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EXTEL POLL
2025



Key Indicators

	FY24	FY25	FY26 (YTD)
Daily average FASTag toll collections (INR b)	1.8	2.0	2.24
Tenders awarded by NHAI (km)	2,500	4,080	504
Road construction by NHAI (km)	6,644	5,614	2,062

NHAI awarding remains muted YTD FY26

- The pace of project awarding by NHAI has remained subdued in FY26. As of mid-Nov'25, only ~504 km was awarded against the annual target of 6,376km. The slow start is attributed to a combination of factors, including a higher focus on land acquisition before awarding, procedural delays, and a temporary shift in focus towards project execution rather than new awards. The overall muted awarding has impacted order inflows for several road construction companies. However, companies now expect government awarding activity to gain traction and remain highly positive on a revival in the order book in 2H FY26.
- On the construction front, NHAI built 2,062kms of national highways from Apr'25 to mid-Nov'25, against the full-year target of ~6,000km. The focus remains on ramping up execution in the coming quarters to meet the annual targets. NHAI exceeded its highway construction target of 5,150km and built 5,614km in FY25.
- FASTag toll collections grew ~12% YoY in terms of volume and ~18% YoY in terms of value during Jul'25-Oct'25, supporting asset monetization plans.
- For FY26, NHAI has set an asset monetization target of INR300b (vs INR287b achieved in FY25). The monetization will primarily be routed through the Toll-Operate-Transfer (ToT) model and Infrastructure Investment Trusts (InvITs). To support this goal, NHAI has identified a pool of 24 assets spanning 1,472km for monetization in FY26. The proceeds will be deployed for highway development, debt repayment, and generating returns for investors. NHAI recently awarded its 17th ToT bundle to IRB Infrastructure for INR93b.
- The Dedicated Freight Corridor Corporation of India (DFCCIL) has commissioned 2,741km of the planned 2,843km for both the Eastern and Western Dedicated Freight Corridors (DFCs). The completion timeline is expected by Dec'25, following delays in land acquisition.

FASTag toll collections showing consistent improvement

FASTag toll collection volume improved ~12% YoY over Jul'25-Oct'25, while the collection value increased ~18% YoY. During FY25, FASTag toll collections increased 13% YoY. Higher toll collections play a crucial role in expediting the monetization process of road assets by the Ministry. Additionally, toll collections benefit companies that aim to monetize their existing toll assets.

Declining input prices to support margins for contractors

Steel and aluminum prices have decreased ~36% and ~14%, respectively, from their highs in Apr'22. Meanwhile, cement prices have decreased ~16% from their highs in Oct'23. With higher construction activities and stability in commodity prices, road contractors anticipate some improvement in profitability and margins in FY26.

Players with robust order books, strong balance sheets, and diversified operations well placed

Although there has been a slowdown in project awarding in FY24, FY25, and 1H FY26, the tender pipeline is currently robust. Entities with significant order backlogs, strong financial standings, and involvement across diverse sectors are well-positioned to benefit.

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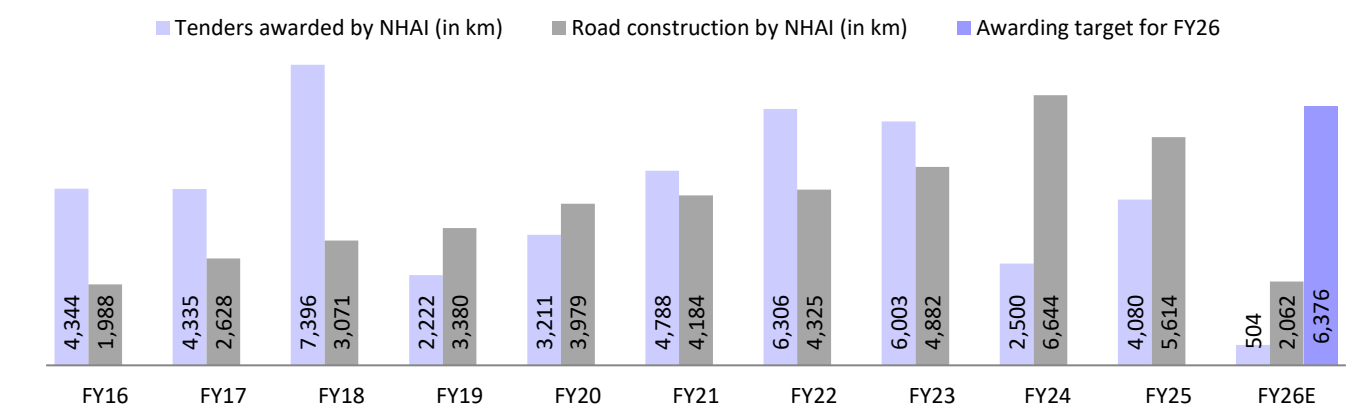
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Awarding remains subdued in YTDFY26

Exhibit 1: NHAI's awarding and construction trends (in km)



Sources: NHAI, MOFSL

NHAI focuses on asset monetization

For FY26, NHAI has set an asset monetization target of INR300b (INR287b achieved in FY25). This target is expected to be met through a mix of models, primarily focusing on the ToT and InvITs routes. Specifically, NHAI plans to raise about half of the total amount (INR150b) through ToT and InvIT mechanisms. NHAI recently awarded its 17th ToT bundle to IRB Infrastructure for INR93b.

For FY26, NHAI has identified a pool of 24 assets, stretching over 1,472kms, for monetization. The proceeds will support highway development, debt repayment, and returns to investors.

Exhibit 2: TOT bundles bid out by NHAI

Sl. no	Bundle	Date	Length	Value (INR b)
1	TOT Bundle 1	Aug-18	682 km	96.8
2	TOT Bundle 2	Feb-19	586 km	Bid cancelled
3	TOT Bundle 3	Nov-19	566 km	50.1
4	TOT Bundle 4	Sep-20	401 km	Bid cancelled
5	TOT Bundle 5A-1	Jan-21	54 km	10.1
6	TOT Bundle 5A-2	Jan-21	106 km	12.5
7	TOT Bundle 6	Mar-22	108km	Bid cancelled
8	TOT Bundle 7	Mar-22	135km	62.7
9	TOT Bundle 8	Mar-22	139km	Bid cancelled
10	TOT Bundle 9	Apr-22	73km	30.1
11	TOT Bundle 10	Apr-22	125km	Bid cancelled
12	TOT Bundle 11	Oct-23	84km	21.5
13	TOT Bundle 12	Oct-23	316km	44.3
14	TOT Bundle 13	Dec-23	135km	16.8
15	TOT Bundle 14	Dec-23	138km	77.0
16	TOT Bundle 15	Dec-24	124km	16.9
17	TOT Bundle 16	Sep-24	251km	66.6
18	TOT Bundle 17	Nov'25	366km	92.7
19	TOT Bundle 18	Jun'25	284km	Bids invited
20	TOT Bundle 19	Jun'25	185km	Bids Invited

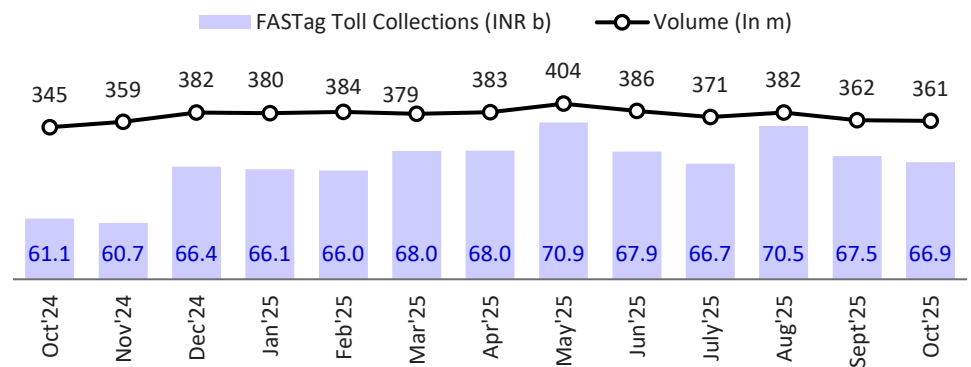
Sources: NITI Aayog, News Articles, MOFSL

FASTag toll collections continue to gain traction

FASTag toll collections improved ~12% YoY in volume terms and ~18% YoY in value terms during Jul'25-Oct'25. The daily average toll in YTFY26 stood at ~INR2.24b per day (+19% YoY). During FY25, FASTag toll collections increased 13% YoY.

The successful implementation of FASTag has resulted in strong toll collections on highways. Higher toll collections play a crucial role in expediting the monetization process of road assets by the Ministry. Additionally, toll collections benefit companies that aim to monetize their existing toll assets.

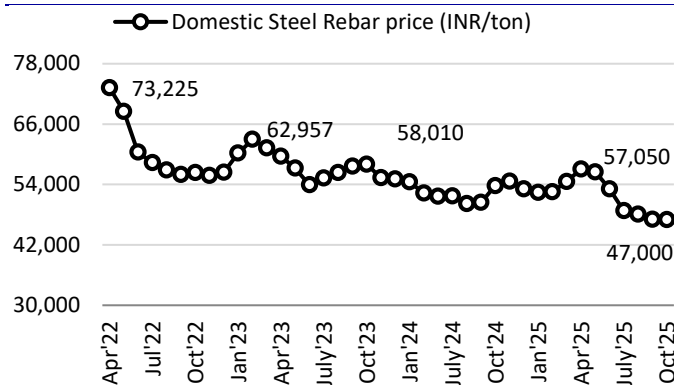
Exhibit 3: FASTag toll collections continue to improve



Sources: NPCI, RBI, MOFSL

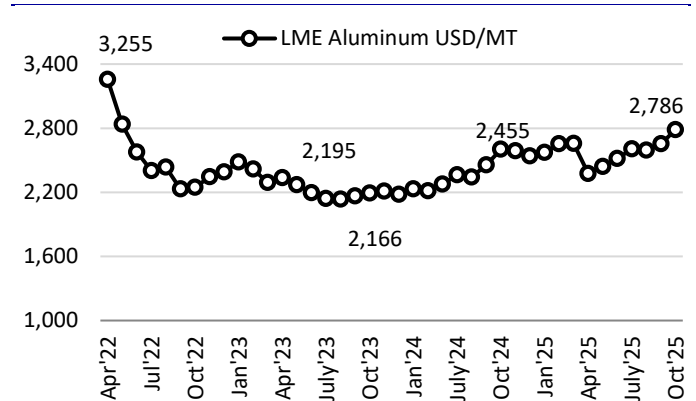
Declining commodity prices to boost margins of road developers

Exhibit 4: Domestic steel rebar price (INR/ton) declined ~36% over Apr'22-Oct'25

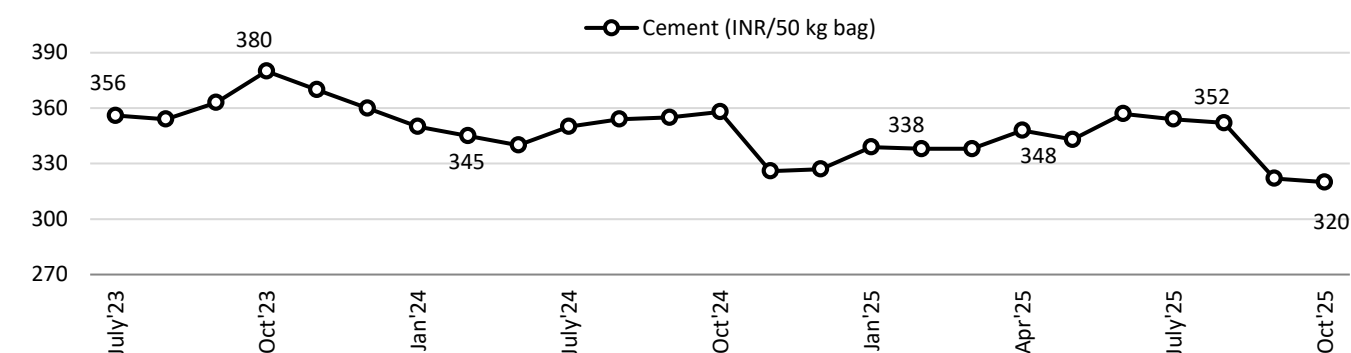


Source: MOFSL

Exhibit 5: LME aluminum prices (USD/MT) dipped ~14% over Apr'22-Oct'25



Source: MOFSL

Exhibit 6: Cement price (INR/50kg bag)


Sources: MOFSL

DFCCIL's commissioning to be completed by 2025

DFCCIL has so far commissioned 2,741km of the proposed 2,843km for both the Eastern and Western DFCs, pertaining to stretches undertaken by the government for both corridors.

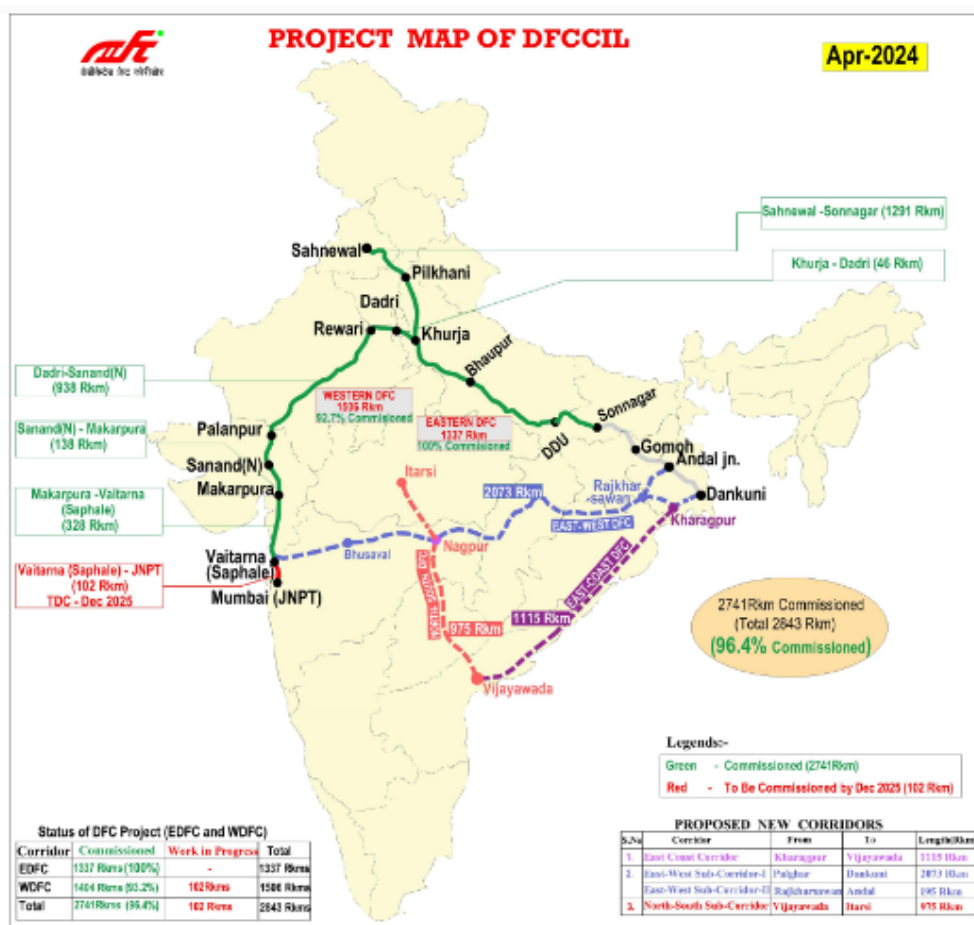
The completion deadline for the Eastern and Western DFCs is expected by Dec'25, primarily due to delays in land acquisition.

Exhibit 7: Completion status of WDFC and EDFC

Section/packages		Length	Commissioning target	Financial progress
WDFC				
Rewari-Palanpur	Rewari-Madar	306km	Commissioned	96%
	Madar-Palanpur	353km	Commissioned	
Palanpur-Makarpura		290km	Commissioned	
Makarpura-Sachin		135km	Commissioned	
Sachin-Vaitarna		193km	Commissioned	
Vaitarna-JNPT		102km	Dec’25	
Dadri-Rewari		127km	Commissioned	
EDFC				
Bhaupur-Khurja		351km	Commissioned	96%
Bhaupur-DDU		402km	Commissioned	
DDU -Sonnagar		137km	Commissioned	
Khurja-Dadri		46km	Commissioned	
Pilkhani–Ludhiana		179km	Commissioned	
Khurja-Pilkhani		222km	Commissioned	

Sources: DFCCIL, MOFSL

Exhibit 8: Completion status of WDFC and EDFC – Map view



Sources: DFCCIL, MOFSL

Exhibit 9: GoI has budgeted to spend ~INR11t in capex in FY26

Sl. no	Ministry	FY26 budget capex estimates (revised, INR b)	Actual capex in Apr'25-Sept'25 (INR b)	% of actual capex in Apr'25-Sept'25 to BE
1	Road transport and highways	2,722	1710	63
2	Railways	2,520	1433	57
3	Housing & urban affairs	376	138	37
4	Ports, shipping, and waterways	17.6	8.4	48
5	Others	5,574	2,517	45
Total		11,210	5,807	52

Sources: Controller General of Accounts, MOFSL

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