | - | - | - | - |
| Bank guarantees | Long-term | INR2.5 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | - | - | - |
| Issuer rating | Long-term | - | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | - | - | - | - | - | - | - | - | - |
| Proposed Commercial Paper | Short Term | 13.5 | IND A1+ | - | - | - | - | - | - | - | - | - | - | - |

Bank wise Facilities Details

Complexity Level of the Instruments

| Instrument Type | Complexity Indicator |
|-----------------------------|----------------------|
| Bank guarantee* | High |
| Commercial paper* | High |
| Non-convertible debentures* | High |
| Rupee term loan* | High |

*The complexity indicator for the instrument is categorised as high due to cashflow pooling structure in InvIT.

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Annexure

Annexure I:

Following assets are part of the InvIT:

| SPVs | Project Type | Counterparty | State | Length (km) | Lane | Provisional COD/Commencement of Operation |
|--|--------------|--------------|------------------------------|-------------|------|---|
| Tranche 1 SPVs | | | | | | |
| Jaipur Mahua Tollway Private Limited (JMTL) | Toll | NHAI | Rajasthan | 109.1 | 4 | 2009 |
| Mahua Bharatpur Expressway Limited (MBEL) | Toll | NHAI | Rajasthan | 57.3 | 4 | 2009 |
| DA Toll Road Private Limited (DATRPL) | Toll | NHAI | Uttar Pradesh and Haryana | 179.5 | 6 | 2012 |
| Nelamangala Devihalli Expressway Private Limited (NDEPL) | Toll | NHAI | Karnataka | 80.3 | 4 | 2012 |
| Walayar Vadakkencherry Expressways Private Limited (WVEPL) | Toll | NHAI | Kerela | 53.5 | 4 | 2015 |
| Farakka Raiganj Highway Private Limited (FRHPL) | Toll | NHAI | West Bengal | 100.1 | 4 | 2016 |
| Western UP Tollway Private Limited (WUPTL) | Toll | NHAI | Uttar Pradesh | 78.1 | 4 | 2011 |
| Ghaziabad Aligarh Expressway Private Limited (GAEPL) | Toll | NHAI | Uttar Pradesh | 125.3 | 4 | 2015 |
| Hazaribagh Tollway Private Limited (HTL, TOT-3) | Toll | NHAI | Jharkhand | 73.5 | 4 | 2020 |
| Jhansi-Lalitpur Tollway Private Limited (JLTL, TOT-3) | Toll | NHAI | Uttar Pradesh | 49.7 | 4 | 2020 |
| Jhansi-Vigakhet Tollway Private Limited (JVTL, TOT-3) | Toll | NHAI | Uttar Pradesh | 49.3 | 4 | 2020 |
| Kanyakumari-Etturavattam Tollway Private Limited (KETL, TOT-3) | Toll | NHAI | Tamil Nadu | 64.2 | 4 | 2020 |
| Kotwa-Muzaffarpur Tollway Private Limited (KMTL, TOT-3) | Toll | NHAI | Bihar | 80.0 | 4 | 2020 |
| Lucknow-Raebareli Tollway Private Limited (LRTL, TOT-3) | Toll | NHAI | Uttar Pradesh | 70.0 | 4 | 2020 |
| Madurai-Kanyakumari Tollway Private Limited (MKTL, TOT-3) | Toll | NHAI | Tamil Nadu | 52.3 | 4 | 2020 |
| Nanguneri-Kanyakumari Tollway Private Limited (NKTL, TOT-3) | Toll | NHAI | Tamil Nadu | 63.5 | 4 | 2020 |
| Salaipudhur-Madurai Tollway Private Limited (SMTL, TOT-3) | Toll | NHAI | Tamil Nadu | 63.5 | 4 | 2020 |
| Andhra Pradesh Expressway Limited (APEL) | Annuity | NHAI | Andhra Pradesh and Telangana | 74.6 | 4 | 2009 |
| Tranche II SPVs | | | | | | |
| Tirumala Infra Private Limited (TIPL) | HAM | NHAI | Rajasthan | 61.13 | 6 | 2021 |
| Shankarampet Projects Private Limited (SPPL) | HAM | NHAI | Rajasthan | 46.81 | 4 | 2021 |

| | | | | | | |
|---|------|----------------------------|------------------------------|-------|---|------|
| Srirangam Infra Private Limited (SIPL) | HAM | NHAI | Uttar Pradesh and Haryana | 38.7 | 4 | 2021 |
| Borgaon Watambare Highways Private Limited (BOR) | HAM | NHAI | Karnataka | 52 | 4 | 2021 |
| Mangloor Highways Private Limited (MH) | HAM | NHAI | Kerela | 56.5 | 4 | 2021 |
| Mangalwedha Solapur Highways Private Limited (MS) | HAM | NHAI | West Bengal | 48.96 | 4 | 2021 |
| NAM Expressway Limited (NAMEL)^ | Toll | AP/TL State Road Authority | Andhra Pradesh and Telangana | 212.5 | 4 | 2014 |

^NAMEL is proposed to be acquired by InvIT

Annexure II – List of entities consolidated

| Entities consolidated | Extent of consolidation | Rationale for consolidation |
|-----------------------|-------------------------|-----------------------------|
| JMTL | Full | 100% stake acquired by CHT |
| MBEL* | Full | |
| DATRPL | Full | |
| NDEPL | Full | |
| WVEPL | Full | |
| FRHL | Full | |
| WUPTL | Full | |
| GAEPL | Full | |
| HTL | Full | |
| JLTL | Full | |
| JVTL | Full | |
| KETL | Full | |
| KMTL | Full | |
| LRTL | Full | |
| MKTL | Full | |
| NKTL | Full | |
| SMTL | Full | |
| APEL | Full | |
| KTIPL^ | Full | |
| KSPPL^ | Full | |
| KSIPPL^ | Full | |
| BOR^ | Full | |
| MS^ | Full | |
| MH^ | Full | |
| NAMEL^ | Full | |

*99.97% of MBEL acquired by CHT

^100% stake acquired by CHT

Annexure III:

NCDs

| ISIN | Date of Issue | Coupon Rate (%) | Maturity date | Size of Issue (billion) | Rating/Outlook |
|--------------|---------------|-----------------|---------------|-------------------------|----------------|
| INE0NR607017 | 28-Jun-23 | 7.49 | 15-Apr-41 | INR10.30 | IND AAA/Stable |
| INE0NR607025 | 26-Jun-24 | 7.95 | 31-Mar-44 | INR6.48 | IND AAA/Stable |
| INE0NR607041 | 21-Feb-25 | 7.59 | 31-Mar-44 | INR6.00 | IND AAA/Stable |
| INE0NR607066 | 25-Apr-25 | 7.3 | 25-Apr-32 | INR6.00 | IND AAA/Stable |
| INE0NR607058 | 25-Apr-25 | 7.25 | 25-Apr-28 | INR5.52 | IND AAA/Stable |

| | | | | | |
|-------|---|---|---|----------|---|
| Total | - | - | - | INR34.30 | - |
|-------|---|---|---|----------|---|

Source: NSDL

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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APPLICABLE CRITERIA AND POLICIES

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