

May 16, 2024

To

<b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E), Mumbai-40005. <b>Symbol- HIGHWAYS</b>	<b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001. <b>Scrip Code: 974227, 974228, 975333 &amp; 725795</b>
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**Sub:** Intimation of outcome of the Meeting of Board of Directors of Highway Concessions One Private Limited, the Investment Manager of Highways Infrastructure Trust held on May 16, 2024.

**Dear Sir/Madam,**

In compliance with the provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("**SEBI InvIT Regulations**") and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**SEBI LODR Regulations**"), the Board of Directors of Highway Concessions One Private Limited ("**Investment Manager**"), acting in its capacity as the investment manager of Highways Infrastructure Trust ("**HIT**"), in its meeting held on Thursday, May 16, 2024, have considered and approved the following matters:-

1. Audited Standalone and Consolidated Financial Information/Results of HIT for the financial year ended March 31, 2024, along with auditors report thereon. (**Annexure A**)

*Further, please note that the financial information of the Investment Manager is not disclosed as there is no material erosion in the net worth.*

2. In compliance with the provisions of Regulation 52(3)(a) of the SEBI LODR Regulations, the Statutory Auditors i.e. Walker Chandiok & Co LLP, Chartered Accountants, New Delhi have issued the Audit Reports with unmodified opinion on the Annual Audited Financial Information/Results of the HIT for the financial year ended March 31, 2024.
3. Statement indicating statement of utilization of issue proceeds and Statement of deviation/ variation in use of issue proceeds of listed non-convertible debt securities for the quarter ended March 31, 2024. Further, all the proceeds from the issue of Non-Convertible debentures have been fully utilised by the Trust for the purpose for which they were raised. (**Annexure B**)
4. Declared Distribution of INR 9.3792/- per unit to all Unitholders.

The break-up of the same is as under:

Particulars	INR
Total Distribution	7,00,51,91,614

No. of Units	74,68,85,834
<b>Distribution per unit</b>	
(a) Distribution as interest	1.0209
(b) Distribution as Return of capital	0.2535
(c) Distribution as Dividend (Old regime)	7.4819
(d) Distribution as Dividend (New regime)	0.5756
(e) Distribution as other income	0.0473
<b>Total Dividend per units</b>	<b>9.3792</b>

Please note that Friday, May 24, 2024, has been fixed as the Record Date for the purpose of distribution to the Unitholders which will be paid on or before Thursday, May 30, 2024.

5. The Valuation Report dated May 13, 2024, as prepared by independent valuer, Mr. S Sundararaman having IBBI Registration Number IBBI/RV/06/2018/10238, for the period ended March 31, 2024, in accordance with the provisions of Regulation 21 of SEBI InvIT Regulations is enclosed. Pursuant to Regulation 10 of SEBI InvIT Regulations, the computation of NAV of Highways Infrastructure Trust (the “Trust”) is arrived at INR 85.30 per unit as at March 31, 2024. (Valuation reports enclosed as **Annexure C**)
6. Pursuant to Regulation 54 of SEBI LODR Regulations, Security Coverage Certificate and covenant status issued by the Statutory Auditor is enclosed. (**Annexure D**)
7. Appointment of Directors
  - a. The Board noted and approved the appointment of Mr. Rajesh Kumar Pandey (DIN: 09428235) as an Additional Director in the category of Independent Director on the board of the Investment Manager with effect from May 16, 2024. Such appointment is subject to approval from shareholders of the Investment Manager in accordance with Companies Act, 2013. The following details may be noted in this regard: -

Sl. No.	Particulars	Details
1	Name	Mr. Rajesh Kumar Pandey
2	Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointed as the Additional Director in the category of Independent Director
3	Date of appointment/cessation (as applicable) & term of appointment;	With effect from May 16, 2024.
4	Brief profile (in case of appointment);	Mr. Rajesh Kumar Pandey has done his graduation in Civil Engineering from Government Engineering College, Jabalpur in 1983 and has also done his post-graduation from Maulana Aazad College of Technology, Bhopal. He joined the Ministry of Road Transport & Highways as AEE in 1986 and retired as ADG. He has also served as Deputy Secretary (Finance) in the Department of Supply and at various

		levels at NHAI. He has extensive experience in various facets of Highway engineering. He has served as a Member at NHAI for more than 7 years where he has delt with project preparations, approvals, contracts implementations, conciliation, procurement of contract etc. He is an active member of the Indian Roads Congress and member of various Committee of Code making Authority. As DS (F) he as enriched experience in procurement, establishment, preparation of budget and control of expenditure. He is also a fellow member of Institute of Engineers, Member of IRC Vice President IRF and Member of ING-IABSE.
5	Disclosure of relationships between directors (in case of appointment of a director).	Nil
6	Information as required pursuant to BSE Circular with ref, no. LIST/COMP/ 14/ 2018-19 and the National Stock Exchange of India Ltd with ref, no. NSE/ CML/ 2018/24, dated 20th June, 2018.	Mr. Rajesh Kumar Pandey is not debarred from holding the office of director on account of any order of SEBI or any other such authority.

- b. The Board noted and approved the appointment of Mr. Stefano Ghezzi (DIN: 10468375) as an Unitholder nominee director on the board of directors of the Investment Manager. The following details may be noted in this regard: -

Sl. No.	Particulars	Details
1	Name	Mr. Stefano Ghezzi
2	Reason for change viz. appointment, resignation, removal, death or otherwise;	Appointed as an Unitholder nominee director
3	Date of appointment/cessation (as applicable) & term of appointment;	With effect from May 16, 2024.
4	Brief profile (in case of appointment);	Mr. Stefano Ghezzi (DIN: 10468375) has done his Master of Science (Finance and Economics) from Warwick Business School and a Bachelor of Science (Economics) from Università Cattolica del Sacro Cuore, Milan. He comes with more than 10 years of experience in investing and managing private infrastructure companies, including toll roads.
5	Disclosure of relationships between directors (in case of appointment of a director).	Nil

6	Information as required pursuant to BSE Circular with ref, no. LIST/COMP/ 14/ 2018-19 and the National Stock Exchange of India Ltd with ref, no. NSE/ CML/ 2018/24, dated 20 <sup>th</sup> June, 2018.	Mr. Stefano Ghezzi is not debarred from holding the office of director on account of any order of SEBI or any other such authority.
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8. Other matters approved by the Board of Directors which will be presented to the Unitholder of the Trust for their approval:-

- i. Authority to increase aggregate consolidated borrowings and deferred payments of the Trust, Holdco and the SPV(s), net of cash and cash equivalents up to seventy per cent. of the value of the Trust's assets.
- ii. Approval of the valuation report for Bangalore Elevated Tollway Private Limited as asset to be acquired by the Trust from Galaxy Investments II Pte. Ltd (**Annexure E**). A summary of the full Valuation Report is provided as under: -

Name of the Target Entity	Enterprise Valuation (In ₹ million)
Bangalore Elevated Tollway Private Limited (as of March 31, 2024)	5,593*

\* Resultant equity, CCDPs and CCDs value being INR 4,977 million

- iii. Approval of the variation in the terms of use of proceeds raised from the rights issue of units made by the Trust.
- iv. The issuance of up to 587,02,708 units of Highways Trust at an issue price of INR 85.30 per Unit for an aggregate amount of up to INR 500,73,40,992.40 on a preferential basis on such other terms and conditions as may be determined by the Board of directors of the Investment Manager in accordance with the SEBI InvIT Regulations, read with other applicable laws, and in each case, as amended from time to time and with all circulars/ notifications issued under such regulations.
- v. The postal ballot notice seeking unitholders' approval for the matters as indicated below:
  - (a) Authority to increase aggregate consolidated borrowings and deferred payments of the Trust, Holdco and the SPV(s), net of cash and cash equivalents up to seventy per cent. of the value of the Trust's assets;
  - (b) Acquisition of Bangalore Elevated Tollway Private Limited by the Trust from Galaxy Investments II Pte. Ltd, the sponsor of the Trust;
  - (c) Approval of the variation in the terms of use of proceeds raised from the rights issue of units made by the Trust; and
  - (d) Issuance of units of the Trust on a preferential basis.



The meeting of the Board of Director of the Investment Manager commenced at 4.30 pm and concluded at 8.15 pm.

The same is also available on the website of the Trust at [www.highwaystrust.com](http://www.highwaystrust.com).

You are requested to kindly take the same on record.

Thanking you,

**For Highway Concessions One Private Limited**  
(acting as an Investment Manager of Highways Infrastructure Trust)

**Kunjal Shah**  
**Company Secretary & Compliance Officer**

**Place: Mumbai**

**Encl: as above**

CC:

<b>Axis Trustee Services Limited</b> ("Trustee of the InvIT") Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai-400025, Maharashtra, India.	<b>Catalyst Trusteeship Limited</b> ("Debenture Trustee") 901, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra, India.
<b>ICICI Bank Ltd.</b> ("Issuing & Paying Agent") ICICI Bank Towers, Bandra Kurla Complex, Bandra, (East), Mumbai - 400051.	

**Independent Auditor's Report on Standalone Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023**

**To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)**

## Opinion

1. We have audited the accompanying standalone financial results of Highways Infrastructure Trust for the half year and year ended 31 March 2024 consisting of the Standalone Statement of Profit and Loss (including Other Comprehensive Income), explanatory notes thereto and additional disclosures as required in chapter 4 of the SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 ('SEBI Master Circular') (hereinafter referred to as 'the Statement'), attached herewith, being submitted by Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) (hereinafter referred to as 'the SEBI Regulations'), read with the SEBI Master Circular.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 23 of the SEBI Regulations read with the SEBI Master Circular in this regard; and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Trust, for the half year and year ended 31 March 2024.



**Independent Auditor's Report on Standalone Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (Cont'd)**

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Investment Manager and Those Charged with Governance for the Statement**

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Board of Directors of Investment Manager of the Trust. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Trust in accordance with the requirements of SEBI Regulations read with the SEBI Master Circular, including Ind AS, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors of the Investment Manager of the Trust is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors of Investment Manager of the Trust either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Investment Manager of the Trust is also responsible for overseeing the Trust's financial reporting process.

**Auditor's Responsibilities for the Audit of the Statement**

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs issued by the ICAI, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the SAs issued by the ICAI, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;





**Independent Auditor's Report on Standalone Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (Cont'd)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;
  - Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Investment Manager of the Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other matter**

11. The Statement includes the standalone financial results for the half year ended 31 March 2024, being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date standalone figures up to the first half of the current financial year, which were subject to limited review by us.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013



**Manish Agrawal**

Partner

Membership No. 507000

UDIN: 24507000BKDHOF1724



**Place:** New Delhi

**Date:** 16 May 2024

**Highways Infrastructure Trust**  
**Audited Standalone Financial Results of the Trust for the half year and year ended 31 March 2024**  
(All amounts in ₹ millions unless otherwise stated)

Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	<i>(Refer Note 19)</i>	<i>(Unaudited)</i>	<i>(Refer Note 20)</i>	<i>(Audited)</i>	<i>(Audited)</i>
<b>Income and gains</b>					
Revenue from operations					
Dividend income from subsidiaries	949.47	626.75	1,642.21	1,576.22	1,642.21
Interest income on loans from subsidiaries	2,111.20	1,376.49	1,424.13	3,487.69	1,581.93
Other income					
Interest on fixed deposits	118.58	32.95	39.50	151.53	42.75
Others	5.01	3.45	-	8.46	-
<b>Total income and gains</b>	<b>3,184.26</b>	<b>2,039.64</b>	<b>3,105.84</b>	<b>5,223.90</b>	<b>3,266.89</b>
<b>Expenses and losses</b>					
Finance costs					
Interest on term loan and non convertible debentures and others	1,141.96	583.47	557.09	1,725.43	584.13
Other finance costs	0.70	0.52	0.01	1.22	0.57
Valuation expenses	2.69	0.43	1.19	3.12	1.78
Audit fees	14.75	10.46	10.45	25.21	17.38
Insurance expense	1.82	-	-	1.82	-
Investment manager fees (Refer note b)	41.92	32.72	13.07	74.64	24.87
Trustee fee	2.88	0.92	1.51	3.81	2.69
Rating expenses	14.52	4.45	0.49	18.97	0.49
Legal and professional	207.89	160.65	116.60	368.54	129.33
Other expenses	9.04	10.71	14.81	19.75	16.33
<b>Total expenses and lossess</b>	<b>1,438.17</b>	<b>804.33</b>	<b>715.22</b>	<b>2,242.51</b>	<b>777.57</b>
<b>Profit before exceptional items and tax for the period/year</b>	<b>1,746.09</b>	<b>1,235.31</b>	<b>2,390.62</b>	<b>2,981.39</b>	<b>2,489.32</b>
Exceptional items (refer note 5)	3,546.88	1,417.91	1,879.71	4,964.79	2,044.59
<b>(Loss)/profit before tax for the period/year</b>	<b>(1,800.79)</b>	<b>(182.60)</b>	<b>510.91</b>	<b>(1,983.40)</b>	<b>444.73</b>
<b>Tax expense:</b>					
Current tax	53.25	14.24	16.88	67.49	18.27
Deferred tax	-	-	-	-	-
<b>Total tax expense</b>	<b>53.25</b>	<b>14.24</b>	<b>16.88</b>	<b>67.49</b>	<b>18.27</b>
<b>(Loss)/profit after tax for the period/year</b>	<b>(1,854.04)</b>	<b>(196.84)</b>	<b>494.03</b>	<b>(2,050.89)</b>	<b>426.46</b>
Other comprehensive income for the period / year	-	-	-	-	-
<b>Total comprehensive (loss)/income for the period/year</b>	<b>(1,854.04)</b>	<b>(196.84)</b>	<b>494.03</b>	<b>(2,050.89)</b>	<b>426.46</b>
<b>Earning per unit (not annualized, except for year end)</b>					
Basic (₹)	(3.17)	(0.47)	1.19	(4.10)	1.70
Diluted (₹)	(3.17)	(0.47)	1.19	(4.10)	1.70

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**SIGNED FOR  
IDENTIFICATION  
PURPOSES**





Highways Infrastructure Trust

Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024  
(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows

S. No.	Particulars	01 October 2023 to 31 March 2024 (Refer Note 19)	01 April 2023 to 30 September 2023 (Unaudited)	01 October 2022 to 31 March 2023 (Refer Note 20)	01 April 2023 to 31 March 2024 (Audited)	01 April 2022 to 31 March 2023 (Audited)
<b>1</b>	<b>Net Distributable Cash Flows of the Project Entities</b>					
	a) in the form of interest/accrued interest/additional interest	1,647.54	1,132.95	1,458.86	2,780.49	2,078.10
	b) in the form of dividend	7,791.67	665.00	861.11	8,456.67	1,893.32
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Highways Infrastructure Trust ('Trust')	1,793.59	615.81	3,178.77	2,409.40	3,264.77
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	75.74	21.90	75.74	294.45
<b>2</b>	Cash flows from additional borrowings (including debentures/other securities), fresh issuance of units, etc.	48,858.06	-	2,524.80	48,858.06	18,629.03
<b>3</b>	Any other income accruing at the Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest/return on surplus cash invested by the Trust.	76.36	33.98	39.50	110.34	42.75
	<b>Total cash inflow at the Trust level (A)</b>	<b>60,167.22</b>	<b>2,523.48</b>	<b>8,084.94</b>	<b>62,690.70</b>	<b>26,202.42</b>
<b>4</b>	<b>Adjustments:</b>					
	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(1,406.99)	(811.41)	(609.27)	(2,218.39)	(889.75)
<b>5</b>	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(69.15)	(5.49)	(104.30)	(74.64)	(116.10)
<b>6</b>	Income tax (if applicable) for standalone Trust and/or payment of other statutory dues	(43.88)	(14.24)	(16.88)	(58.12)	(18.27)
<b>7</b>	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(265.16)	(112.50)	(95.83)	(377.66)	(112.50)
<b>8</b>	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	142.98	(185.86)	(646.43)	(42.88)	(976.43)
<b>9</b>	Amount invested in any of the Project SPVs for service of debt or interest	(19,708.21)	(15.00)	(2,944.81)	(19,723.21)	(17,211.84)
<b>10</b>	Investment including acquisition of other project SPV	(29,134.86)	-	-	(29,134.86)	-
<b>11</b>	Any provision or reserve deemed necessary by the Investment Manager for expenses/liabilities which may be due in future	(141.30)	141.30	1,053.78	-	(146.33)
	<b>Total cash outflow at the Highways Trust Level (B)</b>	<b>(50,626.57)</b>	<b>(1,003.20)</b>	<b>(3,363.74)</b>	<b>(51,629.76)</b>	<b>(19,471.22)</b>
	<b>Amount released/(retained) by Trust (C)</b>	<b>196.58</b>	<b>-</b>	<b>-</b>	<b>196.58</b>	<b>-</b>
	<b>Net distributable cash flows (D)=(A+B+C)</b>	<b>9,737.23</b>	<b>1,520.29</b>	<b>4,721.20</b>	<b>11,257.52</b>	<b>6,731.20</b>

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SIGNED FOR IDENTIFICATION PURPOSES



**Highways Infrastructure Trust**

(All amounts in ₹ millions unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 1 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

Particulars	01 April 2023 to 31 March 2024 (Audited)	01 April 2022 to 31 March 2023 (Audited)
<b>Cashflows from operating activities of the Trust</b>	<b>(527.61)</b>	<b>(130.14)</b>
Add: Cash flows received from SPVs/Investment entities which represent distributions of NDCF computed as per relevant framework	13,722.29	7,530.63
Add: Treasury income/income from investing activities of the Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)	110.34	42.75
Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(1,823.54)	(692.06)
Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units)	(377.66)	(112.50)
Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ Holding Companies, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(42.88)	339.93
<b>Net distributable cash flows at Trust Level</b>	<b>11,060.94</b>	<b>6,978.61</b>
Amount released/(retained) by the Trust level	196.58	(247.41)
<b>Amount distributed to unitholders</b>	<b>11,257.52</b>	<b>6,731.20</b>

**Notes:**

- Out of the Initial issuance of ₹ 4,160 millions in August 2022, ₹ 415.85 millions and ₹ 138.50 millions was for General Corporate purpose (GCP) and issuance expenses respectively. Unit Capital received for GCP was utilised towards debt servicing (interest and debt repayment) and other miscellaneous expenses. However, while computation of NDCF, these expenses were considered at actual cost incurred (expenses/cash outflow shown at gross level and not adjusted to the extent of GCP fund received) and ₹ 415.85 millions of GCP amount were added into reserves created, resulting in nil impact on NDCF. Further, out of funds received for Issue expenses amounting to ₹ 138.50 millions, ₹ 111.58 millions was incurred, however same was not included in finance cost in profit and loss statement as it was a capital expenditure and thus adjusted against other equity.
- As at 31 March 2023, fixed deposits for Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA) as per facility agreement was ₹ 926.13 millions. This has shown as reserves created in NDCF working for financial year ended 31 March 2023 as per prevailing NDCF methodology and further, borrowing from lenders for MMRA and DSRA was shown as borrowing in NDCF. However, as per the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosed above as additional information), this reserves will not be routed through NDCF for financial year ended 31 March 2023. Total MMRA and DSRA reserves amounting to ₹ 926.13 millions forms part of closing fixed deposit balance as on 31 March 2023 and was kept separately in fixed deposits with bank.
- During the financial year ended 31 March 2023, fixed deposits of ₹ 50.30 millions was created for Bank guarantee (BG) from internal accruals. Hence, this amount was reduced while computation of NDCF. However, this will be available for distribution once this BG will be withdrawn.
- Reserves of ₹ 50.30 millions created for bank guarantee (as mentioned in point 3) as at 31 March 2023, was released during the current year ended 31 March 2024 and was utilised for NDCF for the current financial year ended 31 March 2024. Total reserves released for the financial year ended 31 March 2024 is ₹ 196.63 millions. (reserves created as on 31 March 2023 amounting to ₹ 146.33 including release of bank guarantee amounting to ₹ 50.30 millions).
- During the financial year ended 31 March 2024, DSRA topup from internal accrual is ₹ 42.88 million. This was captured under reserves created and resulted in lower NDCF.
- During the financial year ended 31 March 2024, Trust has funded ₹ 312.5 millions, ₹ 400.66 millions, ₹ 245.79 millions and ₹ 520.00 millions to UEPL, SEPI, NBPL and STPL respectively for Major Maintenance (MM) expense purpose. This was provided by external lender to Highways Infrastructure Trust ("Trust") for Major Maintenance purpose. Under the NDCF framework adopted by Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF at SPV level and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the revised NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosed above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows at SPV level. Accordingly, to ensure such reduction is captured in NDCF, ₹ 79.79 millions has been reduced from NDCF at the InvIT level. The SPVs and the InvIT meets the 90% distribution requirements under the revised calculations under the new NDCF framework (after considering the treatment of MM loans as guided by SEBI) and under the new NDCF framework (applicable w.e.f. 01 April 2024).

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**Highways Infrastructure Trust**

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 1 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(All amounts in ₹ millions unless otherwise stated)

7. As on date of acquisition of UTPL on 01 November 2023, the outstanding creditor pertaining MM which is payable to erstwhile shareholder, amounted to ₹ 235.37 millions. This was more than unrestricted cash and bank balance (including investment) of ₹ 55.57 millions available as on the same date. Hence, UTPL borrowed fund from Trust to payoff opening creditors (this transaction took place on 02 November 2023, after acquisition). Given the specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework. However, basis guidance from SEBI and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be reduced by ₹ 458.54 millions. Accordingly, to ensure such reduction is reflected, ₹ 458.54 millions has been reduced from NDCF at the InvIT level.

The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

**b. Investment manager fees**

Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e. Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Standalone statement of profit and loss for the year ended 31 March 2024 includes amount of ₹ Nil (for the period from 01 April 2022 to 31 March 2023, ₹ 2.36 millions, For the period from 01 October 2023 to 31 March 2024, ₹ Nil, For the period from 01 April 2023 to 30 September 2023, ₹ Nil, and For the period from 01 October 2022 to 31 March 2023, ₹ (9.44) millions) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the new Investment Manager i.e. Highway Concession One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the InvIT and the Special Purpose Vehicles of the InvIT ("SPVs") in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Standalone statement of profit and loss for the year ended 31 March 2024 includes amount of ₹ 74.64 millions (for the period from 01 April 2022 to 31 March 2023, ₹ 22.51 millions, For the period from 01 October 2023 to 31 March 2024, ₹ 41.92 millions, For the period from 01 April 2023 to 30 September 2023, ₹ 32.72 Millions, For the period from 01 October 2022 to 31 March 2023, ₹ 22.51 millions) towards Investment Management Fees to Highway Concession One Private Limited who is appointed as Investment Manager w.e.f 23 November 2022.

**c. Statement of earnings per unit ('EPU')**

Basic EPU amounts are calculated by dividing the profit for the period/ year attributable to unit holders by the weighted average number of units outstanding during the period/year.  
Diluted EPU amounts are calculated by dividing the profit/(loss) attributable to unit holders by the weighted average number of units outstanding during the period/year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
(Loss)/profit for the period /year (₹ millions)	(1,854.04)	(196.84)	494.03	(2,050.89)	426.46
Weighted average number of units outstanding for computation of basic and diluted earning per unit (Nos. millions)	584.45	415.50	415.50	499.98	251.58
<b>Earning per unit (basic and diluted) (₹)</b>	<b>(3.17)</b>	<b>(0.47)</b>	<b>1.19</b>	<b>(4.10)</b>	<b>1.70</b>

d. Contingent Liabilities as at 31 March 2024 is Nil (30 September 2023 and 31 March 2023: Nil)

e. Commitments as at 31 March 2024 is Nil (30 September 2023 and 31 March 2023: Nil)



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## Highways Infrastructure Trust

Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

### f. Statement of Related Parties

#### I List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures"

##### Subsidiaries

Dewas Bhopal Corridor Private Limited ("DBCPL")  
Nirmal BOT Private Limited ("NBPL") (formerly known as 'Nirmal BOT Limited')  
Jodhpur Pali Expressway Private Limited ("JPEPL")  
Godhra Expressways Private Limited ("GEPL")  
Ulundurpet Expressways Private Limited ("UEPL")  
Shillong Expressway Private Limited ("SEPL")  
Udupi Tollway Private Limited ("UTPL") (formerly known as 'Navyuga Udupi Tollway Private Limited') w.e.f. 02 November 2023  
Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as 'HG Ateli Narnaul Highway Private Limited') w.e.f. 22 November 2023  
Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as 'HG Rewari Ateli Highway Private Limited') w.e.f. 22 November 2023  
Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f. 22 November 2023  
Gujarat Road and Infrastructure Company Limited ("GRICL") w.e.f. 24 January 2024  
Swarna Tollway Private Limited ("STPL") w.e.f. 24 January 2024

##### Holding Entity

Galaxy Investments II Pte. Ltd

##### Intermediate holding entities

Galaxy Investments Pte. Ltd  
KKR Asia Pacific Infrastructure Holdings Pte Ltd

##### Ultimate holding entity

KKR Asia Pacific Infrastructure Investors SCSp\*

\*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l

##### Fellow subsidiaries\*

Highway Concessions One Private Limited ("HC1")  
HC One Project Manager Private Limited

\*With whom the Group had transactions during the current or previous period

##### Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"

Refer note II C. (xvi) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust w.e.f 23 November 2022 and II C. (xiii) or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust upto 22 November 2022.

### II. List of additional related parties as per Regulation 2(1)(zv) of the InvIT Regulations

#### A. Parties to Highways Infrastructure Trust

##### Sponsor Group:

Upon Completion of issuance and allotment of preferential units (refer note 14), the following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the InvIT Regulations read with the proviso to Regulation(4)(2)(d)(i) of the InvIT Regulations

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust  
Galaxy Investments Pte. Ltd  
KKR Asia Pacific Infrastructure Holdings Pte Ltd  
KKR Asia Pacific Infrastructure Investors SCSp  
KKR Associates AP Infrastructure SCSp  
KKR AP Infrastructure S.à r.l  
Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)  
Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)  
KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)  
KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)  
KKR Associates AP Infrastructure II SCSp; and (w.e.f. 19 January 2024)  
KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)  
Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust (w.e.f 23 November 2022)  
Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (upto 22 November 2022)  
HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)  
Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (upto 13 November 2022)  
Axis Trustee Services Limited (ATSL) - Trustee of Highways Infrastructure Trust

SIGNED FOR  
IDENTIFICATION  
PURPOSES





**Highways Infrastructure Trust**

**Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024**

(All amounts in ₹ millions unless otherwise stated)

**B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above**

Axis Bank Limited - Promoter of Axis Trustee Services Limited

Highway Concessions One Private Limited -Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)

Virescent Infrastructure Investment Manager Private Limited -Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)

Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd

Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)

Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)

**C. Directors/General partners/Managers of the parties to Highways Infrastructure Trust specified in II(A) above**

**(i) Directors of Galaxy Investment II Pte. Ltd**

Tang Jin Rong

Madhura Narawane

Goh Ping Hao

**(ii) Directors of Galaxy Investments Pte. Ltd**

Tang Jin Rong

Madhura Narawane

**(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd**

Tang Jin Rong

Goh Wei Chong Matthew

**(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp**

KKR Associates AP Infrastructure SCSp

**(v) General Partner of KKR Associates AP Infrastructure SCSp**

KKR AP Infrastructure S.à r.l.

**(vi) Managers of KKR AP Infrastructure S.à r.l**

Jason Carss (Class A)

Steven Codispoti (Class A)

Thomas Weber (Class B)

Nina Scheid (Class B)

**(vii) Directors of Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)**

Tang Jin Rong

Madhura Narawane

**(viii) Directors of Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)**

Tang Jin Rong

Madhura Narawane

**(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)**

Tang Jin Rong

Banerjea Projesh

**(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)**

KKR Associates AP Infrastructure II SCSp

**(xi) General Partner of KKR Associates AP Infrastructure II SCSp (w.e.f. 19 January 2024)**

KKR AP Infrastructure II S.à r.l.

**(xii) Managers of KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)**

Jason Carss (Class A)

Steven Codispoti (Class A)

Thomas Weber (Class B)

Nina Scheid (Class B)

**(xiii) Directors/KMP of Virescent Infrastructure Investment Manager Private Limited (details upto 22 November 2022)**

Mr. Pradeep Kumar Panja, Independent Director

Mr. Sanjay Grewal , Wholetime Director

Mr. Akshay Jaitly, Independent Director

Mr. Hardik Bhadrak Shah, Director

Mr Aditya Narayan, Non-executive Director

Ms Daisy Devassy Chittilapilly, Independent Director

Ms. Charmy bhoot , Company Secretary and Compliance Officer

**(xiv) Directors of Virescent Renewable Energy Project Manager Private Limited (details upto 13 November 2022)**

Mr. Sanjay Grewal , Director

Mr. Atul Raizada , Director

**(xv) Directors of Axis Trustee Services Limited**

Ms. Deepa Rath CEO (KMP), Managing Director

Mr. Rajesh Kumar Dahiya (Director) (till 15 January 2024)

Mr. Ganesh Sankaran (Director) (till 15 January 2024)

Mr. Sumit Bali (Non-executive Director) (w.e.f 16 January 2024)

Mr. Prashant Joshi (Non-executive Director) (w.e.f 16 January 2024)

**SIGNED FOR  
IDENTIFICATION  
PURPOSES**



**Highways Infrastructure Trust**

**Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024**

(All amounts in ₹ millions unless otherwise stated)

**(xvi) Directors/KMP of Highway Concessions One Private Limited**

Mr Hardik Bhadrak Shah, Non-executive Director

Mr Neeraj Sanghi, CEO (KMP), Whole time Director (till 31 March 2024) (refer note 17)

Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024) (refer note 17)

Dr Zafar Khan, Director (KMP), Joint CEO (w.e.f 01 April 2024) (refer note 17)

Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)

Ms. Ami Vinoo Momaya , Non-executive Director

Mr Subramanian Janakiraman , Independent Director

Mr Manish Agarwal, Independent Director (from w.e.f 14 September 2022)

Ms. Kunjal Shah , Company Secretary and Compliance Officer

Mr. Narayanan Doraiswamy, Chief Financial Officer (refer note 12)

Mr. Abhishek Chhajer, Chief Financial Officer (refer note 12)

**(xvii) Directors of HC One Project Manager Private Limited**

Mr. Abhishek Chhajer (w.e.f 01 April 2024)

Mr. Neeraj Sanghi, Director (w.e.f 20 September 2022 till 31 March 2024)

Dr Zafar Khan, Director (w.e.f 20 September 2022)

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**SIGNED FOR  
IDENTIFICATION  
PURPOSES**

Highways Infrastructure Trust

Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
<b>Galaxy Investment II Pte. Ltd.</b>					
<b>Transaction during the period/year</b>					
Issue of unit capital	-	-	-	-	37,390.00
Distribution to unit-holders^	1,693.92	1,621.08	5,426.24	3,315.00	5,426.24
Investment in compulsarily convertible debentures (CCD's)	-	-	-	-	3,060.00
<b>Balance outstanding at the end of the period/year</b>					
Unit capital	37,390.00	37,390.00	37,390.00	37,390.00	37,390.00
<b>Nebula Asia Holdings II Pte. Ltd.</b>					
<b>Transaction during the period/year</b>					
Issue of unit capital	14,900.00	-	-	14,900.00	-
Distribution to unit-holders^	660.64	-	-	660.64	-
<b>Balance outstanding at the end of the period/year</b>					
Unit capital	14,900.00	-	-	14,900.00	-
<b>Highway Concessions One Private Limited</b>					
<b>Transaction during the period/year</b>					
Reimbursement of expenses	-	5.49	7.83	5.49	44.85
Investment manager fees	41.92	32.72	22.51	74.64	22.51
<b>Balance outstanding at the end of the period/year</b>					
Investment manager fees payable	24.71	15.57	20.60	24.71	20.60
Reimbursement of expenses payable	-	5.49	-	-	-
<b>Virescent Infrastructure Investment Manager Private Limited</b>					
<b>Transaction during the period/year</b>					
Reimbursement of expenses	-	-	36.38	-	71.25
Investment manager fees	-	-	(9.44)	-	2.36
<b>Balance outstanding at the end of the period/year</b>					
Investment manager fees payable	-	-	2.16	-	2.16
<b>Nirmal BOT Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	272.79	-	-	272.79	1,158.30
Investment in OCD's of subsidiaries	-	-	-	-	331.11
Proceeds from redemption of OCD's of subsidiaries	-	10.00	321.12	10.00	321.12
Impairment of non-current investment (Exceptional items)	-	11.23	151.36	11.23	244.05
Investment in equity instruments of subsidiaries	-	-	-	-	354.41
Interest on loan given	66.80	67.86	79.27	134.66	82.82
Interest on CCD's and OCD's given	-	0.21	20.41	0.21	25.36
Refund of loan given	293.50	-	188.88	293.50	188.88
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries (net of impairment)	99.13	99.13	110.36	99.13	110.36
Investment in CCD's of subsidiaries	-	-	-	-	-
Investment in OCD's of subsidiaries	-	-	9.98	-	9.98
Interest receivable	3.27	11.50	0.37	3.27	0.37
Loan receivable	948.72	969.42	969.42	948.72	969.42
<b>Dewas Bhopal Corridor Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	-	-	-	-	2,814.94
Impairment of non-current investment (Exceptional items)	-	-	136.85	-	136.85
Recognition of loan pursuant to equity share capital reduction	-	-	600.14	-	600.14
Refund of loan given	-	-	115.00	-	115.00
Investment in equity instruments of subsidiaries	-	-	-	-	12,969.36
Tax deducted at source on account of capital reduction	-	0.60	-	0.60	-
Reduction in value of investment in equity pursuant to share capital reduction	-	-	614.36	-	614.36
Interest on loan given	231.01	231.01	199.13	462.01	203.45
Distribution of dividend	693.65	484.72	1,642.21	1,178.37	1,642.21
Loss on reduction of investment in equity	-	-	14.22	-	14.22
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries (net of impairment)	12,218.15	12,218.15	12,218.15	12,218.15	12,218.15
Loan receivable	3,300.08	3,300.08	3,300.08	3,300.08	3,300.08
Interest receivable	0.00	1.03	3.71	0.00	3.71
Other Payable	-	0.60	-	-	-



SIGNED FOR  
IDENTIFICATION  
PURPOSES





**Highways Infrastructure Trust**

Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

**III. Transactions and outstanding balances with related party**

Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
<b>Ulundurpet Expressways Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	312.55	-	70.00	312.55	2,699.29
Refund of loan given	737.63	758.42	1,375.31	1,496.05	1,459.64
Investment in OCD's of subsidiaries	-	-	-	-	219.04
Proceeds from redemption of OCD's of subsidiaries	-	10.00	209.05	10.00	209.05
Investment in equity instruments of subsidiaries	-	-	-	-	3,004.95
Interest on loan given	32.28	61.06	166.97	93.34	189.12
Interest on CCD's and OCD's	-	0.21	13.60	0.21	16.88
<b>Balance outstanding at the end of the period/year</b>					
Investment in equity instruments of subsidiaries	3,004.95	3,004.95	3,004.95	3,004.95	3,004.95
Investment in OCD's of subsidiaries	-	-	9.99	-	9.99
Interest receivable	0.69	13.74	0.53	0.69	0.53
Loan receivable	56.15	481.22	1,239.65	56.15	1,239.65
<b>Godhra Expressways Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	4,500.00	-	-	4,500.00	4,059.40
Recognition of loan pursuant to equity share capital reduction	-	1,532.26	-	1,532.26	-
Refund of loan given	-	65.83	3.33	65.83	5.00
Investment in OCD's of subsidiaries	-	-	-	-	5,094.01
Proceeds from redemption of OCD's of subsidiaries	4,500.00	-	561.76	4,500.00	561.76
Tax deducted at source on account of capital reduction	-	1.53	-	1.53	-
Investment in equity instruments of subsidiaries	-	-	-	-	11,167.09
Reduction in value of investment in equity pursuant to share capital reduction	-	1,540.70	-	1,540.70	-
Interest on loan given	512.11	335.87	283.23	847.99	295.69
Interest on CCD's and OCD's	201.94	317.27	345.71	519.21	417.88
Loss on reduction of investment in equity	-	8.44	-	8.44	-
<b>Balance outstanding at the end of the period/year</b>					
Investment in equity instruments of subsidiaries	9,626.39	9,626.39	11,167.09	9,626.39	11,167.09
Investment in OCD's of subsidiaries	32.38	4,532.25	4,532.25	32.38	4,532.25
Interest receivable on rupee term loan (RTL)	180.52	55.45	1.55	180.52	1.55
Interest receivable on OCD's	0.74	105.76	54.11	0.74	54.11
Loan receivable	10,020.83	5,520.83	4,054.40	10,020.83	4,054.40
Other payable	-	1.53	-	-	-
<b>Jodhpur Pali Expressway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	3,059.13	-	2,874.81	3,059.13	2,874.81
Refund of loan given	315.84	84.92	5.00	400.76	5.00
Proceeds from redemption of OCD's of subsidiaries	2,333.70	0.13	-	2,333.83	-
Investment in OCD's of subsidiaries	-	-	-	-	2,333.83
Impairment of non-current investment (Exceptional items)	947.26	1,406.68	1,509.31	2,353.95	1,509.31
Investment in equity instruments of subsidiaries	-	-	-	-	3,863.25
Interest on loan given	357.93	199.20	152.90	557.12	152.90
Interest on CCD's and OCD's	62.33	163.37	162.92	225.69	197.83
Impairment of loan given (Exceptional items)	368.85	-	-	368.85	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries (net of impairment)	-	947.27	2,353.94	-	2,353.94
Investment in OCD's of subsidiaries	-	2,333.70	2,333.83	-	2,333.83
Interest receivable on OCD's and CCD's	0.00	346.39	183.02	0.00	183.02
Interest receivable on RTL	211.46	69.78	17.34	211.46	17.34
Loan receivable	5,159.33	2,784.89	2,869.81	5,159.33	2,869.81
<b>Shillong Expressway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	390.66	15.00	-	405.66	-
Refund of loan given	178.19	-	-	178.19	-
Impairment of non-current investment (Exceptional items)	-	-	82.19	-	154.38
Distribution of dividend	23.70	142.03	-	165.73	-
Investment in equity instruments of subsidiaries	-	-	-	-	356.27
Investment in preference shares of subsidiaries	-	-	-	-	545.10
Redemption of preference shares	-	97.64	272.55	97.64	272.55
Interest on loan given	12.25	0.43	-	12.68	-



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Highways Infrastructure Trust

Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including

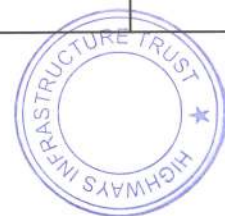
(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
<b>Shillong Expressway Private Limited</b>					
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries (net of impairment)	201.89	201.89	201.89	201.89	201.89
Investment in preference shares of subsidiaries	174.91	174.91	272.55	174.91	272.55
Interest receivable on RTL	-	0.43	-	-	-
Loan receivable	227.47	15.00	-	227.47	-
<b>Udupi Tollway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	8,821.27	-	-	8,821.27	-
Refund of loan given	351.86	-	-	351.86	-
Investment in equity instruments of subsidiaries	196.05	-	-	196.05	-
Interest on loan given	443.44	-	-	443.44	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries	196.05	-	-	196.05	-
Interest receivable on RTL	240.28	-	-	240.28	-
Loan receivable	8,469.41	-	-	8,469.41	-
<b>Rewari Ateli Highway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	2,227.30	-	-	2,227.30	-
Distribution of dividend	190.86	-	-	190.86	-
Refund of loan given	147.05	-	-	147.05	-
Investment in equity instruments of subsidiaries	757.83	-	-	757.83	-
Interest on loan given	77.82	-	-	77.82	-
Impairment of non-current investment (exceptional items)	211.63	-	-	211.63	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries	546.20	-	-	546.20	-
Loan receivable	2,080.25	-	-	2,080.25	-
<b>Ateli Narnaul Highway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	3,397.14	-	-	3,397.14	-
Investment in equity instruments of subsidiaries	1,511.49	-	-	1,511.49	-
Interest on loan given	20.15	-	-	20.15	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries	1,511.49	-	-	1,511.49	-
Interest receivable on RTL	5.96	-	-	5.96	-
Loan receivable	3,397.14	-	-	3,397.14	-
<b>Gurgaon Sohna Highway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	2,566.13	-	-	2,566.13	-
Distribution of dividend	41.26	-	-	41.26	-
Refund of loan given	86.00	-	-	86.00	-
Investment in equity instruments of subsidiaries	844.46	-	-	844.46	-
Interest on loan given	86.25	-	-	86.25	-
Impairment of non-current investment (exceptional items)	133.47	-	-	133.47	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries	844.46	-	-	844.46	-
Interest receivable on RTL	0.95	-	-	0.95	-
Loan receivable	2,480.13	-	-	2,480.13	-
<b>Gujarat Road and Infrastructure Company Limited</b>					
<b>Transaction during the period/year</b>					
Investment in equity instruments of subsidiaries	5,657.22	-	-	5,657.22	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries	5,657.22	-	-	5,657.22	-



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Highways Infrastructure Trust

Additional disclosures as required by paragraph 4.6 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including (All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
<b>Swarna Tollway Private Limited</b>					
<b>Transaction during the period/year</b>					
Loan given	1,115.35	-	-	1,115.35	-
Investment in equity instruments of subsidiaries	20,745.90	-	-	20,745.90	-
Interest on loan given	6.88	-	-	6.88	-
Impairment of non-current investment (exceptional items)	1,885.66	-	-	1,885.66	-
<b>Balance outstanding at the end of the period/year</b>					
Investments in equity instruments of subsidiaries	18,860.24	-	-	18,860.24	-
Loan receivable	1,115.34	-	-	1,115.34	-
<b>Axis Trustee Services Limited</b>					
<b>Transaction during the period</b>					
Trustee fees	0.71	0.71	0.83	1.42	0.83
Initial acceptance fees	0.71	-	-	0.71	-
<b>Axis Bank Limited</b>					
<b>Transaction during the period</b>					
Rupee term loan taken	1,150.00	-	450.25	1,150.00	44.23
Processing fees	5.24	-	-	5.24	3.54
Repayment of rupee term loan	16.61	5.00	5.00	21.61	5.00
Interest on rupee term loan	54.21	19.86	15.42	74.07	5.03
Interest on bank deposits	44.81	-	-	44.81	-
Investment in bank deposits	9,671.53	-	-	9,671.53	-
Redemption in bank deposits	9,671.53	-	-	9,671.53	-
<b>Balance outstanding at the end of the period</b>					
Interest payable on loan	-	0.04	-	-	-
Rupee term loan payable	1,617.87	484.48	489.48	1,617.87	489.48
Closing balance of current account	1.35	-	-	1.35	-

Note: All related party transactions entered during the year were in ordinary course of the business and on arms length basis.

^ Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the last quarter of FY 2023-24 which will be paid after 31 March 2024. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ("NDCF") of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

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**IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 4.6.6 of Chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024 are as follows:**

**For the half year and year ended 31 March 2024:**

During the half year and year ended 31 March 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same is not acquired from related parties, hence no disclosure is made in respect of that.

**For the half year ended 30 September 2023:**

No acquisition during the half year ended 30 September 2023

**For the half year and year ended 31 March 2023:**

**A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023:**

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

**B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convertible Debentures (CCD)\*:**

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	NA	13.71%	13.71%	13.70%	13.71%	NA
Method of valuation	Discounted cash flows					

\*During the previous financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs"). Further, during the current year OCDs of JPEPL, NBPL and UEPL were redeemed.

**C Material conditions or obligations in relation to the transactions:**

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022.

**D** No external financing has been obtained for acquisition of above subsidiaries.

**E** No fees or commisiom received or to be received from any associate party in relation to acquisition of Project SPVs.

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**Highways Infrastructure Trust**

Additional disclosures as required by paragraph 4.18 of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited standalone financial results for the half year and year ended 31 March 2024

(all amounts in ₹ millions, except ratios)

(a) Ratios pursuant to 4.18.1 (b) of chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023

Sr. No.	Particulars	01 October 2023 to 31 March 2024	01 April 2023 to 30 September 2023	01 October 2022 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
		(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
(a)	Debt equity ratio (in times) [Non-current borrowings + Current borrowings] / Total equity]	0.64	0.42	0.40	0.64	0.40
(b)	Debt service coverage ratio (in times) [(Loss)/profit before tax, finance costs, exceptional items / finance costs + principal repayment for borrowings]	2.05	4.65	4.52	2.24	4.41
(c)	Interest service coverage ratio (in times) [(Loss)/profit before tax, finance costs/ finance costs]	2.53	3.12	5.29	2.73	5.26
(d)	Net worth [Unit capital + Other equity]	55,818.82	33,836.60	35,834.88	55,818.82	35,834.88

**Notes:**

i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2024 amounting to ₹ 11,340.62 millions (31 March 2023: ₹ 6,416.05 millions) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2024.

**(ii) The Non Convertible Debentures ("NCD's") are secured by charge on the following:**

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:

(i) all receivables of the Issuer from the HoldCos and SPVs; (ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs; (iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer; (iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and (v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer;

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan; and

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");

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## Highways Infrastructure Trust

### Notes to the audited standalone financial results of the Trust for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

- The audited standalone financial results of the Highways Infrastructure Trust ('Trust') for half year and year ended 31 March 2024 have been reviewed by the Audit Committee of Highway Concessions One Private Limited at their meeting held on 16 May 2024 and approved by the Board of Directors of the Investment Manager of the Trust at their meeting held on 16 May 2024. The statutory auditors have issued an unmodified audit report on these audited standalone financial results.
- The audited standalone financial results comprises the standalone statement of profit and loss (including Other Comprehensive Income) for the half year and year ended 31 March 2024 (Standalone financial results), explanatory notes and the additional disclosures as required in chapter 4 of the SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circulars issued thereunder (herein referred to as 'the SEBI Master Circular'). The Standalone financial results have been prepared by 'the Investment Manager of the Trust' on the basis of the Standalone annual audited financial statements as at and for the year ended 31 March 2024, Standalone financial results for the half year ended 30 September 2023 and in accordance with recognition and measurement principles laid down in the Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended (IndAS) and other accounting principles generally accepted in India and in compliance with the relevant requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI Regulations") including SEBI Master circular.
- The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.
- Distribution related to FY 2022-2023:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023 and the aforesaid distribution was paid to eligible unitholders on 30 May 2023.  
**Distribution related to FY 2023-2024:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 millions, ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 millions and ₹ 3.6579 (rounded off) per unit amounting to ₹ 2,732.03 millions in their meeting held on 11 August 2023, 09 November 2023 and 06 February 2024 respectively and the aforesaid distribution was paid to eligible unitholders on 22 August 2023, 21 November 2023 and 16 February 2024 respectively. Subsequent to year end 31 March 2024, the Board of Directors of the Investment Manager have declared distribution of ₹ 9.3792 (rounded off) per unit amounting to ₹ 7,005.19 millions in their meeting held on 16 May 2024. Accordingly, the total distribution for the financial year ended 31 March 2024 stands at ₹ 16.5576 per unit.  
Further the yield per unit for the financial year ended 31 March 2024 stands at 19.41%, which have been calculated as (Total distribution per unit for the financial year ended 31 March 2024/NAV per unit as disclosed in the financial statements as at 31 March 2024.)
- As per Ind AS 36 "Impairment of assets", Management carried out the impairment assessment of investment in subsidiaries and provided for impairment loss for year ended 31 March 2024: ₹ 4,964.79 millions (for the period from 01 October 2023 to 31 March 2024: ₹ 3,546.88 millions and for the period from 01 April 2023 to 30 September 2023: ₹ 1,417.91 millions and for the period from 01 October 2022 to 31 March 2023: ₹ 1,879.71 millions and for the year ended 31 March 2023 : ₹ 2,044.59 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis).
- During the previous year ended 31 March 2023, three of the project SPV's Viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.  
  
The final order for approving capital reduction scheme in DBCPL was received on 27 February 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on 20 March 2023 and the impacts of the same were considered in the previous year ended 31 March 2023. During the current financial year ended 31 March 2024, the Hon'ble NCLT has approved the capital reduction Scheme of GEPL on 12 June 2023 and final certificate of registration from Registrar of Companies, Mumbai is received on 14 August 2023 and the impacts of the same have been considered in the Standalone financial statement and year ended 31 March 2024. In UEPL, the Capital reduction Scheme was heard on 23 June 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on 03 October 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. Further as per the NCLT order dated 10 January 2024, the Hon'ble NCLT has declined the Capital reduction scheme in UEPL. Further the Board of Directors of UEPL in its meeting held on 19 January 2024 has proposed to approach the Hon'ble National Company Law Appellate Tribunal ("NCLAT") to re-consider the scheme. The Trust has filed appeal under section 421 of Companies Act, 2013 with the Hon'ble NCLAT on 02 February 2024. further, the matters was partially heard on 02 May 2024 and have been adjourned till 16 May 2024. On 16 May 2024 it has been further adjourned till 31 May 2024.
- During the current financial year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited till 20 December 2023), Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited till 20 December 2023), Gurgaon Sohna Highway Private Limited ('GSHPL') and H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 29 September 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. ANHPL, GSHPL and RAHPL. Consequently, the Trust acquired 100% (one hundred percent) issued and paid up share capital of these 3 SPV's on 21 November 2023 ('acquisition date') for a cash consideration of ₹ 1,511.49 Millions, ₹ 844.46 Millions and ₹ 757.83 Millions respectively from H.G Infra Engineering Limited. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.  
Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Accordingly, necessary impacts have been considered in the standalone financial results for the half year and year ended 31 March 2024.
- During the previous year ended 31 March 2023, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited till 28 December 2023) ('UTPL') in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). During the current financial year ended 31 March 2024, the Trust has acquired 100% (one hundred percent) stake effective from 02 November 2023 ('acquisition date') for cash consideration of ₹ 196.05 millions and UTPL become subsidiary of the Trust. Accordingly, necessary impacts have been considered in the Standalone financial results for the half year and year ended 31 March 2024.

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## Highways Infrastructure Trust

Notes to the audited standalone financial results of the Trust for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

- 9 During the current financial year ended 31 March 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150 millions ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the SEBI InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects:
- (a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV")
- (b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and
- (c) for general purposes. Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law.
- Further, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 million, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.
- The Trust has paid issue management fees of ₹ 17.70 millions to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the year ended 31 March 2024. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated 25 September 2023 for rights issue filed with the NSE.
- 10 During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 28 July 2023 for acquisition of upto 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL and 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2"). Approval for change in ownership was received on 24 January 2024 for GRICL and STPL. Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 (acquisition date) for a total consideration (including transaction costs) of ₹ 5,657.22 millions and ₹20,745.90 millions respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.
- 11 During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has executed the share purchase agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd (Sponsor of the Trust). Approval for change in ownership has been received on 11 March 2024 from National Highways Authorities of India ("NHAI"). The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 12 During the current financial year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide its letter dated 28 August 2023. Mr. Narayanan Doraiswamy held his current position of CFO till 31 December, 2023 (end of business hours) and post that he has ceased to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated 25 September, 2023 have approved the appointment of Mr. Abhishek Chhajjer as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which has been effective from 01 January, 2024 onwards. Mr. Abhishek Chhajjer has been appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.
- 13 During the current financial year ended 31 March 2024, Board of directors of Investment Manager of the Trust have approved following matters on 20 October 2023:
- (i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 millions in one or more series or tranches on a private Placement basis to the eligible investors; and
- (ii) Availing additional rupee term loan facility upto ₹ 19,000 millions.
- The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750 millions at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 millions. The CPs was listed with Bombay Stock Exchange Limited on 31 October 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹19,000 millions out of which Trust has received disbursement of ₹ 14,248.43 millions from lenders on 02 November 2023, 21 November 2023, 22 November 2023, 04 January 2024, 18 March 2024 and 21 March 2024.
- 14 During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900 millions on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated 06 July 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 19 January 2024. The proceeds of ₹ 21,900 millions have been utilised for payment of purchase consideration of STPL and GRICL.

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**Highways Infrastructure Trust**

**Notes to the audited standalone financial results of the Trust for the half year and year ended 31 March 2024**

**(All amounts in ₹ millions unless otherwise stated)**

- 15 During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per Debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on 19 January 2024.
- 16 During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:
- (i) PNC Rajasthan Highways Private Limited ("PRHPL");
  - (ii) PNC Chitradurga Highways Private Limited ("PCHPL");
  - (iii) PNC Aligarh Highways Private Limited ("PAHPL");
  - (iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
  - (v) PNC Khajuraho Highways Private Limited ("PKHPL");
  - (vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
  - (vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
  - (viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
  - (ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
  - (x) PNC Unnao Highways Private Limited ("PUHPL");
  - (xi) PNC Gomti Highways Private Limited ("PGHPL") and
  - (xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").
- The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 17 During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Whole time Director of the Highway Concessions One Private Limited ("Investment Manager") till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.
- 18 Subsequent to the year ended 31 March 2024, three of the project SPVs, namely ANHPL, RAHPL, and GSHPL, have submitted petitions to the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. The aforementioned reduction was approved during extraordinary general meetings held on 04 April 2024 for ANHPL, RAHPL, and GSHPL respectively. Subsequent to the approval of the capital reduction scheme, The said consideration shall stand outstanding and the terms for such repayment will be mutually agreed upon by the Company and its shareholders. The petitions were filed on 08 April 2024 for ANHPL, RAHPL, and GSHPL, and were admitted by the NCLT on 17 April 2024 for GSHPL and 24 April 2024 for ANHPL. The subsequent hearings are scheduled for 24 July 2024 for GSHPL and 07 August 2024 for ANHPL.

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**Highways Infrastructure Trust**

**Notes to the audited standalone financial results of the Trust for the half year and year ended 31 March 2024**

**(All amounts in ₹ millions unless otherwise stated)**

- 19 The Statement includes the standalone financial results for the half year ended 31 March 2024, being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half of the current financial year, which were subject to limited review by us.
- 20 The Statement includes the standalone financial results for the half year ended 31 March 2023, being the balancing figures between the audited standalone figures in respect of the full previous financial year and the published unaudited year-to-date figures up to the first half of the previous financial year, which were subject to limited review by us.
- 21 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these standalone financial results.
- 22 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

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Dr. Zafar Khan  
Joint CEO  
DIN: 07641366

Place: Mumbai  
Date: 16 May 2024

**For and on behalf of Board of Directors of  
Highway Concessions One Private Limited  
(as Investment Manager of Highways Infrastructure Trust)**

Abhishek Chhajjer  
Chief Financial Officer

Place: Mumbai  
Date: 16 May 2024

Gaurav Chandna  
Executive Director and Joint CEO  
DIN: 10312924

Place: Mumbai  
Date: 16 May 2024





**Independent Auditor's Report on Consolidated Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') Pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023**

**To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)**

## Opinion

1. We have audited the accompanying consolidated financial results of Highways Infrastructure Trust ('Trust') and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group') for the half year and year ended 31 March 2024, consisting of the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), explanatory notes thereto and additional disclosures as required in chapter 4 of the SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 ('SEBI Master Circular') (hereinafter referred to as 'the Statement'), attached herewith, being submitted by Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) (hereinafter referred to as 'the SEBI Regulations'), read with the SEBI Master Circular.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 12 below, the Statement:
  - (i) includes the annual financial results of the entities listed in Annexure 1;
  - (ii) presents financial results in accordance with the requirements of Regulation 23 of the SEBI Regulations read with the SEBI Master Circulars in this regard; and
  - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Rule 2 (1) (a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the half year and year ended 31 March 2024.



# Walker Chandiook & Co LLP

**Independent Auditor's Report on Consolidated Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (Cont'd)**

## **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") and other pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

## **Responsibilities of Investment Manager and Those Charged with Governance for the Statement**

4. The Statement, which is the responsibility of the Investment Manager of the Trust and has been approved by the Board of Directors of the Investment Manager of the Trust, has been prepared on the basis of the consolidated annual financial statements. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group in accordance with the requirements of SEBI Regulations read with the SEBI Master Circulars, including Ind AS, and other accounting principles generally accepted in India. The Investment Manager of the Trust is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group, are responsible for maintenance of adequate accounting records, for safeguarding of the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by Board of Directors of the Investment Manager of the Trust, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.
6. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Trust and companies included in the Group.

## **Auditor's Responsibilities for the Audit of the Statement**

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by the ICAI, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.





# Walker Chandiook & Co LLP

## Independent Auditor's Report on Consolidated Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (Cont'd)

8. As part of an audit in accordance with the Standards on Auditing issued by the ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Trust has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;
  - Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of the Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Investment Manager of the Trust, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with Regulation 13(2)(e) of the SEBI Regulations to the extent applicable.



# Walker Chandiook & Co LLP

**Independent Auditor's Report on Consolidated Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (Cont'd)**

## Other Matters

12. We did not audit the half year and annual financial statements of 7 subsidiaries included in the Statement, whose financial information reflects total revenues of ₹ 1,956.76 millions and ₹ 3,367.34 millions, total net profit after tax of ₹ 215.61 millions and ₹ 92.88 millions, and total comprehensive profit of ₹ 215.11 millions and ₹ 92.21 millions, for the half year and year ended 31 March 2024, as considered in the Statement. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the Investment Manager of the Trust, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

13. The Statement includes the consolidated financial results for the half year ended 31 March 2024, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to first half of the current financial year, which were subject to limited review by us.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



**Manish Agrawal**

Partner

Membership No. 507000

UDIN: 24507000BKDHOI7652

Place: New Delhi

Date: 16 May 2024



# Walker Chandiook & Co LLP

Independent Auditor's Report on Consolidated Half Yearly and Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (as amended) and SEBI Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 (Cont'd)

## Annexure 1

### List of subsidiaries included in the Statement (in addition to the Trust)

- a. Jodhpur Pali Expressways Private Limited ('JPEPL')
- b. Godhra Expressways Private Limited ('GEPL')
- c. Nirmal BOT Private Limited ('NBPL') (formerly known as Nirmal BOT Limited)
- d. Dewas Bhopal Corridor Private Limited ('DBCPL')
- e. Shillong Expressways Private Limited ('SEPL')
- f. Ulundurpet Expressways Private Limited ('UEPL')
- g. Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f. 02 November 2023
- h. Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited) w.e.f. 22 November 2023
- i. Gurgaon Sohna Highway Private Limited ('GSHPL') w.e.f. 22 November 2023
- j. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited) w.e.f. 22 November 2023
- k. Swarna Tollway Private Limited ('STPL') w.e.f. 24 January 2024
- l. Gujarat Road and Infrastructure Company Limited ('GRICL') w.e.f. 24 January 2024





Highways Infrastructure Trust

Audited Consolidated Statement of Profit and Loss (including other comprehensive income) for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
	(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
<b>Income and gains</b>					
Revenue from operations	10,750.77	3,377.15	3,164.77	14,127.92	6,152.35
Interest income from bank deposits	260.91	45.54	71.08	306.45	121.51
Profit on sale of assets/investments	91.41	32.75	66.10	124.16	126.04
Other income	104.45	10.86	12.35	115.30	31.17
<b>Total Income and gains</b>	<b>11,207.53</b>	<b>3,466.30</b>	<b>3,314.30</b>	<b>14,673.83</b>	<b>6,431.07</b>
<b>Expenses and losses</b>					
Valuation expenses	2.69	0.43	1.81	3.12	2.40
Audit fees (Statutory auditor of Trust)	14.75	10.46	10.45	25.21	17.38
Audit fees (Auditor of Subsidiaries)	3.91	2.27	1.76	6.18	5.64
Insurance and security expenses	24.62	15.45	23.25	40.07	45.66
Employee benefits expense	89.24	56.12	50.83	145.36	104.03
Project management fees (Refer note b (i) and (ii))	95.49	75.56	53.55	171.05	53.55
Investment manager fees (Refer note b (i) and (ii))	203.60	163.60	99.81	367.20	111.61
Management support services fee	-	-	31.68	-	247.43
Trustee fees	3.16	1.02	3.25	4.18	4.43
Depreciation on property, plant and equipment	22.82	11.53	12.68	34.35	26.96
Amortization of intangible assets	1,520.79	655.22	601.05	2,176.01	1,139.01
Finance costs					
Interest on term loan, non convertible debentures and others	1,652.60	583.47	663.09	2,236.07	1,743.11
Other finance costs	258.88	157.25	132.25	416.13	447.48
Rating fee	14.48	4.49	1.82	18.97	2.35
Operation and maintenance expense	583.68	221.75	223.32	805.43	433.39
Corporate social responsibility	23.23	8.92	15.16	32.15	15.16
Provision for major maintenance obligation	1,122.69	301.46	257.04	1,424.15	416.39
Operating expenses	4,296.67	7.84	143.72	4,304.51	365.44
Independent consultancy and project monitoring fees	41.93	38.00	34.96	79.93	69.28
Legal and professional expenses	244.62	174.70	131.63	419.32	152.55
Other expenses	48.95	26.74	20.87	75.69	63.34
<b>Total expenses and losses</b>	<b>10,268.80</b>	<b>2,516.28</b>	<b>2,513.98</b>	<b>12,785.08</b>	<b>5,466.59</b>
<b>Profit before exceptional items and tax for the period/year</b>	<b>938.73</b>	<b>950.02</b>	<b>800.32</b>	<b>1,888.75</b>	<b>964.48</b>
Exceptional items (refer note 18 and 19)	(3,689.54)	-	-	(3,689.54)	-
<b>(Loss)/Profit before tax for the period/year</b>	<b>(2,750.81)</b>	<b>950.02</b>	<b>800.32</b>	<b>(1,800.79)</b>	<b>964.48</b>
<b>Tax expense:</b>					
Current tax	310.93	141.29	111.12	452.22	225.67
Deferred tax	(137.85)	(105.17)	(12.24)	(243.02)	396.82
<b>Total tax expense</b>	<b>173.08</b>	<b>36.12</b>	<b>98.88</b>	<b>209.20</b>	<b>622.49</b>
<b>(Loss)/Profit after tax for the period/year</b>	<b>(2,923.89)</b>	<b>913.90</b>	<b>701.43</b>	<b>(2,009.99)</b>	<b>341.99</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
Re-measurement gain on defined benefit obligations	(0.50)	(0.15)	(0.06)	(0.65)	0.90
Income tax relating to these items	(0.40)	-	-	(0.40)	-
<b>Total other comprehensive (loss)/income for the period/year</b>	<b>(0.90)</b>	<b>(0.15)</b>	<b>(0.06)</b>	<b>(1.05)</b>	<b>0.90</b>
<b>Total comprehensive income for the period/year</b>	<b>(2,924.79)</b>	<b>913.75</b>	<b>701.37</b>	<b>(2,011.04)</b>	<b>342.89</b>
<b>(Loss)/Profit for the period/year attributable to</b>					
Unit holders	(2,999.68)	913.90	701.43	(2,085.78)	341.99
Non-controlling interests	75.79	-	-	75.79	-
<b>Other comprehensive (loss)/ income for the period/year</b>					
Unit holders	0.29	(0.15)	(0.06)	0.14	0.90
Non-controlling interests	(1.19)	-	-	(1.19)	-
<b>Total comprehensive (loss)/ income for the period/year attributable to</b>					
Unit holders	(2,999.39)	913.75	701.37	(2,085.64)	342.89
Non-controlling interests	74.60	-	-	74.60	-
<b>Earning per unit capital (not annualized)</b>					
Basic (₹)	(5.13)	2.20	1.69	(4.17)	0.82
Diluted (₹)	(5.13)	2.20	1.69	(4.17)	0.82

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Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows

(i) Highways Infrastructure Trust

S. No.	Particulars	Half year ended	Half year ended	Half year ended	Year ended	Year ended
		31 March 2024	30 September 2023	31 March 2023	31 March 2024	31 March 2023
		<i>(Refer note 21)</i>	<i>(Unaudited)</i>	<i>(Refer note 21)</i>	<i>(Audited)</i>	<i>(Audited)</i>
1	<b>Net Distributable Cash Flows of the Project Entities</b>					
	a) in the form of interest/accrued interest/additional interest	1,647.55	1,132.95	1,458.86	2,780.49	2,078.10
	b) in the form of dividend	7,791.67	665.00	861.11	8,456.67	1,893.32
	c) in the form of proceeds towards repayment of the debt issued to the Project SPVs by the Highways Infrastructure Trust ('Trust')	1,793.59	615.81	3,178.77	2,409.40	3,264.77
	d) in the form of proceeds through capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-	75.74	21.90	75.74	294.45
2	Cash flows from additional borrowings (including debentures/other securities), fresh issuance of units, etc.	48,858.06	-	2,524.80	48,858.06	18,629.03
3	Any other income accruing at the Trust and not captured above, as deemed necessary by the Investment Manager, including but not limited to interest/return on surplus cash invested by the Trust	76.36	33.98	39.50	110.34	42.75
	<b>Total cash inflow at the Trust level (A)</b>	<b>60,167.22</b>	<b>2,523.48</b>	<b>8,084.94</b>	<b>62,690.70</b>	<b>26,202.42</b>
	<b>Adjustments:</b>					
4	Any payment of fees, interest and expenses incurred at the Trust, including but not limited to the fees of the Investment Manager, Project Manager, Trustee, Auditor, Valuer, Credit Rating Agency, etc.	(1,406.98)	(811.41)	(609.27)	(2,218.39)	(889.75)
5	Any expenditure reimbursed to Investment Manager which the Investment Manager incurred on behalf of Trust	(69.15)	(5.49)	(104.30)	(74.64)	(116.10)
6	Income tax (if applicable) for standalone Trust and/or payment of other statutory dues	(43.88)	(14.24)	(16.88)	(58.12)	(18.27)
7	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(265.16)	(112.50)	(95.83)	(377.66)	(112.50)
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	142.98	(185.86)	(646.43)	(42.88)	(976.43)
9	Amount invested in any of the Project SPVs for service of debt or interest	(19,708.21)	(15.00)	(2,944.81)	(19,723.21)	(17,211.84)
10	Investment including acquisition of other project SPV	(29,134.86)	-	-	(29,134.86)	-
11	Any provision or reserve deemed necessary by the Investment Manager for expenses/liabilities which may be due in future (amount released out of reserves set aside in previous year)	(141.33)	141.30	1,053.78	-	(146.33)
13	Any other adjustment to be undertaken by the board of directors of the Investment Manager as deemed necessary.					
	<b>Total adjustments at the Trust level (B)</b>	<b>(50,626.59)</b>	<b>(1,003.20)</b>	<b>(3,363.74)</b>	<b>(51,629.77)</b>	<b>(19,471.22)</b>
	<b>Amount (retained)/ released by Trust (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>196.58</b>	<b>-</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>9,540.63</b>	<b>1,520.29</b>	<b>4,721.20</b>	<b>11,257.51</b>	<b>6,731.20</b>

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Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(ii) Dewas Bhopal Corridor Private Limited ("DBCPL")

S. No.	Particulars	Half year ended	Half year ended	Half year ended	Year ended	Year ended
		31 March 2024	30 September 2023	31 March 2023	31 March 2024	31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	<b>Profit after tax as per Statement of Profit and Loss (A)</b>	432.61	565.25	542.69	997.86	1,020.54
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	231.01	231.01	199.13	462.02	203.45
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	88.40	97.87	88.18	186.27	173.42
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to					
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.01)	(0.44)	15.26	(0.45)	0.05
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	-	-	0.00	-	-
	• deferred tax, lease rents, provisions, etc.	54.57	(83.94)	(115.36)	(29.37)	(177.84)
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	64.54	69.42	33.78	133.96	42.22
5	Increase/(decrease) in working capital	31.58	(38.96)	12.11	(7.38)	(15.74)
6	Loss/(gain) on sale of investments	(9.01)	(6.69)	(36.83)	(15.70)	(45.53)
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 ('SEBI Regulations').	-	-	-	-	2,814.94
9	Add: Proceeds from loan raised from related party (other than Trust)	-	-	-	-	-
8	Capital expenditure, if any	(4.83)	(2.73)	(0.41)	(7.56)	(1.25)
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	-	-	-	(2,853.41)
10	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	43.94	(43.94)	6.36	-	-
11	Any provision or reserve (set aside)/released deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	-	-	-	-	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	(48.54)	48.65	324.97	0.11	944.47
	<b>Total Adjustments (B)</b>	<b>451.65</b>	<b>270.25</b>	<b>527.19</b>	<b>721.91</b>	<b>1,084.78</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>884.26</b>	<b>835.50</b>	<b>1,069.88</b>	<b>1,719.77</b>	<b>2,105.32</b>

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IDENTIFICATION  
PURPOSES



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(iii) Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited) ("NBPL")

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Loss after tax as per Statement of Profit and Loss (A)	(0.38)	(9.38)	(101.19)	(9.76)	(243.95)
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	66.80	68.07	99.67	134.87	126.47
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	1.01	1.00	1.00	2.01	1.97
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to • any decrease in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc.	0.91	-	(1.37)	0.91	(0.92)
5	Decrease/(increase) in working capital	(175.29)	(123.57)	14.23	(298.86)	(18.92)
6	Loss on sale of investments	(10.17)	(1.97)	(2.40)	(12.14)	(5.22)
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	238.00	238.00	182.98	476.00	389.41
8	Amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee.	-	-	(1.82)	-	-
9	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	27.00	-	-	27.00	1,158.30
10	Add: Proceeds from loan raised from related party (other than Trust)	-	-	-	-	-
10	Capital expenditure, if any	(0.14)	-	(0.28)	(0.14)	(0.51)
11	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	-	-	-	(1,249.10)
12	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(40.08)	(140.35)	9.68	(180.43)	-
13	Add: Proceeds from additional borrowings (including debentures/other securities), fresh issuance of equity shares / preference shares, etc.	-	-	-	-	-
13	Payment of any other liabilities (not covered under working capital)	-	-	-	-	(5.18)
14	Any provision or reserve set aside/(released) deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	(6.06)	6.06	-	-	-
15	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	159.63	48.05	461.14	207.68	518.45
	<b>Total Adjustments (B)</b>	<b>256.80</b>	<b>90.13</b>	<b>757.14</b>	<b>346.93</b>	<b>903.00</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>256.42</b>	<b>80.75</b>	<b>655.95</b>	<b>337.17</b>	<b>659.05</b>

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IDENTIFICATION  
PURPOSES



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(iv) Jodhpur Pali Expressway Private Limited ("JPEPL")

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(-Audited)
1	Loss after tax as per Statement of Profit and Loss (A)	(300.14)	(244.91)	(348.11)	(545.05)	(527.30)
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	407.55	362.57	315.84	770.12	479.63
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	52.61	37.78	37.73	90.39	65.45
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to					
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.64)	(0.55)	0.29	(1.19)	0.87
	• deferred tax, lease rents, provisions, etc.	4.80	12.40	72.67	17.21	103.67
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	92.58	81.73	32.77	174.30	81.48
5	Decrease in working capital	(12.75)	(42.21)	(188.69)	(54.96)	(184.18)
6	Gain on sale of investments	(3.51)	(3.35)	(7.06)	(6.86)	(8.19)
7	Add: Net proceeds (after applicable taxes) from sale of assets / investments not distributed pursuant to an earlier plan to reinvest, if such proceeds are not intended to be invested subsequently.	19.56	-	-	19.56	-
8	Capital expenditure, if any	(10.10)	(10.64)	25.92	(20.74)	(7.70)
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	-	(1,189.10)	-	(1,254.35)
10	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	-	1,506.19	-	1,506.19
11	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	-	-	2.38	-	-
12	Any provision or reserve set aside deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	12.83	(12.83)	-	-	-
13	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	(73.02)	78.87	114.74	5.85	120.01
	<b>Total Adjustments (B)</b>	<b>489.94</b>	<b>503.77</b>	<b>723.69</b>	<b>993.70</b>	<b>902.87</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>189.79</b>	<b>258.86</b>	<b>375.58</b>	<b>448.64</b>	<b>375.58</b>

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IDENTIFICATION  
PURPOSES





Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(v) Godhra Expressways Private Limited ("GEPL")

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		<i>(Refer note 21)</i>	<i>(Unaudited)</i>	<i>(Refer note 21)</i>	<i>(Audited)</i>	<i>(Audited)</i>
1	<b>Loss after tax as per Statement of Profit and Loss (A)</b>	(207.76)	(114.90)	(500.78)	(322.66)	(630.19)
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed /debentures issued to Highways Infrastructure Trust as per profit and loss account	714.06	653.14	628.93	1,367.20	998.96
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	171.90	64.67	15.72	236.57	113.42
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • interest cost as per effective interest rate method (difference between accrued and actual paid); • deferred tax, lease rents, provisions, etc. • any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	(1.14)	-	7.18	(1.14)	0.39
5	Increase/(decrease) in working capital	16.70	(6.39)	3.48	10.31	(19.96)
6	Gain on sale of investments	(9.10)	(4.46)	(21.87)	(13.56)	(28.02)
7	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	-	-	-	4,059.40
8	Capital expenditure, if any	(127.92)	(0.19)	(71.81)	(128.11)	(122.55)
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	-	-	-	(4,100.76)
10	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	-	-	27.26	-	-
11	Any provision or reserve set aside deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	21.27	(21.27)	-	-	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	0.00	52.44	527.51	52.44	850.64
	<b>Total Adjustments (B)</b>	<b>927.74</b>	<b>760.17</b>	<b>1,659.34</b>	<b>1,687.89</b>	<b>2,358.19</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>719.98</b>	<b>645.27</b>	<b>1,158.56</b>	<b>1,365.23</b>	<b>1,728.00</b>

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IDENTIFICATION  
PURPOSES**



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	Half year ended	Half year ended	Half year ended	Year ended	Year ended
		31 March 2024	30 September 2023	31 March 2023	31 March 2024	31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	<b>Profit/(loss) after tax as per Statement of Profit and Loss (A)</b>	<b>146.90</b>	<b>75.00</b>	<b>(16.62)</b>	<b>221.90</b>	<b>(9.33)</b>
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	32.28	61.27	180.57	93.55	218.10
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	436.24	465.26	428.44	901.50	811.42
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to					
	• any increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(20.43)	8.95	0.09	(11.48)	0.09
	• deferred tax, lease rents, provisions, etc.	0.89	-	(8.89)	0.89	(2.45)
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	180.78	200.49	210.48	381.27	323.37
5	(Decrease) /increase in working capital	(78.90)	(50.95)	34.50	(129.85)	43.35
6	Gain on sale of investments	(14.23)	(9.57)	(27.64)	(23.80)	(39.65)
7	Net proceeds (after applicable taxes) from sale of assets / investments not distributed pursuant to an earlier plan to reinvest, if such proceeds are not intended to be invested subsequently.	26.93	0.55	-	27.48	17.43
8	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	-	-	70.00	-	2,699.29
9	Capital expenditure, if any	-	(1.90)	(1.83)	(1.90)	(1.83)
10	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	-	-	-	(2,840.24)
11	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	321.48	(321.48)	15.10	-	-
12	Any provision or reserve set aside deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	(194.41)	-	205.89	(194.41)	-
13	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	(69.46)	89.71	1,046.15	20.25	1,046.15
	<b>Total Adjustments (B)</b>	<b>621.16</b>	<b>442.33</b>	<b>2,152.85</b>	<b>1,063.49</b>	<b>2,275.03</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>768.06</b>	<b>517.33</b>	<b>2,136.23</b>	<b>1,285.39</b>	<b>2,265.70</b>

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IDENTIFICATION  
PURPOSES**



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(vii) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	<b>Profit/(Loss) after tax as per Statement of Profit and Loss (A)</b>	68.23	47.16	(111.12)	115.39	(82.03)
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	8.69	0.43	-	9.12	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	0.18	0.17	0.14	0.35	0.29
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to					
	• any (decrease)/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.48)	-	(2.67)	(0.48)	0.12
	• deferred tax, lease rents, provisions, etc.	7.83	(12.10)	17.55	(4.26)	(47.21)
	• any other items charged/credited to the Profit and loss account which do not involve corresponding cash flows	-	-	26.03	-	26.66
5	Decrease in working capital	(376.30)	(153.79)	(20.16)	(530.09)	(36.92)
6	Gain on sale of investments	8.28	(4.69)	(2.81)	3.59	(9.11)
7	Any amount received from tolls or annuities not recognised as income for the purposes of working out the profit after tax	-	248.70	248.70	497.40	497.40
8	Amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee.	-	-	(306.73)	-	-
12	Add: Proceeds from loan raised from related party (other than Trust)	-	-	-	-	-
9	Capital expenditure, if any	(0.11)	(0.08)	(0.01)	(0.19)	(0.06)
10	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	-	-	-	-	(702.33)
11	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	159.26	(159.26)	-	-	-
12	Any provision or reserve set aside/(release) deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	-	-	74.92	-	-
13	Amount invested by the Trust in the Project Entity for service of debt or interest, through internal accruals to the extent allowed under the SEBI Regulations.	(15.00)	15.00	-	-	-
14	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	15.79	170.24	200.59	186.03	750.16
	<b>Total Adjustments (B)</b>	<b>(191.88)</b>	<b>104.62</b>	<b>235.55</b>	<b>161.47</b>	<b>479.01</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>(123.65)</b>	<b>151.79</b>	<b>124.43</b>	<b>276.87</b>	<b>396.98</b>

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IDENTIFICATION  
PURPOSES**





Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(viii) Gurgaon Sohna Highways Private Limited (subsidiary w.e.f 22 November 2023) ("GSHPL")

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Profit after tax as per Statement of Profit and Loss (A)	(133.19)	-	-	(133.19)	-
	Adjustments:					
2	Add: Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Trust as per profit and loss account	88.61	-	-	88.61	-
3	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to:					
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.97)	-	-	(0.97)	-
	• deferred tax, lease rents, provisions, etc.	75.54	-	-	75.54	-
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	55.24	-	-	55.24	-
4	Increase in working capital	156.37	-	-	156.37	-
5	Gain on sale of investments	(0.96)	-	-	(0.96)	-
6	Capital expenditure, if any	(0.32)	-	-	(0.32)	-
7	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Invt Regulations	340.27	-	-	340.27	-
	<b>Total Adjustments (B)</b>	<b>713.78</b>	<b>-</b>	<b>-</b>	<b>713.77</b>	<b>-</b>
	<b>Less : Amount retained by SPV as per SEBI guidelines (C)</b>	<b>(56.55)</b>			<b>(56.55)</b>	
	<b>Net Distributable cash flows (C)=(A+B-C)</b>	<b>524.04</b>	<b>-</b>	<b>-</b>	<b>524.03</b>	<b>-</b>

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Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(ix) Rewari Ateli Highway Private Limited (formerly known as H.G. Rewari Ateli Highway Private Limited) (subsidiary w.e.f 22 November 2023)

S. No.	Particulars	Half year ended	Half year ended	Half year ended	Year ended	Year ended
		31 March 2024	30 September 2023	31 March 2023	31 March 2024	31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Loss after tax as per Statement of Profit and Loss (A)	(6.73)	-	-	(6.73)	-
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	77.82	-	-	77.82	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	0.01	-	-	0.01	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to: • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.16)	-	-	(0.16)	-
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	14.33	-	-	14.33	-
	• deferred tax, lease rents, provisions, etc.	(23.88)	-	-	(23.88)	-
5	Increase in working capital	128.67	-	-	128.67	-
6	Gain on sale of investments	(2.12)	-	-	(2.12)	-
7	Capital expenditure, if any	(0.16)	-	-	(0.16)	-
8	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(59.96)	-	-	(59.96)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	290.67	-	-	290.67	-
	<b>Total Adjustments (B)</b>	<b>425.22</b>	<b>-</b>	<b>-</b>	<b>425.22</b>	<b>-</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>418.50</b>	<b>-</b>	<b>-</b>	<b>418.50</b>	<b>-</b>

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PURPOSES



**Highways Infrastructure Trust**

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(x) Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited) (subsidiary w.e.f 02 November 2023)

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Loss after tax as per Statement of Profit and Loss (A)	(1,281.54)	-	-	(1,281.54)	-
	<b>Adjustments:</b>					
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	443.44	-	-	443.44	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	205.93	-	-	205.93	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to • any decrease in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(0.14)	-	-	(0.14)	-
5	Increase in working capital	237.18	-	-	237.18	-
6	Gain on sale of investments	(1.79)	-	-	(1.79)	-
7	Add: amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee.	243.99	-	-	243.99	-
8	Capital expenditure, if any	(7.60)	-	-	(7.60)	-
9	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	74.27	-	-	74.27	-
10	Add: Proceeds from additional borrowings (including debentures/other securities), fresh issuance of equity shares / preference shares, etc.	1.50	-	-	1.50	-
11	Less: Payment of any other liabilities (not covered under working capital)	48.12	-	-	48.12	-
12	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	133.12	-	-	133.12	-
	<b>Total Adjustments (B)</b>	<b>1,378.01</b>	<b>-</b>	<b>-</b>	<b>1,378.03</b>	<b>-</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>96.48</b>	<b>-</b>	<b>-</b>	<b>96.49</b>	<b>-</b>

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PURPOSES**





Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(xi) Ateli Narnaul Highway Private Limited ('ANHPL') (subsidiary w.e.f 22 November 2023)

S. No.	Particulars	Half year ended	Half year ended	Half year ended	Year ended	Year ended
		31 March 2024	30 September 2023	31 March 2023	31 March 2024	31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Profit after tax as per Statement of Profit and Loss (A)	36.79	-	-	36.79	-
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	20.15	-	-	20.15	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	0.13	-	-	0.13	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to					
	• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	(2.02)	-	-	(2.02)	-
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	22.50	-	-	22.50	-
	• deferred tax, lease rents, provisions, etc.	(23.40)	-	-	(23.40)	-
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	(3.87)	-	-	(3.87)	-
5	Increase in working capital	303.27	-	-	303.27	-
6	Gain on sale of investments	(0.64)	-	-	(0.64)	-
7	Capital expenditure, if any	(0.66)	-	-	(0.66)	-
8	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(1.39)	-	-	(1.39)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	494.60	-	-	494.60	-
	<b>Total Adjustments (B)</b>	<b>808.67</b>	<b>-</b>	<b>-</b>	<b>808.67</b>	<b>-</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>845.46</b>	<b>-</b>	<b>-</b>	<b>845.46</b>	<b>-</b>

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PURPOSES



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(xii) Swarna Tollway Private Limited ('STPL') w.e.f. 24 January 2024

S. No.	Particulars	Half year ended	Half year ended	Half year ended	Year ended	Year ended
		31 March 2024	30 September 2023	31 March 2023	31 March 2024	31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Profit after tax as per Statement of Profit and Loss (A)	453.08	-	-	453.08	-
2	Interest (including interest on unpaid interest), if any, on loans availed from/debentures issued to Highways Infrastructure Trust as per profit and loss account	6.88	-	-	6.88	-
3	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	61.70	-	-	61.70	-
4	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to • any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value; • deferred tax, lease rents, provisions, etc. • any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	(6.85)	-	-	(6.85)	-
5	Decrease in working capital	(354.58)	-	-	(354.58)	-
6	Gain on sale of investments	44.56	-	-	44.56	-
7	Capital expenditure, if any	(0.67)	-	-	(0.67)	-
8	Any provision or reserve deemed necessary by the Board of Directors for expenses/liabilities which may be due in future	(307.22)	-	-	(307.22)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	4,281.02	-	-	4,281.02	-
	<b>Total Adjustments (B)</b>	<b>3,708.22</b>	<b>-</b>	<b>-</b>	<b>3,708.23</b>	<b>-</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>4,161.30</b>	<b>-</b>	<b>-</b>	<b>4,161.30</b>	<b>-</b>

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PURPOSES



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(xiii) Gujarat Road And Infrastructure Company Limited ( w.e.f. 24 January 2024) ('GRICL')

S. No.	Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
1	Profit after tax as per Statement of Profit and Loss (A)	172.10	-	-	172.10	-
	<b>Adjustments:</b>					
2	Depreciation, impairment (in case of impairment reversal, the same will be deducted) and amortisation as per profit and loss account.	95.73	-	-	95.73	-
3	Any other item of non-cash expense/non-cash income (net of actual cash flows for these items), including but not limited to					
	• interest cost as per effective interest rate method (difference between accrued and actual paid);	(3.29)	-	-	(3.29)	-
	• deferred tax, lease rents, provisions, etc.	2.49	-	-	2.49	-
	• any other items charged/credited to the profit and loss account which do not involve corresponding cash flows	263.57	-	-	263.57	-
4	Increase in working capital	125.90	-	-	125.90	-
5	Gain on sale of investments	(47.52)	-	-	(47.52)	-
6	Capital expenditure, if any	(23.25)	-	-	(23.25)	-
7	Repayment of third-party debt (principal)/redeemable preference shares/debentures, etc., net of any debt raised by refinancing of existing debt	(125.00)	-	-	(125.00)	-
8	Net cash set aside to comply with borrowing requirements such as DSRA, minimum cash balance, etc.	(409.93)	-	-	(409.93)	-
9	Such portion of the existing cash balance available, if any, as deemed necessary by the Investment Manager in line with the SEBI Regulations	4,233.20	-	-	4,233.20	-
	<b>Total Adjustments (B)</b>	<b>4,111.90</b>	<b>-</b>	<b>-</b>	<b>4,111.90</b>	<b>-</b>
	<b>Amount kept aside as per SEBI guidelines (C)</b>	<b>333.97</b>	<b>-</b>	<b>-</b>	<b>333.97</b>	<b>-</b>
	<b>Net Distributable cash flows pertaining to Non controlling interests (D)</b>	<b>1,706.41</b>	<b>-</b>	<b>-</b>	<b>1,706.41</b>	<b>-</b>
	<b>Net Distributable cash flows (E)=(A+B-C-D)</b>	<b>2,243.62</b>	<b>-</b>	<b>-</b>	<b>2,243.62</b>	<b>-</b>

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IDENTIFICATION  
PURPOSES





**Highways Infrastructure Trust**

(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

**(i) Highways Infrastructure Trust**

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cashflows from operating activities of the Trust</b>	<b>(527.61)</b>	<b>(130.14)</b>
2	Add: Cash flows received from SPV's/Investment entities which represent distributions of NDCF computed as per relevant framework	13,722.29	7,530.63
3	Add: Treasury income/income from investing activities of the Trust (interest income received from fixed deposits, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)	110.34	42.75
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(1,823.54)	(692.06)
5	Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt in any form or funds raised through issuance of units)	(377.66)	(112.50)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the Trust operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(42.88)	339.93
	<b>Total adjustments at the Trust level (B)</b>	<b>11,060.94</b>	<b>6,978.61</b>
	<b>Amount released/(retained) by Trust (C)</b>	<b>196.58</b>	<b>(247.42)</b>
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>11,257.52</b>	<b>6,731.20</b>

**Notes:**

1. Out of the Initial issuance of ₹ 4,160 millions in August 2022, ₹ 415.85 millions and ₹ 138.50 millions was for General Corporate purpose (GCP) and issuance expenses respectively. Unit Capital received for GCP was utilised towards debt servicing (interest and debt repayment) and other miscellaneous expenses. However, while computation of NDCF, these expenses were considered at actual cost incurred (expenses/cash outflow shown at gross level and not adjusted to the extent of GCP fund received) and ₹ 415.85 millions of GCP amount were added into reserves created, resulting in nil impact on NDCF.

Further, out of funds received for Issue expenses amounting to ₹ 138.50 millions, ₹ 111.58 millions was incurred, however same was not included in finance cost in profit and loss statement as it was a capital expenditure and thus adjusted against other equity.

2. As at 31 March 2023, fixed deposits for Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA) as per facility agreement was ₹ 926.13 millions. This has shown as reserves created in NDCF working for financial year ended 31 March 2023 as per prevailing NDCF methodology and further, borrowing from lenders for MMRA and DSRA was shown as borrowing in NDCF. However, as per the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosed above as additional information), this reserves will not be routed through NDCF for financial year ended 31 March 2023. Total MMRA and DSRA reserves amounting to ₹ 926.13 millions forms part of closing fixed deposit balance as on 31 March 2023 and was kept separately in fixed deposits with bank.

3. During the financial year ended 31 March 2023, fixed deposits of ₹ 50.30 millions was created for Bank guarantee (BG) from internal accruals. Hence, this amount was reduced while computation of NDCF. However, this will be available for distribution once this BG will be withdrawn.

4. Reserves of ₹ 50.30 millions created for bank guarantee (as mentioned in point 3) as at 31 March 2023, was released during the current year ended 31 March 2024 and was utilised for NDCF for the current financial year ended 31 March 2024. Total reserves released for the financial year ended 31 March 2024 is ₹ 196.63 millions. (reserves created as on 31 March 2023 amounting to ₹ 146.33 including release of bank guarantee amounting to ₹ 50.30 millions).

5. During the financial year ended 31 March 2024, additional deposit into DSRA from internal accrual is ₹ 42.88 millions. This was captured under reserves created and resulted in lower NDCF.

6. During the financial year ended 31 March 2024, Trust has funded ₹ 312.5 millions, ₹ 400.66 millions, ₹ 245.79 millions and ₹ 520.00 millions to UEPL, SEPL, NBPL and STPL respectively for Major Maintenance (MM) expense purpose. This was provided by external lender to Highways Infrastructure Trust ("Trust") for Major Maintenance purpose. Under the NDCF framework adopted by Trust prior to new NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF at SPV level and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the revised NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosed above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows at SPV level. Accordingly, to ensure such reduction is reflected, ₹ 599.79 millions has been reduced from NDCF at the InvIT level. The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

7. As on date of acquisition of UTPL on 01 November 2023, the outstanding creditor pertaining MM which is payable to erstwhile shareholder, amounted to ₹ 235.37 millions. This was more than unrestricted cash and bank balance (including investment) of ₹ 55.57 millionss available as on the same date. Hence, UTPL borrowed fund from Trust to payoff opening creditors (this transaction took place on 02 November 2023, after acquisition). Given the specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework. However, basis guidance from SEBI and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDCF needs to be reduced by ₹ 458.54 millions. Accordingly, to ensure such reduction is reflected, ₹ 458.54 millions has been reduced from NDCF at the InvIT level. The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

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IDENTIFICATION  
PURPOSES**



Highways Infrastructure Trust  
(All amounts in ₹ million unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(ii) Dewas Bhopal Corridor Private Limited ("DBCPL")

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cash flow from operating activities as per Cash Flow Statement (A)</b>	<b>1,702.18</b>	<b>1,287.78</b>
2	Add : Opening cash and cash balance	143.30	1,087.77
3	Add: Treasury income/income from investing activities	27.03	58.58
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(2.02)	(145.80)
5	Less: Debt repayment (to include principal repayments as per scheduled EMP's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(38.47)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(142.21)	(143.30)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(7.56)	(1.25)
	<b>Total adjustments at the Trust level (B)</b>	<b>18.53</b>	<b>817.53</b>
	<b>Less: Amount kept aside as per SEBI guideline (C)</b>	<b>(0.96)</b>	<b>-</b>
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>1,719.75</b>	<b>2,105.32</b>

Notes:

- Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended on 31 March 2023) is as per audited financials for financial year ended on 31 March 2022. This has been adjusted to the extent of float money kept at toll plaza, unrealised gain on mutual fund units, accrued interest on fixed deposits etc. ₹1087.77 millions. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
- Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended on 31 March 2024) is as per audited financials for financial year ended on 31 March 2023. This has been adjusted to the extent of float money kept at toll plaza, unrealised gain on mutual funds units, accrued interest on fixed deposit etc. ₹ 148.37 millions. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.
- Reserves include amount of unspent Corporate Social Responsibility (CSR) balance for the year deposited in a separate account as per the requirements of the Companies Act, 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
- Reserves were kept in financial year ended on 31 March 2023, as per old NDCF format which will be available for distribution for financial year ended on 31 March 2024.

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IDENTIFICATION  
PURPOSES





**Highways Infrastructure Trust**  
(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(iii) Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited) ("NBPL")

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cash flow from operating activities as per Cash Flow Statement (A)</b>	<b>266.00</b>	<b>352.83</b>
	Add : Opening cash and cash balance	54.13	566.51
2	Add: Treasury income/income from investing activities	17.18	24.10
3	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.00)	(138.94)
4	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust )	-	(90.80)
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.14)	(0.51)
	<b>Total adjustments at the Trust level (B)</b>	<b>71.17</b>	<b>360.35</b>
	<b>Amount kept aside as per SEBI guideline ©</b>	<b>-</b>	<b>(54.13)</b>
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>337.17</b>	<b>659.05</b>

**Notes:**

1. During the current year ended 31 March 2024, NBPL has received unsecured loan amounting to ₹ 245.79 millions for MM work from Trust. This was provided by external lender to Highways Infrastructure Trust ("Trust") for MM purpose and in turn, HIT has funded to SPVs for MM. Under the NDCF framework adopted by HIT prior to revised NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosed above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows. Accordingly, to ensure such reduction is reflected, ₹ 88.30 millions has been reduced from NDCF at the InvIT level.

The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

2. As per IndAS 115, MM expenses charged to profit and loss account in the year of incurrence. Cash flow from operating activities as per cash flow statement is after charging MM expenses amounting to ₹ 266.00 millions incurred during the year. Out of the total loan amount, utilised loan amounting to ₹ 180 millions has been invested in mutual fund.

During the year, the above SPV has received ₹ 245.79 millions as loan for MM work which does not form part of NDCF as per revised framework. Cash and bank balance on account of this (beyond NDCF for the year) will be used for repayment this MM loan to HIT for onwards repayment of loan (MM purpose) to external lenders subject to their consent on such repayment.

3. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended 31 March 2023) is as per audited financials for financial year ended 31 March 2022 ₹ 566.51 millions. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended 31 March 2024) is as per audited financials for financial year ended 31 March 2023. Opening cash as on 01 April 2023, as per audited financial was ₹ 61.13 millions (including investment). Out of this ₹ 10.00 millions pertaining to quarter 4 of financial year ended on 31 March 2023 was distributed in the quarter 1 of financial year ended 31 March 2024. Balance cash after distribution was ₹ 51.13 millions and same is disclosed as opening cash balance in NDCF calculation and used for distribution. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

4. SPV has already distributed ₹ 397.02 millions for the period 01 April 2023 to 31 December 2023 which was based on assumption that MM expenses funded through MM loan will not be deducted while computation of cash flow from operating activities. Thus NDCF for the reporting period was higher to that extent. After clarification received from SEBI regarding repayment of loan taken for MM expenses in the last week of March 2023, distribution is being restricted.

5. Reserves were kept in financial year ended 31 March 2023 as per old NDCF format which will be available for distribution for financial year ended 31 March 2024.

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**Highways Infrastructure Trust**  
(All amounts in ₹ millions unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(iv) Jodhpur Pali Expressway Private Limited ('JPEPL')

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cash flow from operating activities as per Cash Flow Statement (A)</b>	<b>444.57</b>	<b>219.04</b>
2	Add: Opening cash and bank balance	5.85	208.08
3	Add: Treasury income/income from investing activities	19.57	12.10
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.59)	(208.40)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust )	-	(93.16)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(5.85)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(20.74)	(7.70)
8	Add: Major maintenance Cost (funded from unsecured facility taken from HIT )which has been adjusted from cash flow from operating activities	-	251.47
	<b>Total adjustments at the Trust level (B)</b>	<b>4.09</b>	<b>156.53</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>448.66</b>	<b>375.57</b>

**Note:**

- During the previous year, JPEPL has received unsecured loan amounting to ₹ 350.00 millions from Trust for Major Maintenance (MM) work. Cash and bank balance on account of this (beyond NDCF for the year) will be used for repayment this MM loan to HIT for onwards repayment of loan (MM purpose) to external lenders subject to their consent on such repayment.
- Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended 31 March 2023) is as per audited financials for the year ended 31 March 2022. This has been adjusted to the extent of float money kept at toll plaza, unrealised gain on mutual fund units, accrued interest on fixed deposits etc amounting to ₹ 5.08 millions. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
- Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended 31 March 2024) is as per audited financials for financial year ended 31 March 2023. This has been adjusted to the extent of unspent amount of MM loan amounting to ₹ 98.53 millions. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.
- Repayment of debt (in form of OCD) refinanced by infusion of Rupee Term Loan (RTL) from HIT was excluded from above NDCF working. This is as per as per revised framework for computation of NDCF as prescribed by SEBI.
- Reserves were kept in financial year ended 31 March 2023 NDCF as per old NDCF format which will be available for distribution/NDCF working for financial year ended 31 March 2024.

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**Highways Infrastructure Trust**

(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

**(v) Godhra Expressways Private Limited ("GEPL")**

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cash flow from operating activities as per Cash Flow Statement (A)</b>	<b>1,427.40</b>	<b>1,195.65</b>
2	Add : Opening cash and bank balance	52.43	850.58
3	Add: Treasury income/income from investing activities	14.21	37.88
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	-0.73	-191.36
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust )	-	(41.36)
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(128.13)	(123.39)
	<b>Total adjustments at the Trust level (B)</b>	<b>(62.21)</b>	<b>532.35</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>1,365.19</b>	<b>1,728.00</b>

**Note:**

1. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended 31 March 2023) is as per audited financials for FY 2022. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended 31 March 2024) is as per audited financials for financial year ended 31 March 2023. Opening cash (including investments) as on 01 April 2023, as per audited financial was ₹ 71.08 millions. Out of this ₹ 18.65 millions pertaining to distribution for quarter 4 of financial year ended 31 March 2023 and upstream during quarter 1 of financial year ended 31 March 2024. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

2. Repayment of debt (in form of OCD) refinanced by infusion of RTL from HIT was excluded from above NDCF working. This is as per as per revised framework for computation of NDCF as prescribed by SEBI.

3. Reserves were kept in financial year ended 31 March 2023 NDCF as per old NDCF format which will be available for distribution for financial year ended 31 March 2024.

4. Capital expenditure includes premium in form of additional concession fees paid to NHAI.

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Highways Infrastructure Trust

(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(vi) Ulundurpet Expressways Private Limited ("UEPL")

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Cash flow from operating activities as per Cash Flow Statement (A)	1,434.49	1,422.21
2	Add : Opening cash and bank balance	20.26	1,135.87
3	Add: Treasury income/income from investing activities	27.48	85.75
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.51)	(145.09)
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust )	-	(210.95)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(194.42)	(20.26)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(1.90)	(1.83)
	<b>Total adjustments at the Trust level (B)</b>	<b>(149.09)</b>	<b>843.49</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>1,285.40</b>	<b>2,265.70</b>

Note:

1. During the current year ended 31 March 2024, UEPL has received unsecured loan amounting ₹ 312.5 millions for the purpose the Major Maintenance ('MM') work (in addition to ₹70 millions received for MM purpose in financial year ended 31 March 2023), however, the same has not been utilised for MM work as on 31 March 2024 and entire ₹ 382.5 millions is available under cash and bank balance (including investment). This surplus amounts in cash and bank balance will not be considered for NDCF calculation and will be used for repayment this MM loan to HIT (and such repayment will not be considered to be part of NDCF).

2. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended 31 March 2023) is as per audited financials for financial year ended 31 March 2022. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended 31 March 2024) is as per audited financials for financial year ended 31 March 2023. Opening cash as on 01 April 2023, as per audited financials was ₹ 460.59 millions (including investment). Out of this, sum of ₹ 370.87 millions pertaining to Q4 of financial year ended 31 March 2023 was distributed in the Q1 of financial year ended 31 March 2024. Loan taken for MM during previous year is also reduced from opening cash and bank balance. Balance cash remaining after distribution was Rs.89.72 millions and same is disclosed as opening cash balance for NDCF calculation. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

3. As per calculation of NDCF under revised method, there should be distribution to extent of ₹ 1,479.81 millions (before creation of reserve amounting to ₹ 194.41 millions). However, due to lack of avenues for distribution such as negative free reserve under Companies Act, 2013 and lower debt from Invit, UEPL will not be able to meet requirement of minimum 90% distribution. On Account of this, cash available for distribution will remain trapped and will be shown as reserves. Please note that Company has commenced the capital reduction process for upstreaming such sums, which is currently pending before NCLAT.

4. Reserves were kept in financial year ended 31 March 2023 NDCF as per old NDCF format which will be available for distribution/NDCF working for financial year ended 31 March 2024.

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**Highways Infrastructure Trust**

(All amounts in ₹ millions unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/PO/DDNS/DDNS-POD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:-

(vii) Shillong Expressway Private Limited ("SEPL")

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Cash flow from operating activities as per Cash Flow Statement (A)	76.73	602.02
2	Add : Opening cash and bank balance	186.03	674.21
3	Add: Treasury income/income from investing activities	14.78	18.91
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust,	(0.49)	(9.73)
5	Less: Debt repayment (to include principal repayments as per scheduled EMPs except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	-	(702.32)
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	-	(186.03)
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.19)	(0.06)
	<b>Total adjustments at the Trust level (B)</b>	<b>200.14</b>	<b>(205.04)</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>276.87</b>	<b>396.98</b>

**Note:**

1. During the current year ended 31 March 2024, SEPL has received ₹ 400.66 millions as loan for Major Maintenance work. This was provided by external lender to Highways Infrastructure Trust ("Trust") for MM purpose and in turn, HIT has funded to SEPL for MM. Under the NDCF framework adopted by HIT prior to revised NDCF framework notified by SEBI, MM expenses funded from loan were not considered while computation of NDCF and accordingly, such loans and corresponding expense did not impact the distributions made from the SPV. However, based on discussions with SEBI and in line with the new NDCF framework notified by SEBI (which has been adopted by the Trust w.e.f. 01 April 2024 and has been disclosed above as additional information), the inflows from such MM loans are not considered while the expenses have been reduced from cashflows. Accordingly, to ensure such reduction is reflected, ₹ 53.97 millions has been reduced from NDCF at the InvIT level.

The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

2. As per IndAS 115, Major Maintenance (MM) expenses charged to profit and loss account in the year of incurrence. Cash flow from operating activities as per Cash Flow Statement is after MM expenses (₹ 359.00 millions) incurred during the year. Please note that the loan received from HIT for Major Maintenance expenses was ₹ 400.66 millions. MM expense paid for financial year ended 31 March 2024 is ₹ 288.22 millions. The balance loan received for MM (₹ 112.44 millions) kept separately in form of investments.

During the year, SEPL has received ₹ 400.66 millions as loan for Major Maintenance (MM) work which does not form part of NDCF as per revised framework. Cash and bank balance on account of this (beyond NDCF for the year) will be used for repayment this MM loan to HIT for onwards repayment of loan (MM purpose) to External lenders subject to their consent on such repayment.

3. Amount reflected in opening cash and bank balance (including investment) as on 01 April 2022 (financial year ended 31 March 2023) is as per audited financials for financial year ended 31 March 2022. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

Amount reflected in opening cash and bank balance (including investment) as on 01 April 2023 (financial year ended 31 March 2024) is as per audited financials for financial year ended 31 March 2023. Opening cash as on 01 April 2023, as per audited financial was ₹ 310.46 millions (including investment). Out of this ₹ 124.43 millions pertaining to quarter 4 of financial year ended 31 March 2023 was distributed in the quarter 1 of financial year ended 31 March 2024. Balance cash after distribution was ₹ 186.03 millions. and same is disclosed as opening cash balance in NDCF calculation and used for distribution. This is as per point no 5(iii) of revised framework for computation of NDCF as prescribed by SEBI.

4. Reserves were kept in financial year ended 31 March 2023 NDCF as per old NDCF format which will be available for distribution/NDCF working for financial year ended 31 March 2024.

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**Highways Infrastructure Trust**  
(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(viii) Swarna Tollway Private Limited ("STPL")(subsidiary w.e.f 24 January 2024)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Cash flow from operating activities as per Cash Flow Statement (A)	113.36	-
2	Add : Opening cash and bank balance	4,281.02	-
3	Add: Treasury income/income from investing activities	95.04	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(20.22)	-
5	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.67)	-
	<b>Total adjustments at the Trust level (B)</b>	<b>4,355.17</b>	<b>-</b>
	<b>Amount kept aside as per SEBI guideline (C)</b>	<b>(307.23)</b>	<b>-</b>
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>4,161.30</b>	<b>-</b>

**Note:**

1. Amount reflected in opening cash and bank balance (including investment) as on acquisition date of STPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI. Opening cash as on 24th January 2024, as per audited financial statements was ₹ 4281.02 millionss (including investments) excluding accrued interest on fixed deposits.
2. During the year, STPL has received ₹ 520 millionss as Loan for MM, however, same has not been applied for MM work and as on 31 March, 2024, ₹ 520 millionss is available under Cash and bank balance (including Investment). Such surplus amounts in cash and bank balance will not be considered for NDCF calculation and will be used for repayment this MM loan to HIT (and such repayment will not be considered to be part of NDCF).
3. Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
4. As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

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Highways Infrastructure Trust  
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Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(ix) Ateli Narnaul Highway Private Limited ("ANHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cash flow from operating activities as per Cash Flow Statement (A)</b>	<b>439.88</b>	-
2	Add: Opening cash and cash balance	554.60	-
3	Add: Treasury income/income from investing activities	4.52	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(91.50)	-
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(1.39)	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/ financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v) statutory, judicial, regulatory, or governmental stipulations;	(2.23)	-
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.66)	-
	<b>Total adjustments at the Trust level (B)</b>	<b>463.33</b>	-
	<b>Amount kept aside as per SEBI guideliness (C)</b>	<b>(57.77)</b>	-
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>845.45</b>	-

**Note:**

- Amount reflected in opening cash and bank balance (including investment) as on acquisition date of ANHPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
- Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
- As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

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Highways Infrastructure Trust  
(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(x) Rewari Ateli Highway Private Limited ("RAHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Cash flow from operating activities as per Cash Flow Statement (A)	212.08	-
2	Add : Opening cash and cash balance	336.68	-
3	Add: Treasury income/income from investing activities	9.08	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(33.21)	-
5	Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust )	(59.96)	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(0.71)	-
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.16)	-
	<b>Total adjustments at the Trust level (B)</b>	<b>251.72</b>	<b>-</b>
	<b>Amount kept aside as per SEBI guideliness (C)</b>	<b>(45.30)</b>	<b>-</b>
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>418.49</b>	<b>-</b>

Note:

- Amount reflected in opening cash and bank balance (including investment) as on acquisition date of RAHPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.
- Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act 2013 which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.
- As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

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**SIGNED FOR  
IDENTIFICATION  
PURPOSES**



**Highways Infrastructure Trust**

(All amounts in ₹ million unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(xi) Gurgaon Sohna Highway Private Limited ("GSHPL")(subsidiary w.e.f 22 November 2023)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>Cash flow from operating activities as per Cash Flow Statement (A)</b>	<b>279.79</b>	-
2	Opening cash and bank balance	342.20	-
3	Add: Treasury income/income from investing activities	2.14	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(41.27)	-
5	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(1.93)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(0.32)	-
	<b>Total adjustments at the Trust level (B)</b>	<b>300.82</b>	-
	<b>Amount kept aside as per SEBI guideliness (C)</b>	<b>(56.55)</b>	-
	<b>Net Distributable cash flows (D)=(A+B+C)</b>	<b>524.06</b>	-

**Note:**

1. Amount reflected in opening cash and bank balance (including investment) as on acquisition date of GSHPL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI.

2. Reserves include amount of unspent CSR balance for the year deposited in a separate account as per Companies Act which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI

3. As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to Invit. Considering same, reserve created for amount less than 10% of NDCF in line with the Regulations.

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**SIGNED FOR  
IDENTIFICATION  
PURPOSES**



Highways Infrastructure Trust  
(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(xii) Gujarat Road And Infrastructure Company Limited ('GRICL')(subsidiary w.e.f 24 January 2024)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Cash flow from operating activities as per Cash Flow Statement (A)	627.60	-
2	Add : Opening cash and cash balance	4,233.20	-
3	Add: Treasury income/income from investing activities	10.25	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(28.86)	-
5	Less: Debt repayment (to include principal repayments as per scheduled EMP's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments/debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt/loan from Trust)	(125.00)	-
6	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(409.93)	-
7	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(23.26)	-
	<b>Total adjustments at the Trust level (B)</b>	<b>3,656.40</b>	-
	<b>Amount kept aside as per SEBI guideliness ©</b>	<b>333.98</b>	-
	<b>Net Distributable cash flows pertaining to Non controlling interests (D)</b>	<b>1,706.41</b>	-
	<b>Net Distributable cash flows (E)=(A+B-C-D)</b>	<b>2,243.62</b>	-

- Note :
- 1) Amount reflected in opening cash and bank balance (including investment) as on acquisition date of GRICL during the year. This is as per point no 5(ii) of revised framework for computation of NDCF as prescribed by SEBI
  - 2) Reserves include amount of unspent CSR balance for the year ended 31 March 2024, deposited in a separate account as per Companies Act which will be utilized in subsequent years. This is as per revised framework for computation of NDCF as prescribed by SEBI.

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SIGNED FOR  
IDENTIFICATION  
PURPOSES





Highways Infrastructure Trust  
(All amounts in ₹ millionss unless otherwise stated)

Further during the current year ended 31 March 2024, pursuant to Circular no SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated 06 December 2023 a revised format for computation of net distributable cash flows have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024 have also been presented below:

(xiii) Udupi Tollway Private Limited ('UTPL')(subsidiary w.e.f 02 November 2023)

S. No.	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	Cash flow from operating activities as per Cash Flow Statement (A)	182.18	-
2	Add : Opening cash and cash balance	299.55	-
3	Add: Treasury income/income from investing activities	7.56	-
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(213.79)	-
	Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks/financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations;	(131.57)	-
6	Less: any capital expenditure on existing assets owned/leased by the SPV or Holdco, to the extent not funded by debt/equity or from reserves created in the earlier years	(47.44)	-
	<b>Total adjustments at the Trust level (B)</b>	<b>(85.69)</b>	<b>-</b>
	<b>Net Distributable cash flows (C)=(A+B)</b>	<b>96.49</b>	<b>-</b>

Note:

1. As on date of acquisition (01 November 2023), the outstanding creditor pertaining to Major Maintenance (payable to erstwhile shareholder) was ₹ 235.37 millionss. This was more than unrestricted cash and Bank balance (including investment) of ₹ 55.57 millionss available as on the same date. Hence, UTPL borrowed from HIT to payoff opening creditors (This transaction took place on 02 November 2023 - one day after acquisition). Given the specific borrowing was taken to repay the opening creditors which was like refinancing of existing debt, this was not considered in computation of NDCF under old NDCF framework. However, basis guidance from SEBI and under revised framework where payment of creditors will be adjusted from cash flow generated from operating activities, NDFC needs to be lower by 458.54 millionss. Accordingly, to ensure such reduction is reflected, ₹ 458.54 millionss has been reduced from NDCF at the InvIT level. The SPVs and the InvIT meets the 90% distribution requirement under the revised calculations under the old NDCF framework (after considering the treatment of MM loans as guided by SEBI), and under the new NDCF framework (applicable w.e.f. 01 April 2024).

2. Further, UTPL has received ₹ 186.7 millionss as loan for Major Maintenance (MM) work in Q4 FY 2024. This was provided by external lender to Highways Infrastructure Trust ('Trust') for MM purpose and in turn, HIT has funded to the UTPL for MM. Prior to clarification from SEBI in March 2024, any MM expense out of loan taken for such MM purpose (Capex) was kept out of NDCF working. However, based on the new NDCF framework which was adopted by Board of Highway Concessions One Private Limited (Investment Manager) of HIT on 22 March 2024, we have recomputed the NDCF without adding back funding for MM expenses. Basis recomputation, it was observed that distribution by the UTPL to HIT was more than such recomputed NDCF till March 2024 by ₹ 458.54 millionss. Since the actual distribution to unitholders for Q4 FY2024 at InvIT level is computed using YTD basis as per new NDCF framework, actual NDCF and distribution to Unitholder thereof at InvIT level already considers the impact of such excess distribution. Considering above points, ₹ 458.54 millionss will be hold back at InvIT level to ensure that there is no extra distribution at InvIT level.

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SIGNED FOR  
IDENTIFICATION  
PURPOSES



## Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder on audited consolidated financial results for the half year and year ended 31 March 2024 (All amounts in ₹ millions unless otherwise stated)

### b. Project manager and Investment manager fees

#### (i) Project manager fees

Pursuant to the Project Management Agreement with the current project manager i.e. HC One Project Manager Limited dated 20 October 2022, project manager shall be entitled to a consideration @ 10% markup over the actual cost incurred, on a half yearly basis or on such other shorter basis as may be mutually agreed, to be borne by the project SPVs, for the performance of Management, Tolling and Operation and Maintenance Services. Consolidated Financial Results of the Trust for the year ended 31 March 2024 includes amount of ₹ 171.05 millions (for the half year ended 31 March 2024 : ₹ 95.59 millions, for the half year ended 30 September 2023: ₹ 75.56 millions, for the half year and year ended 31 March 2023: ₹ 53.55 millions) toward project manager fees paid to HC One Project Manager Limited who is appointed as Project Manager w.e.f 14 November 2022.

#### (ii) Investment manager fees

Pursuant to the Investment Management Agreement dated 06 December 2021 with the erstwhile Investment Manager i.e Virescent Infrastructure Investment Manager Private Limited, Investment Manager was entitled to fees @ 10% markup over the cost per annum. Consolidated Financial Results of the Trust for the half year and year ended 31 March 2024 includes amount of ₹ Nil millions (for the half year ended 30 September 2023: ₹ Nil and for the year ended 31 March 2023: ₹ 2.36 millions) toward Investment manager fees paid to Virescent Infrastructure Investment Manager who was Investment Manager till 22 November 2022. Subsequently, pursuant to the Investment Management Agreement with the current Investment Manager i.e. Highway Concession One Private Limited dated 20 October 2022 as amended, Investment Manager is entitled to fees @ 10% markup over the cost per annum. The Investment Management Fees shall be borne by the and the Special Purpose Vehicles of the ("SPVs") in the proportion of 20:80. Amongst the SPVs, the Fees would be allocated as mutually agreed with the SPVs. Consolidated Financial Results of the Trust for the year ended 31 March 2024 includes amount of ₹ 367.20 millions (for the half year ended 31 March 2024 : ₹ 203.60 millions, for the half year ended 30 September 2023: ₹ 163.60 millions , for the half year ended 31 March 2023 : ₹ 99.81 millions and for the year ended 01 April 2022 to 31 March 2023: ₹ 109.25 millions) towards Investment Manager Fees to Highway Concessions One Private Limited who is appointed as Investment Manager w.e.f. 23 November 2022.

### c. Statement of earnings per unit ('EPU')

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unit holders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
	(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
(Loss)/Profit for the period (₹ millions)	(2,999.68)	913.90	701.43	(2,085.78)	341.99
Weighted average number of units outstanding for computation of basic and diluted earning per unit (Nos. millions)	584.45	415.50	415.50	499.98	415.50
<b>Earnings per unit (basic and diluted) (₹)</b>	<b>(5.13)</b>	<b>2.20</b>	<b>1.69</b>	<b>(4.17)</b>	<b>0.82</b>

### d. Statement of contingent liabilities

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Audited)	(Audited)
Sales tax/ service tax and income tax cases in respect of which Special Purpose Vehicles ("SPV's") Group is in appeals	-	138.19
Income tax cases in respect of Groups	368.43	4.03
Claims raised against the SPV's Group for Stamp Duty dues under the Indian Stamp Act, 1899 under appeals*	221.19	221.19
Labour welfare dues in respect of which SPV Group is on appeals*	47.78	47.78
<b>Total</b>	<b>637.40</b>	<b>411.19</b>

\*The said contingent liability is covered under pass through arrangement as per assignment agreement of the Project SPV's. Therefore, any liability which may arise will be borne by erstwhile owners ("assignors") of the Project SPV's as defined under respective assignment agreements, and no liability will devolve on the Trust.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Audited)	(Audited)
Estimated amount of contracts remaining to be executed on capital account	337.56	30.57
<b>Total</b>	<b>337.56</b>	<b>30.57</b>

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**SIGNED FOR  
IDENTIFICATION  
PURPOSES**





**Highways Infrastructure Trust**

**Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder for the half year and year ended 31 March 2024**

**(All amounts in ₹ millions unless otherwise stated)**

**I. Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures**

**Subsidiaries**

Ulundurpet Expressways Private Limited ("UEPL")

Nirmal BOT Private Limited ("NBPL") (formerly known as "Nirmal BOT Limited")

Godhra Expressways Private Limited ("GEPL")

Dewas Bhopal Corridor Private Limited ("DBCPL")

Shillong Expressway Private Limited ("SEPL")

Jodhpur Pali Expressway Private Limited ("JPEPL")

Udupi Tollway Private Limited ("UTPL") (formerly known as "Navyuga Udupi Tollway Private Limited") w.e.f. 02 November 2023

Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as "HG Ateli Narnaul Highway Private Limited") w.e.f. 22 November 2023

Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as "HG Rewari Ateli Highway Private Limited") w.e.f. 22 November 2023

Gurgaon Sohna Highway Private Limited ("GSHPL") w.e.f. 22 November 2023

Swarna Tollway Private Limited ("STPL") w.e.f. 24 January 2024

Gujarat Road And Infrastructure Company Limited ("GRICL") w.e.f. 24 January 2024

**Holding Entity**

Galaxy Investments II Pte. Ltd

**Intermediate holding entities**

Galaxy Investments Pte Ltd

KKR Asia Pacific Infrastructure Holdings Pte. Ltd

**Ultimate holding entity**

KKR Asia Pacific Infrastructure Investors SCSp\*

\*Managed by its general partner KKR Associates AP Infrastructure SCSp. Further KKR Associates AP Infrastructure SCSp is in turn managed by its general partner, KKR AP Infrastructure S.à r.l

**Fellow subsidiaries\***

Highway Concessions One Private Limited ("HC1")

HC One Project Manager Private Limited

\*With whom the Group had transactions during the current or previous period

**Key managerial personnel (KMP) as per Ind AS 24- "Related party disclosures"**

Refer note II C. (x) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust w.e.f 23 November 2022 and II C. (vii) or details of KMP of Virescent Infrastructure Investment Manager Private Limited who was acting as an investment manager on behalf of the trust upto 22 November 2022.

**II. List of additional related parties as per Regulation 2(1)(zv) of the InvIT Regulations**

**A. Parties to Highways Infrastructure Trust**

**Sponsor Group:**

**Upon Completion of issuance and allotment of preferential units (refer note 14), the following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the InvIT Regulations read with the proviso to Regulation(4)(2)(d)(i) of the InvIT Regulations**

Galaxy Investments II Pte. Ltd - Sponsor of Highway Infrastructure Trust

Galaxy Investments Pte. Ltd

KKR Asia Pacific Infrastructure Holdings Pte Ltd

KKR Asia Pacific Infrastructure Investors SCSp

KKR Associates AP Infrastructure SCSp

KKR AP Infrastructure S.à r.l

Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)

Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)

KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)

KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)

KKR Associates AP Infrastructure II SCSp; (w.e.f. 19 January 2024)

KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)

Highway Concessions One Private Limited ("HC1") - Investment Manager of Trust (w.e.f 23 November 2022)

Virescent Infrastructure Investment Manager Private Limited - Investment Manager of Trust (upto 22 November 2022)

HC One Project Manager Private Limited- Project manager of the Trust (w.e.f 14 November 2022)

Virescent Renewable Energy Project Manager Private Limited - Project manager of the Trust (upto 13 November 2022)

Axis Trustee Services Limited ("ATSL") - Trustee of Highways Infrastructure Trust

**SIGNED FOR  
IDENTIFICATION  
PURPOSES**





**Highways Infrastructure Trust**

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

**B. Promoters of the parties to Highways Infrastructure Trust specified in II(A) above**

Axis Bank Limited - Promoter of Axis Trustee Services Limited

Highway Concessions One Private Limited - Promoter of HC One Project Manager Private Limited (w.e.f 14 November 2022)

Virescent Infrastructure Investment Manager Private Limited - Promoter of Virescent Renewable Energy Project Manager Private Limited (upto 13 November 2022)

Galaxy Investments Pte. Ltd - Promoter of Galaxy Investments II Pte. Ltd

Galaxy Investments II Pte. Ltd - Promoter of Highway Concessions One Private Limited (w.e.f 23 November 2022)

Terra Asia Holdings II Pte. Ltd.- Promoter of Virescent Infrastructure Investment Manager Private Limited (upto 22 November 2022)

**C. Directors/General Partner/Manager of the parties to Highways Infrastructure Trust specified in II(A) above**

**(i) Directors of Galaxy Investment II Pte. Ltd**

Tang Jin Rong

Goh Ping Hao

Madhura Narawane

**(ii) Directors of Galaxy Investments Pte. Ltd**

Tang Jin Rong

Madhura Narawane

**(iii) Directors of KKR Asia Pacific Infrastructure Holdings Pte Ltd**

Tang Jin Rong

Goh Wei Chong Matthew

**(iv) General Partner of KKR Asia Pacific Infrastructure Investors SCSp**

KKR Associates AP Infrastructure SCSp

**(v) General Partner of KKR Associates AP Infrastructure SCSp**

KKR AP Infrastructure S.à r.l.

**(vi) Managers of KKR AP Infrastructure S.à r.l**

Jason Carss (Class A)

Steven Codispoti (Class A)

Thomas Weber (Class B)

Nina Scheid (Class B)

**(vii) Directors of Nebula Asia Holdings II Pte. Ltd. (w.e.f. 19 January 2024)**

Tang Jin Rong

Madhura Narawane

**(viii) Directors of Nebula I Investments Pte. Ltd. (w.e.f. 19 January 2024)**

Tang Jin Rong

Madhura Narawane

**(ix) Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd. (w.e.f. 19 January 2024)**

Tang Jin Rong

Banerjea Projesh

**(x) General Partner of KKR Asia Pacific Infrastructure Investors II SCSp (w.e.f. 19 January 2024)**

KKR Associates AP Infrastructure II SCSp

**(xi) General Partner of KKR Associates AP Infrastructure II SCSp (w.e.f. 19 January 2024)**

KKR AP Infrastructure II S.à r.l.

**(xii) Managers of KKR AP Infrastructure II S.à r.l. (w.e.f. 19 January 2024)**

Jason Carss (Class A)

Steven Codispoti (Class A)

Thomas Weber (Class B)

Nina Scheid (Class B)

**(xiii) Directors/KMP of Virescent Infrastructure Investment Manager Private Limited (details upto 22 November 2022)**

Mr. Pradeep Kumar Panja, Independent Director

Mr. Sanjay Grewal , Wholetime Director

Mr. Akshay Jaitly, Independent Director

Mr. Hardik Bhadrak Shah, Director

Mr. Aditya Narayan, Non-executive Director

Ms. Daisy Devassy Chittilapilly, Independent Director

Ms. Charmy bhoot , Company Secretary and Compliance Officer

**SIGNED FOR  
IDENTIFICATION  
PURPOSES**



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

(xiv) Directors of Virescent Renewable Energy Project Manager Private Limited (details upto 13 November 2022)

Mr. Sanjay Grewal , Director  
Mr. Atul Raizada , Director

(xv) Directors of Axis Trustee Services Limited

Ms. Deepa Rath CEO (KMP), Managing Director  
Mr. Rajesh Kumar Dahiya (Director) (till 15 January 2024)  
Mr. Ganesh Sankaran (Director) (till 15 January 2024)  
Mr. Sumit Bali (Non-executive Director) (w.e.f 16 January 2024)  
Mr. Prashant Joshi (Non-executive Director) (w.e.f 16 January 2024)

(xvi) Directors/KMP of Highway Concessions One Private Limited

Mr. Hardik Bhadrak Shah, Non-executive Director  
Mr. Neeraj Sanghi, CEO (KMP), Whole time Director (till 31 March 2024) (refer note 17)  
Mr. Gaurav Chandna (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024) (refer note 17)  
Dr Zafar Khan, Director (KMP), Joint CEO (w.e.f 01 April 2024) (refer note 17)  
Ms. Sudha Krishnan, Independent Director (w.e.f 14 September 2022)  
Ms. Ami Vinoo Momaya , Non-executive Director  
Mr Subramanian Janakiraman , Independent Director  
Mr Manish Agarwal, Independent Director (from w.e.f 14 September 2022)  
Ms. Kunjal Shah , Company Secretary and Compliance Officer  
Mr. Narayanan Doraiswamy, Chief Financial Officer (refer note 16)  
Mr. Abhishek Chhajaj, Chief Financial Officer (refer note 16)

(xvii) Directors of HC One Project Manager Private Limited

Mr. Abhishek Chhajaj (w.e.f 01 April 2024)  
Mr. Neeraj Sanghi, Director (w.e.f 20 September 2022 till 31 March 2024)  
Dr Zafar Khan, Director (w.e.f 20 September 2022)

III. Transactions and outstanding balances with related party

Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
	(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
<b>Galaxy Investment II Pte Ltd.</b>					
<b>Transaction during the year</b>					
Issue of unit capital	-	-	-	-	37,390.00
Interest on OCD's	-	-	-	-	444.70
Investment in compulsarily convertible debentures ('CCD's)	-	-	-	-	3,060.00
Distribution to unit-holders ^	1,693.92	1,621.08	5,426.24	3,315.00	5,426.24
<b>Balance outstanding at the end of the year</b>					
Unit capital	37,390.00	37,390.00	37,390.00	37,390.00	37,390.00
<b>Nebula Asia Holdings II Pte. Ltd.</b>					
<b>Transaction during the year</b>					
Issue of unit capital	14,900.00	-	-	14,900.00	-
Distribution to unit-holders ^	660.64	-	-	660.64	-
<b>Balance outstanding at the end of the year</b>					
Unit capital	14,900.00	-	-	14,900.00	-
<b>Highway Concessions One Private Limited</b>					
<b>Transaction during the year</b>					
Reimbursement of expenses	-	5.49	7.83	5.49	44.85
Management fees	-	-	31.68	-	247.43
Transfer out obligation as per actuarial for employee benefit	-	-	-	-	0.86
Investment manager fees	203.60	163.60	109.25	367.20	109.25
<b>Balance outstanding at the end of the year</b>					
Trade and other payables	118.84	104.29	151.87	118.84	151.87
<b>Virescent Infrastructure Investment Manager Private Limited</b>					
<b>Transaction during the year</b>					
Reimbursement of expenses	-	-	36.38	-	71.25
Investment manager fees	-	-	(9.44)	-	2.36
<b>Balance outstanding at the end of the year</b>					
Investment manager fees payable	-	-	2.16	-	2.16
<b>HC One Project Manager Private Limited</b>					
<b>Transaction during the year</b>					
Project manager fees	95.49	75.56	53.55	171.05	53.55
Advance payment of Project Manager Fees	38.23	108.32	-	146.56	44.05
Transfer out obligation as per actuarial for employee benefit	0.07	-	-	0.07	-
<b>Balance outstanding at the end of the year</b>					
Project manager fees payable (net of advance)	57.29	32.76	1.92	5.89	1.92
Advance payment of Project Manager Fees	-	-	-	-	-

SIGNED FOR  
IDENTIFICATION  
PURPOSES



Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party (Cont'd)

Particulars	Half year ended 31 March 2024	Half year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
	(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
<b>Axis Trustee Services Limited</b>					
<b>Transaction during the year</b>					
Trustee fees	0.71	0.71	0.83	1.42	0.83
Initial acceptance fees	0.71	-	-	0.71	-
<b>Balance outstanding at the end of the year</b>					
Trustee fees	-	1.42	-	-	-
<b>Axis Bank Limited</b>					
<b>Transaction during the year</b>					
Loan taken	1,150.00	-	450.25	1,150.00	494.48
Processing fees	5.43	-	-	5.43	3.54
Repayment of loan taken	2,320.54	5.00	5.00	2,325.54	707.33
Interest on loan given	73.63	19.86	15.42	93.50	25.01
Interest on bank deposits	106.57	1.84	0.97	108.41	8.36
Bank charges	12.49	0.01	0.01	12.50	0.03
Investment in bank deposits	12,346.16	181.51	27.70	12,527.67	27.70
Redemption of term deposits	12,062.35	171.25	148.50	12,233.60	533.71
<b>Balance outstanding at the end of the year</b>					
Interest payable on loan	-	0.04	-	-	-
Loan payable	1,617.87	484.48	489.48	1,617.87	489.48
Interest accrued on bank deposits	88.82	0.71	0.25	88.82	0.25
Outstanding bank deposits	4,373.66	19.99	9.75	4,373.66	9.98
Closing balance of current account	98.35	13.34	10.09	98.35	10.09

Note: All related party transactions entered during the year were in ordinary course of the business and on arms length basis.

^ Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2022-23 and does not include the distribution relating to the last quarter of FY 2023-24 which will be paid after 31 March 2024. The distributions made by Trust to its unitholders are based on the Net Distributable Cash Flows ('NDCF') of the Trust under the SEBI Regulations and includes interest, dividend and repayment of capital.

SIGNED FOR  
IDENTIFICATION  
PURPOSES





## Highways Infrastructure Trust

Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder for the half year and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

- IV. Details in respect of related party transactions involving acquisition of InvIT assets as required by Paragraph 4.6.6 of Chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including any guidelines and circular issued thereunder are as follows:

### For the half year and year ended 31 March 2024:

During the half year and year ended 31 March 2024, the Trust has acquired 6 Subsidiaries namely UTPL, RAHPL, ANHPL, GSHPL, STPL and GRICL, however the same were not acquired from related parties, hence no disclosure is made in respect of that.

### For the half year ended 30 September 2023:

No acquisition during the half year ended 30 September 2023.

### For the half year and year ended 31 March 2023:

- A Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in equity share capital of subsidiaries of the Trust during the financial year ended 31 March 2023:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	9.10%	9.50%	10.70%	10.40%	9.60%	10.30%
Method of valuation	Discounted cash flows					

- B Summary of the valuation reports (issued by the independent valuer appointed by the Trust) for Investment in Compulsorily Convertible Debentures (CCD)\*:

Particulars	Name of subsidiaries of the Trust					
	DBCPL	NBPL	GEPL	JPEPL	UEPL	SEPL
Discounting rate (WACC)	-	13.71%	13.71%	13.70%	13.71%	-
Method of valuation	Discounted cash flows					

\*During the previous financial year, the terms of Compulsorily Convertible Debentures ("CCDs") were converted into Optionally Convertible Debentures ("OCDs"). Further, during the current year OCDs of JPEPL, NBPL and UEPL were redeemed.

- C **Material conditions or obligations in relation to the transactions:**

The acquisition have been made pursuant to the terms mentioned in final placement memorandum dated 22 August 2022. Pursuant to assignment agreement entered between the Trust and the Sponsor, the sponsor has assigned its rights and obligations under Security Purchase Agreement to the Trust subject to certain terms and conditions. The Trust has acquired six Project SPV's which are engaged in the design, construction, development, operation and maintenance of roads and highways on 23 August 2022.

- D No external financing has been obtained for acquisition of above subsidiaries.  
E No fees or commision received or to be received from any associate party in relation to acquisition of Project SPVs.

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IDENTIFICATION  
PURPOSES**



**Highways Infrastructure Trust**

**Additional disclosures as required by chapter 4 to the master circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 as amended including guidelines and circular issued thereunder for the half year and year ended 31 March 2024**

₹ millions, except ratios)

ular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023

SL.No.	Particulars	Half Year ended March 2024	Half Year ended 30 September 2023	Half year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
		(Refer note 21)	(Unaudited)	(Refer note 21)	(Audited)	(Audited)
(a)	Debt equity ratio (in times) [{{Non-current borrowings + Current borrowings}}/Total equity]	1.44	4.26	3.37	1.44	3.37
(b)	Debt service coverage ratio (in times) [Profit before tax, finance costs, exceptional items/{Finance costs + Principal repayment for borrowings}]	(0.89)	1.98	1.79	(0.38)	0.20
(c)	Interest service coverage ratio (in times) [Profit before tax, finance costs, depreciation and amortisation expense, exceptional items/Finance costs]	2.30	3.18	2.78	2.55	1.97
8)	Net worth [Unit capital + Other equity]	25,987.63	3,448.67	4,381.66	25,987.63	4,381.66

(i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2024 amounting to ₹ 11,340.62 millions (31 March 2023: ₹ 6,416.05 millions) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2024.

(ii) **The Non Convertible Debentures ("NCD's") are secured by charge on the following:**

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:

- (i) all receivables of the Issuer from the HoldCos and SPVs;
- (ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs;
- (iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer;
- (iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and
- (v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer ;

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the HoldCos and SPVs ;

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA ;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the HoldCos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) a first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");

**SIGNED FOR  
IDENTIFICATION  
PURPOSES**





- 1) The audited consolidated financial results of Highways Infrastructure Trust ("Trust") for half year and year ended 31 March 2024 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ("Investment Manager of the Trust") at their meeting held on 16 May 2024 and approved by the Board of Directors of the Investment Manager of the Trust at their meeting held on 16 May 2024. The statutory auditors have issued an unmodified audit report on the consolidated financial results.
- 2) The audited consolidated financial results comprises the consolidated statement of Profit and Loss (including Other Comprehensive Income), explanatory notes thereto and additional disclosures as required in Chapter 4 of the SEBI Circulars SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 ('SEBI Master Circular') (hereinafter referred to as 'the Statement'). The audited consolidated financial results has been prepared by 'the Investment Manager' on the basis of consolidated annual audited financial statements as at and for the year ended 31 March 2024, consolidated financial results for the half year ended 30 September 2023 and in accordance with recognition and measurement principles laid down in the Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended (IndAS) and other accounting principles generally accepted in India and in compliance with the relevant requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI Regulations") including SEBI Master circular..
- 3) The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.
- 4) **Distribution related to FY 2022-2023:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023 and the aforesaid distribution was paid to eligible unitholders on 30 May 2023.

**Distribution related to FY 2023-2024:**

The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 millions, ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 millions and ₹ 3.6579 (rounded off) per unit amounting to ₹ 2,732.03 millions in their meeting held on 11 August 2023, 09 November 2023 and 06 February 2024 respectively and the aforesaid distribution was paid to eligible unitholders on 22 August 2023, 21 November 2023 and 16 February 2024 respectively. Subsequent to year end 31 March 2024, the Board of Directors of the Investment Manager have declared distribution of ₹ 9.3792 (rounded off) per unit amounting to ₹ 7,005.19 millions in their meeting held on 16 May 2024. Accordingly, the total distribution for the financial year ended 31 March 2024 stands at ₹ 16.5576 per unit.  
Further the yield per unit for the financial year ended 31 March 2024 stands at 19.41%, which have been calculated as (Total distribution per unit for the financial year ended 31 March 2024/NAV per unit as disclosed in the financial statements as at 31 March 2024.)

- 5) During the previous year ended 31 March 2023, three of the project SPV's Viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.

The final order for approving capital reduction scheme in DBCPL was received on 27 February 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on 20 March 2023 and the impacts of the same were considered in the previous year ended 31 March 2023. During the year ended 31 March 2024, the Hon'ble NCLT has approved the capital reduction scheme of GEPL on 12 June 2023 and final certificate of registration from Registrar of Companies, Mumbai was received on 14 August 2023 and the impacts of the same have been considered in the audited consolidated financial results for the year ended 31 March 2024. In UEPL, the Capital reduction Scheme was heard on 23 June 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on 03 October 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. Further as per the NCLT order dated 10 January 2024, the Hon'ble NCLT has declined the Capital reduction scheme in UEPL. Further the Board of Directors of UEPL in its meeting held on 19 January 2024 has proposed to approach the Hon'ble National Company Law Appellate Tribunal ("NCLAT") to reconsider the scheme. The Trust has filed appeal under section 421 of Companies Act, 2013 with the Hon'ble NCLAT on 02 February 2024. Further, the matters were partially heard on 02 May 2024 and have been adjourned till 16 May 2024. On 16 May 2024 it has been further adjourned till 31 May 2024.

- 6) During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited till 20 December 2023), Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited till 20 December 2023), Gurgaon Sohna Highway Private Limited ("GSHPL") and H.G. Rewari Bypass Private Limited ("RBPL"). Approval for change in ownership was received on 29 September 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. ANHPL, GSHPL and RAHPL. Consequently, the Trust acquired 100% issued and paid up share capital of these 3 SPV's on 21 November 2023 ('acquisition date') for a cash consideration of ₹ 1,511.49 Millions, ₹ 844.46 Millions and ₹ 757.83 Millions respectively from H.G. Infra Engineering Limited. Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.

Accordingly, the revenue and corresponding expenses for ANHPL, GSHPL and RAHPL in the audited consolidated statement of profit and loss have been included from acquisition date till the year ended 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study ("PPA") in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, necessary impacts have been considered in the audited consolidated financial results for the half year and year 31 March 2024.

SIGNED FOR  
IDENTIFICATION  
PURPOSES





- 7) During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Udupi Tollway Private Limited (UTPL) (formerly known as Navayuga Udupi Tollway Private Limited till 28 December 2023) in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). During the year ended 31 March 2024, the Trust has acquired 100% stake on 02 November 2023 ('acquisition date') for cash consideration of ₹ 196.05 millions and UTPL become subsidiary of the Trust. Accordingly, the revenue and corresponding expenses have been included from 02 November 2023 to 31 March 2024 in the consolidated statement of profit and loss for the year ended 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, there is a gain on bargain purchase due to excess of fair value of intangible assets acquired and liabilities assumed over the cash consideration paid. The aforesaid gain on bargain purchase amounting to ₹ 20.45 millions is credited to capital reserve in audited financials for the year ended 31 March 2024 in accordance with IND AS 103- Business combinations. Accordingly, necessary impacts have been considered in the audited financials for the half year and year ended 31 March 2024.
- 8) During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 28 July 2023 for acquisition of upto 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL and 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2"). Approval for change in ownership was received on 24 January 2024 for GRICL and STPL. Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 millions and ₹20,745.90 millions respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.

Accordingly, the revenue and corresponding expenses for GRICL and STPL in the audited Consolidated Statement of Profit and Loss have been included from acquisition date till the year ended on 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. The gain on bargain purchase amounting to ₹ 1,651.53 millions pertaining to GRICL has been credited to capital reserve in audited financials for the year ended 31 March 2024 in accordance with IND AS 103- Business combinations. Further goodwill amounting to ₹ 3,101.73 millions has been measured as excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed pertaining to STPL. All necessary impacts have been considered in the audited financials for the year ended 31 March 2024.

- 9) During the year the Trust has acquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations (Ind AS 103), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.  
The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL. Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exist, management compares the carrying amount of such goodwill with its recoverable amount. As on the reporting date, the recoverable amount of this goodwill is Nil. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount is in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the year.
- 10) During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has executed the share purchase agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd (Sponsor of the Trust). Approval for change in ownership has been received on 11 March 2024 from National Highways Authorities of India ("NHAI"). The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 11) During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:  
(i) PNC Rajasthan Highways Private Limited ("PRHPL");  
(ii) PNC Chitradurga Highways Private Limited ("PCHPL");  
(iii) PNC Aligarh Highways Private Limited ("PAHPL");  
(iv) PNC Bundelkhand Highways Private Limited ("PBHPL");  
(v) PNC Khajuraho Highways Private Limited ("PKHPL");  
(vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");  
(vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");  
(viii) PNC Meerut Haridwar Highways Private Limited ("PMHHL");  
(ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");  
(x) PNC Unnao Highways Private Limited ("PUHPL");  
(xi) PNC Gomti Highways Private Limited ("PGHPL") and  
(xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").  
The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

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IDENTIFICATION  
PURPOSES





- 12) During the year ended 31 March 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150 millions ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the SEBI InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects: (a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateli Namaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV") (b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and (c) for general purposes. Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law. Further, the Investment Manager of the Trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 million, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023. The Trust has paid issue management fees of ₹ 17.70 millions to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the quarter ended 31 December 2023. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated 25 September 2023 for rights issue filed with the NSE.
- 13) During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on 19 January 2024.
- 14) During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900 millions on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated 06 July 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 19 January 2024. The proceeds of ₹ 21,900 millions have been utilised for payment of purchase consideration of STPL and GRIL.
- 15) During the year ended 31 March 2024, Board of directors of Investment Manager of the Trust have approved following matters on 20 October 2023:
- (i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 millions in one or more series or tranches on a private Placement basis to the eligible investors; and
- (ii) Availing additional rupee term loan facility upto ₹ 19,000 millions.
- The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750 millions at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 millions. The CPs was listed with Bombay Stock Exchange Limited on 31 October 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹19,000 millions out of which Trust has received disbursement of ₹ 14,248.43 millions from lenders on 02 November 2023, 21 November 2023, 22 November 2023, 04 January 2024, 18 March 2024 and 21 March 2024.
- 16) During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide its letter dated 28 August 2023. Mr. Narayanan Doraiswamy held his current position of CFO till 31 December, 2023 (end of business hours) and post that he has ceased to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated 25 September, 2023 have approved the appointment of Mr. Abhishek Chhajer as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which has been effective from 01 January, 2024 onwards. Mr. Abhishek Chhajer has been appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.
- 17) During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Wholtime Director of the Highway Concessions One Private Limited ("Investment Manager") till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.
- 18) During the year the Trust has acquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations (Ind AS 103), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.
- The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL. Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exists, management compares the carrying amount of such goodwill with its recoverable amount. As on the reporting date, the recoverable amount of this goodwill as Nil. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount is in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the year.
- 19) As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of Intangible assets (toll collection rights) and provided for an impairment loss of ₹ 587.81 millions during the six months ended 31 March 2024 (Six months ended 30 September 2023: Nil and Six months ended 31 March 2023: Nil) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) respectively in respect of intangible assets of the subsidiary companies of the Trust.

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**Highways Infrastructure Trust**

**Notes to Audited Consolidated Financial results for the half year and year ended 31 March 2024**

(All amounts in ₹ millions unless otherwise stated)

- 20) Subsequent to the year ended 31 March 2024, three of the project SPVs, namely ANHPL, RAHPL, and GSHPL, have submitted petitions to the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') for capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. The aforementioned reduction was approved during extraordinary general meetings held on 04 April 2024 for ANHPL, RAHPL, and GSHPL respectively. Subsequent to the approval of the capital reduction scheme, The said consideration shall stand outstanding and the terms for such repayment will be mutually agreed upon by the Company and its shareholders. The petitions were filed on 08 April 2024 for ANHPL, RAHPL, and GSHPL, and were admitted by the NCLT on 17 April 2024 for GSHPL and 24 April 2024 for ANHPL. The subsequent hearings are scheduled for 24 July 2024 for GSHPL and 07 August 2024 for ANHPL.
- 21) The Statement includes the consolidated financial results for the half year ended 31 March 2024 and 31 March 2023, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half of the current financial year and previous financial year respectively, which were subject to limited review by us.
- 22) Previous period figures have been reclassified/regrouped wherever necessary to conform to current period classification. The impact of the same is not material on the consolidated financial results.
- 23) All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

For and on behalf of Board of Directors of  
Highways Concessions One Private Limited  
(as Investment Manager of Highways Infrastructure Trust)



Dr. Zafar Khan  
Joint CEO

DIN: 07641366

Place: Mumbai  
Date: 16 May 2024



Gaurav Chandna  
Executive Director  
and Joint CEO

DIN: 10312924

Place: Mumbai  
Date: 16 May 2024



Abhishek Chhajjer  
Chief Financial Officer

Place: Mumbai  
Date: 16 May 2024

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**Independent Auditor's Report on Standalone Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)**

## Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Highways Infrastructure Trust for the year ended 31 March 2024, attached herewith, being submitted by the Highway Concessions One Private Limited ('the Investment Manager') pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Trust for the year ended 31 March 2024.

## Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.



# Walker Chandiook & Co LLP

## Independent Auditor's Report on Standalone Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

### Responsibilities of Investment Manager and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Board of Directors of the Investment Manager of the Trust. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Trust in accordance with the recognition and measurement principle laid down in Ind AS as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors of the Investment Manager of the Trust is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors of Investment Manager of the Trust either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Investment Manager of the Trust is also responsible for overseeing the Trust's financial reporting process.

### Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs, issued by the ICAI, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the SAs issued by the ICAI, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatements of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
  - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of Investment Manager of the Trust;





# Walker Chandiok & Co LLP

## Independent Auditor's Report on Standalone Annual Financial Results of the Highways Infrastructure Trust pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors of Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Investment Manager of the Trust regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matter

11. The Statement includes the standalone financial results for the quarter ended 31 March 2024 being the balancing figures between the audited standalone figures in respect of the full financial year and the published unaudited year-to-date standalone figures up to the third quarter of the current financial year, which were subject to limited review by us.

For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



**Manish Agrawal**  
Partner  
Membership No. 507000  
UDIN: 24507000BKDHOE9499



Place: New Delhi  
Date: 16 May 2024



Highways Infrastructure Trust

Standalone Statement of Assets and Liabilities as at 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

Particulars	As at	As at
	31 March 2024	31 March 2023
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Financial assets		
Investments	52,665.68	36,159.46
Loans	35,685.92	11,450.25
Other financial assets	0.50	-
Non-current tax assets (net)	-	1.16
<b>Total non-current assets</b>	<b>88,352.10</b>	<b>47,610.87</b>
<b>Current assets</b>		
Financial assets		
Investments	174.91	292.52
Cash and cash equivalents	461.18	265.54
Bank balances other than cash and cash equivalents above	953.02	976.43
Loans	2,212.06	1,006.61
Other current assets	64.73	3.02
<b>Total current assets</b>	<b>3,865.90</b>	<b>2,544.12</b>
<b>Total assets</b>	<b>92,218.00</b>	<b>50,154.99</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Unit capital	68,590.00	41,550.00
Other equity	(12,771.18)	(5,715.12)
<b>Total equity</b>	<b>55,818.82</b>	<b>35,834.88</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	32,460.75	14,024.18
<b>Total non-current liabilities</b>	<b>32,460.75</b>	<b>14,024.18</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	3,177.65	225.00
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	3.96	1.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	138.41	50.49
Other financial liabilities	584.11	2.49
Other current liabilities	26.09	16.41
Current tax liabilities (net)	8.21	-
<b>Total current liabilities</b>	<b>3,938.43</b>	<b>295.93</b>
<b>Total liabilities</b>	<b>36,399.18</b>	<b>14,320.11</b>
<b>Total equity and liabilities</b>	<b>92,218.00</b>	<b>50,154.99</b>



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Highways Infrastructure Trust

Statement of audited standalone financial results for the quarter and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

Particulars	Quarter ended			Year ended	
	01 January 2024 to 31 March 2024	01 October 2023 to 31 December 2023	01 January 2023 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	<i>(Refer Note 19)</i>	<i>(Unaudited)</i>	<i>(Refer Note 20)</i>	<i>(Audited)</i>	<i>(Audited)</i>
<b>Incomes and gains</b>					
Revenue from operations					
Dividend income from subsidiaries	660.31	289.16	610.00	1,576.22	1,642.21
Interest income on loans from subsidiaries	1,203.84	907.36	715.70	3,487.69	1,581.93
Other income					
Interest on bank deposits	68.32	50.26	18.47	151.53	42.75
Others	4.81	0.20	-	8.46	-
<b>Total income and gains</b>	<b>1,937.28</b>	<b>1,246.98</b>	<b>1,344.17</b>	<b>5,223.90</b>	<b>3,266.89</b>
<b>Expenses and losses</b>					
Finance costs					
Interest on term loan, non convertible debentures and others	711.25	430.71	286.93	1,725.43	584.13
Finance and bank charges	0.34	0.36	0.01	1.22	0.57
Valuation expenses	1.49	1.20	0.94	3.12	1.78
Audit fees	12.90	1.85	8.71	25.21	17.38
Insurance expense	1.82	-	-	1.82	-
Investment manager fees	28.28	13.64	5.01	74.64	24.87
Rating fees	12.28	2.24	0.49	18.97	0.49
Trustee fees	1.27	1.62	1.18	3.81	2.69
Legal and professional	177.30	30.59	79.27	368.54	129.33
Other expenses	7.46	1.58	14.54	19.75	16.33
<b>Total expenses and losses</b>	<b>954.39</b>	<b>483.79</b>	<b>397.08</b>	<b>2,242.51</b>	<b>777.57</b>
<b>Profit before exceptional items and tax for the period/year</b>	<b>982.89</b>	<b>763.19</b>	<b>947.09</b>	<b>2,981.39</b>	<b>2,489.32</b>
Exceptional items (refer note 5)	3,546.88	-	1,879.71	4,964.79	2,044.59
<b>(Loss)/profit before tax for the period/year</b>	<b>(2,563.99)</b>	<b>763.19</b>	<b>(932.62)</b>	<b>(1,983.40)</b>	<b>444.73</b>
<b>Tax expense:</b>					
Current tax	31.38	21.87	7.89	67.49	18.27
Deferred tax	-	-	-	-	-
<b>Total tax expense</b>	<b>31.38</b>	<b>21.87</b>	<b>7.89</b>	<b>67.49</b>	<b>18.27</b>
<b>(Loss)/profit after tax for the period/year</b>	<b>(2,595.37)</b>	<b>741.32</b>	<b>(940.51)</b>	<b>(2,050.89)</b>	<b>426.46</b>
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive (loss)/income for the period/year</b>	<b>(2,595.37)</b>	<b>741.32</b>	<b>(940.51)</b>	<b>(2,050.89)</b>	<b>426.46</b>
<b>Earning per unit (not annualised, except for year end)</b>					
Basic (₹)	(3.72)	1.57	(5.56)	(4.10)	1.70
Diluted (₹)	(3.72)	1.57	(5.56)	(4.10)	1.70



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**Highways Infrastructure Trust**  
**Audited Standalone Cash Flow Statement for the year ended 31 March 2024**  
(All amounts in ₹ millions unless otherwise stated)

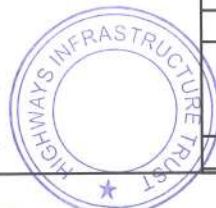
Particulars	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
(Loss)/ profit before tax	(1,983.40)	444.73
<b>Adjustments for:</b>		
Interest on compulsory convertible debentures ("CCD's")	-	(357.06)
Interest on rupee term loan ("RTL")	(2,742.37)	(923.98)
Interest on optionally convertible debenture ("OCD's")	(745.32)	(300.89)
Dividend income from subsidiaries	(1,576.22)	(1,642.21)
Exceptional items (refer note 5)	4,964.79	2,044.59
Interest income on bank deposits	(151.53)	(42.75)
Gain on sale of investments (net)	(5.90)	-
Reversal of provision for expenses	(2.55)	-
Loss on investment pursuant to capital reduction	8.44	14.22
Finance costs	1,726.65	584.70
<b>Operating loss before working capital changes and other adjustments</b>	<b>(507.42)</b>	<b>(178.64)</b>
<b>Working capital changes and other adjustments:</b>		
Other current assets	(61.71)	(3.02)
Trade payables	90.48	52.05
Other financial liabilities	-	2.49
Other financial assets	(0.50)	-
Other current liabilities	9.66	16.41
<b>Cash flow generated / (used) in operating activities post working capital changes</b>	<b>(469.49)</b>	<b>(110.71)</b>
Income tax paid (net of provision)	(58.12)	(19.43)
<b>Net cash used in operating activities (A)</b>	<b>(527.61)</b>	<b>(130.14)</b>
<b>B. Cash flows from investing activities</b>		
Loan given to subsidiaries	(26,677.30)	(13,606.74)
Investment in CCD's of subsidiaries	-	(3,060.00)
Investment in equity shares of subsidiaries	(29,134.86)	-
Proceeds from loan given to subsidiaries	3,019.22	1,773.52
Proceeds from redemption of OCD's of subsidiaries	6,853.70	1,091.93
Proceeds from maturity of bank deposits	70.51	(976.43)
Investment in preference shares	-	(545.10)
Redemption of preference shares	97.64	272.55
Interest received on "OCD's" and "CCD's"	981.70	1,177.64
Dividend received from subsidiaries	1,576.22	1,642.21
Interest received on RTL	2,122.75	900.47
Interest received on bank deposits	104.43	42.75
Gain on sale of investments in mutual funds (net)	5.90	-
<b>Net cash used in investing activities (B)</b>	<b>(40,980.09)</b>	<b>(11,287.21)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of units	27,040.00	4,160.00
Proceeds from borrowings	21,818.05	14,469.03
Repayment of borrowings	(377.66)	(112.50)
Processing fees paid	(158.74)	(118.89)
Unit issue expenses	(51.65)	(111.58)
Distribution made to unit-holders	(4,953.52)	(6,030.00)
Interest paid	(1,613.14)	(573.17)
<b>Net cash flow from financing activities (C)</b>	<b>41,703.34</b>	<b>11,682.89</b>
<b>D Net increase in cash and cash equivalents (A+B+C)</b>	<b>195.64</b>	<b>265.54</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>265.54</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>461.18</b>	<b>265.54</b>

**Note:**

The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.



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Highways Infrastructure Trust

Additional disclosures as per regulation 52(4) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on audited standalone financial results for the quarter and year ended 31 March 2024

(all amounts in ₹ millions, except ratios)

Sl.No.	Particulars	01 January 2024 to 31 March 2024	01 October 2023 to 31 December 2023	01 January 2023 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
		(Refer Note 19)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
(a)	Debt equity ratio (in times) [Non-current borrowings + Current borrowings / total equity]	0.64	0.64	0.40	0.64	0.40
(b)	Debt service coverage ratio (in times) [Profit/(Loss) before tax, finance costs, exceptional items / {Finance costs + Principal repayment for borrowings}]	1.84	2.45	4.30	2.24	4.41
(c)	Interest service coverage ratio (in times) [(Loss)/profit before tax, finance costs, exceptional items / Finance costs]	2.38	2.77	4.30	2.73	5.26
(d)	Outstanding redeemable preference shares	NA	NA	NA	NA	NA
(e)	Capital redemption reserve/debenture redemption reserve	NA	NA	NA	NA	NA
(f)	Net worth [Unit Capital + Other equity]	55,818.82	39,255.38	35,834.88	55,818.82	35,834.88
(g)	Net (loss)/profit after tax	(2,595.37)	741.32	(940.51)	(2,050.89)	426.46
(h)	Earning per unit capital [(Loss)/profit after tax/Total number of units]	(3.72)	1.57	(5.56)	(4.10)	1.70
(i)	Current ratio (in times) [Current assets / Current liabilities]	0.98	1.96	8.60	0.98	8.60
(j)	Long term debt to working capital (in times) [Non-current borrowings + Current borrowings/ Current assets less current liabilities (excluding current maturity of non-current borrowings)]	11.45	3.82	5.76	11.45	5.76
(k)	Bad debts to account receivable ratio (in %) [Bad debts / Average trade receivables]	-	-	-	-	-
(l)	Current liability ratio (in %) [Current liabilities / Total liabilities]	10.82%	14.35%	2.07%	10.82%	2.07%
(m)	Total debts to total assets ratio (in %) [[Non-current borrowings + Current borrowings] / Total assets]	38.65%	38.78%	28.41%	38.65%	28.41%
(n)	Debtors turnover ratio (in times)* [Revenue from operations/ Average debtor]	N.A	N.A	N.A	N.A	N.A
(o)	Inventory turnover ratio** [Sale of products / Average inventory of finished goods and stock in trade]	N.A	N.A	N.A	N.A	N.A
(p)	Operating margin (in %) [Profit before tax, finance cost, exceptional items and other income] / Revenue from operations]	87.21%	95.59%	91.69%	89.96%	94.00%
(q)	Net profit margin (in %) [(Loss)/profit after tax / Revenue from operations]	-139.23%	61.96%	-70.94%	-40.50%	13.23%

\* The Trust does not have any debtor, therefore, debtor turnover ratio is not applicable.

\*\* The Trust does not have any inventory, therefore inventory turnover ratio is not applicable.

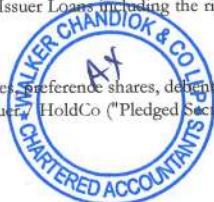
Notes:

(i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2024 amounting to ₹ 11,340.61 millions (31 March 2023: ₹ 6,416.05 millions) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2024.

(ii) The Non Convertible Debentures ("NCD's") are secured by charge on the following:

- first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:
  - all receivables of the Issuer from the HoldCos and SPVs; (ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the HoldCos and SPVs; (iii) dividends and any other amounts to be paid / payable by the HoldCos and SPVs to the Issuer; (iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and (v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;
- first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future, is clarified that, as on the date hereof, there is no immovable property owned by the Issuer;
- first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the Hold Cos and SPVs;
- first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;
- first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the Hold Cos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;
- first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer/ HoldCo ("Pledged Securities");

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## Highways Infrastructure Trust

### Notes to Audited Standalone Financial results for the quarter and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

- 1 The audited standalone financial results of Highways Infrastructure Trust ('Trust') for quarter and year ended 31 March 2024 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ('the Investment Manager') at their meeting held on 16 May 2024 and approved by the Board of Directors of the Investment Manager at their meeting held on 16 May 2024. The statutory auditors have issued an unmodified audit report on these audited standalone financial results.
- 2 The audited standalone financial results comprises the standalone statement of assets and liabilities, standalone statement of profit and loss, standalone cash flow statement and other explanatory notes/disclosures pursuant to requirements of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') (audited standalone financial results). The audited standalone financial results has been prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards as defined under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended (IndAS) and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations.
- 3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021. Trust was registered as an Infrastructure Investment Trust under the SEBI Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.
- 4 **Distribution related to FY 2022-2023:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023 and the aforesaid distribution was paid to eligible unitholders on 30 May 2023.  
**Distribution related to FY 2023-2024:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 millions, ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 millions and ₹ 3.6579 (rounded off) per unit amounting to ₹ 2,732.03 millions in their meeting held on 11 August 2023, 09 November 2023 and 06 February 2024 respectively and the aforesaid distribution was paid to eligible unitholders on 22 August 2023, 21 November 2023 and 16 February 2024 respectively. Subsequent to year end 31 March 2024, the Board of Directors of the Investment Manager of the Trust have declared distribution of ₹ 9.3792 (rounded off) per unit amounting to ₹ 7,005.19 millions in their meeting held on 16 May 2024. Accordingly, the total distribution for the financial year ended 31 March 2024 stands at ₹ 16.5576 per unit.  
  
Further the yield per unit for the financial year ended 31 March 2024 stands at 19.41%, which have been calculated as (Total distribution per unit for the financial year ended 31 March 2024/NAV per unit as disclosed in the financial statements as at 31 March 2024.)
- 5 As per Ind AS 36 "Impairment of assets", Management carried out the impairment assessment of investment in subsidiaries and provided for impairment loss for year ended 31 March 2024: ₹ 4,964.79 millions (for the period from 01 January 2024 to 31 March 2024: ₹ 3,546.88 millions and for the period from 01 October 2023 to 31 December 2023: ₹ Nil and for the period from 01 January 2023 to 31 March 2023: ₹ 1,879.71 millions and for the year ended 31 March 2023 : ₹ 2,044.59 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis).
- 6 During the previous year ended 31 March 2023, three of the project SPV's Viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.

The final order for approving capital reduction scheme in DBCPL was received on 27 February 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on 20 March 2023 and the impacts of the same were considered in the previous year ended 31 March 2023. During the current financial year ended 31 March 2024, the Hon'ble NCLT has approved the capital reduction Scheme of GEPL on 12 June 2023 and final certificate of registration from Registrar of Companies, Mumbai is received on 14 August 2023 and the impacts of the same have been considered in the audited standalone financial results for year ended 31 March 2024. In UEPL, the Capital reduction Scheme was heard on 23 June 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on 03 October 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. Further as per the NCLT order dated 10 January 2024, the Hon'ble NCLT has declined the Capital reduction scheme in UEPL. Further the Board of Directors of UEPL in its meeting held on 19 January 2024 has proposed to approach the Hon'ble National Company Law Appellate Tribunal ("NCLAT") to re-consider the scheme. The Trust has filed appeal under section 421 of Companies Act, 2013 with the Hon'ble NCLAT on 02 February 2024. Further, the matters were partially heard on 02 May 2024 and have been adjourned till 16 May 2024. On 16 May 2024 it has been further adjourned till 31 May 2024.

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## Highways Infrastructure Trust

### Notes to Audited Standalone Financial results for the quarter and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

7 During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited till 20 December 2023), Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited till 20 December 2023), Gurgaon Sohna Highway Private Limited ('GSHPL') and H.G. Rewari Bypass Private Limited ('RBPL'). Approval for change in ownership was received on 29 September 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. ANHPL, GSHPL and RAHPL. Consequently, the Trust acquired 100% (one hundred percent) issued and paid up share capital of these 3 SPV's on 21 November 2023 ('acquisition date') for a cash consideration of ₹ 1,511.49 Millions, ₹ 844.46 Millions and ₹ 757.83 Millions respectively from H.G. Infra Engineering Limited. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.

Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Accordingly, necessary impacts have been considered in the audited standalone financial results for the year ended 31 March 2024.

8 During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited till 28 December 2023) ('UTPL') in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ('NRPL') and Navayuga Engineering Company Limited ('NECL'). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ('NHAI'). During the year ended 31 March 2024, the Trust has acquired 100% (one hundred percent) stake effective from 02 November 2023 ('acquisition date') for cash consideration of ₹ 196.05 millions and UTPL become subsidiary of the Trust. Accordingly, necessary impacts have been considered in the audited standalone financial results for the year ended 31 March 2024.

9 During the year ended 31 March 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150 millions ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the SEBI InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects:

(a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the H.G. Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV")

(b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and

(c) for general purposes.

Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law.

Further, the Investment Manager of the trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 million, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.

The Trust has paid issue management fees of ₹ 17.70 millions to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the year ended 31 March 2024. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated 25 September 2023 for rights issue filed with the NSE.

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**Highways Infrastructure Trust**

**Notes to Audited Standalone Financial results for the quarter and year ended 31 March 2024**

**(All amounts in ₹ millions unless otherwise stated)**

- 10 During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 28 July 2023 for acquisition of upto 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL and 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2"). Approval for change in ownership was received on 24 January 2024 for GRICL and STPL. Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 millions and ₹20,745.90 millions respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.
- 11 During the current financial year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has executed the share purchase agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd ('Sponsor of the Trust'). Approval for change in ownership has been received on 11 March 2024 from National Highways Authorities of India ("NHAI"). The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 12 During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide its letter dated 28 August 2023. Mr. Narayanan Doraiswamy held his current position of CFO till 31 December, 2023 (end of business hours) and post that he has ceased to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated 25 September, 2023 have approved the appointment of Mr. Abhishek Chhajer as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which has been effective from 01 January, 2024 onwards. Mr. Abhishek Chhajer has been appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.

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## Highways Infrastructure Trust

### Notes to Audited Standalone Financial results for the quarter and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

- 13 During the year ended 31 March 2024, Board of directors of Investment Manager of the Trust have approved following matters on 20 October 2023:
- (i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 millions in one or more series or tranches on a private Placement basis to the eligible investors; and.
  - (ii) Availing additional rupee term loan facility upto ₹ 19,000 millions.
- The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750 millions at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 millions. The CPs was listed with Bombay Stock Exchange Limited on 31 October 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹19,000 millions out of which Trust has received disbursement of ₹ 14,248.43 millions from lenders on 02 November 2023, 21 November 2023, 22 November 2023, 04 January 2024, 18 March 2024 and 21 March 2024.
- 14 During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900 millions on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and institutional placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated 06 July 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 19 January 2024. The proceeds of ₹ 21,900 millions have been utilised for payment of purchase consideration of STPL and GRICL.
- 15 During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per Debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on 19 January 2024.
- 16 During the year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:
- (i) PNC Rajasthan Highways Private Limited ("PRHPL");
  - (ii) PNC Chitradurga Highways Private Limited ("PCHPL");
  - (iii) PNC Aligarh Highways Private Limited ("PAHPL");
  - (iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
  - (v) PNC Khajuraho Highways Private Limited ("PKHPL");
  - (vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
  - (vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
  - (viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
  - (ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
  - (x) PNC Unnao Highways Private Limited ("PUHPL");
  - (xi) PNC Gomti Highways Private Limited ("PGHPL") and
  - (xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").
- The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.
- 17 During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Wholtime Director of the Highway Concessions One Private Limited ("Investment Manager") till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Excecive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Excecive Officers effective from 01 April 2024.
- 18 Subsequent to the year ended 31 March 2024, three of the project SPVs, namely ANHPL, RAHPL, and GSHPL, have submitted petitions to the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. The aforementioned reduction was approved during extraordinary general meetings held on 04 April 2024 for ANHPL, RAHPL, and GSHPL respectively. Subsequent to the approval of the capital reduction scheme, The said consideration shall stand outstanding and the terms for such repayment will be mutually agreed upon by the Company and its shareholders. The petitions were filed on 08 April 2024 for ANHPL, RAHPL, and GSHPL, and were admitted by the NCLT on 17 April 2024 for GSHPL and 24 April 2024 for ANHPL. The subsequent hearings are scheduled for 24 July 2024 for GSHPL and 07 August 2024 for ANHPL.



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**Highways Infrastructure Trust**

**Notes to Audited Standalone Financial results for the quarter and year ended 31 March 2024**

**(All amounts in ₹ millions unless otherwise stated)**

- 19 Figures for the quarter ended 31 March 2024 represents the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
- 20 Figures for the quarter ended 31 March 2023 represents the balancing figures between the audited figures in respect of the full previous financial year and the published unaudited year-to-date figures up to the third quarter of the previous financial year, which were subject to limited review by us.
- 21 Previous period figures have been reclassified/regrouped wherever necessary to confirm to current period classification. The impact of the same is not material on these audited standalone financial results.
- 22 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

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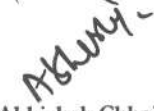


**Dr. Zafar Khan**  
Joint CEO  
DIN: 07641366

**Place:** Mumbai  
**Date:** 16 May 2024




**For and on behalf of Board of Directors of**  
Highways Concessions One Private Limited  
(as Investment Manager of Highways Infrastructure Trust)



**Abhishek Chhajjer**  
Chief Financial Officer

**Place:** Mumbai  
**Date:** 16 May 2024



**Gaurav Chandna**  
Executive Director and Joint CEO  
DIN: 10312924

**Place:** Mumbai  
**Date:** 16 May 2024



**Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Highway Concessions One Private Limited (As the Investment Manager of Highways Infrastructure Trust)**

## Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of Highways Infrastructure Trust ('Trust') and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), for the year ended 31 March 2024, attached herewith, being submitted by Highway Concessions One Private Limited ('the Investment Manager of the Trust') pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 11 below, the Statement:
  - (i) includes the annual financial results of the entities listed in Annexure 1;
  - (ii) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
  - (iii) gives a true and fair view in conformity with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group for the year ended 31 March 2024.





# Walker Chandiook & Co LLP

## Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') and other pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are Independent of the Group, in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 11 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Investment Manager and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Investment Manager of the Trust and has been approved by the Board of Directors of the Investment Manager of the Trust, has been prepared on the basis of the consolidated annual financial statements. The Investment Manager of the Trust is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net loss and other comprehensive income, and other financial information of the Group in accordance with recognition and measurement principles laid down in the Ind AS and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. The Investment Manager of the Trust is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, the respective Board of Directors of the Investment Manager of the Trust and of the companies included in the Group, are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Board of Directors of the Investment Manager of the Trust, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the Investment Manager of the Trust and of Companies included in the Group, are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Trust and Companies included in the Group.

### Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by the ICAI, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.



# Walker Chandiook & Co LLP

## Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

8. As part of an audit in accordance with the Standards on Auditing issued by the ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Trust has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager of the Trust;
  - Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of the Investment Manager of the Trust and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Trust, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.






# Walker Chandiook & Co LLP

Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

## Other Matters

11. We did not audit the annual financial statements of 7 subsidiaries included in the statement, whose financial information reflects total assets of ₹ 34,864.49 millions as at 31 March 2024, total revenues of ₹ 3,367.34 millions, total net profit after tax of ₹ 92.88 millions, total comprehensive income of ₹ 92.21 millions, and net cash outflows of ₹ 680.23 millions for the year ended 31 March 2024 as considered in the Statement. These annual financial statements have been audited by other auditors and whose audit reports have been furnished to us by the Investment Manager of the Trust, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit report(s) of such other auditors. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.
12. The Statement includes the consolidated financial results for the quarter ended 31 March 2024, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
**Manish Agrawal**  
Partner  
Membership No.: 507000

**UDIN:** 24507000BKDHOH1030

**Place:** New Delhi  
**Date:** 16 May 2024



# Walker Chandiook & Co LLP

Independent Auditor's Report on Consolidated Annual Financial Results of the Highways Infrastructure Trust ('the Trust') pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Cont'd)

## Annexure 1

### List of entities included in the Statement (in addition to the Trust)

- a. Jodhpur Pali Expressways Private Limited ('JPEPL')
- b. Godhra Expressways Private Limited ('GEPL')
- c. Nirmal BOT Private Limited ('NBPL') (formerly known as Nirmal BOT Limited)
- d. Dewas Bhopal Corridor Private Limited ('DBCPL')
- e. Shillong Expressway Private Limited ('SEPL')
- f. Ulundurpet Expressways Private Limited ('UEPL')
- g. Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f. 02 November 2023
- h. Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited) w.e.f. 22 November 2023
- i. Gurgaon Sohna Highway Private Limited ('GSHPL') w.e.f. 22 November 2023
- j. Ateli Narnaul Highway Private Limited ('ANHPL') (formerly known as H.G. Ateli Narnaul Highway Private Limited) w.e.f. 22 November 2023
- k. Swarna Tollway Private Limited ('STPL') w.e.f. 24 January 2024
- l. Gujarat Road and Infrastructure Company Limited ('GRICL') w.e.f. 24 January 2024



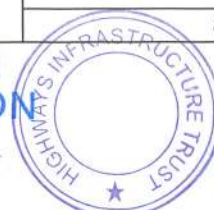


Highways Infrastructure Trust  
Consolidated Statement of Assets and Liabilities as at 31 March 2024  
(All amounts in ₹ millions unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
	<i>(Audited)</i>	<i>(Audited)</i>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	343.04	100.00
Capital work-in-progress	50.98	-
Goodwill	-	-
Intangible assets	55,432.88	19,353.89
Financial assets		
Others financial assets	8,009.09	541.71
Deferred tax assets (net)	338.00	319.08
Non-current tax assets (net)	410.34	83.57
Other non-current assets	72.13	6.26
<b>Total non-current assets</b>	<b>64,656.46</b>	<b>20,404.51</b>
<b>Current assets</b>		
Financial assets		
Investments	5,027.36	648.60
Trade receivables	310.66	0.16
Cash and cash equivalents	1,254.38	349.11
Bank balances other than cash and cash equivalents above	8,231.56	1,546.58
Others financial assets	2,780.27	631.38
Other current assets	723.16	55.23
<b>Total current assets</b>	<b>18,327.39</b>	<b>3,231.06</b>
<b>Total assets</b>	<b>82,983.85</b>	<b>23,635.57</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Unit capital	68,590.00	41,550.00
Other equity	(42,602.37)	(37,168.34)
<b>Equity attributable to equity holders of the Trust</b>	<b>25,987.63</b>	<b>4,381.66</b>
Non Controlling interests	5,634.05	-
<b>Total equity</b>	<b>31,621.68</b>	<b>4,381.66</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	33,870.39	14,541.86
Other financial liabilities	1,587.31	1,556.83
Provisions	890.88	281.56
Deferred tax liabilities (net)	6,426.85	1,565.26
Other non current liabilities	31.88	-
<b>Total non-current liabilities</b>	<b>42,807.31</b>	<b>17,945.51</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	3,423.67	225.00
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	38.01	10.18
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,285.65	377.53
Other financial liabilities	1,108.22	227.12
Other current liabilities	291.83	43.11
Provisions	2,396.17	425.46
Current tax liabilities (net)	11.31	-
<b>Total current liabilities</b>	<b>8,554.86</b>	<b>1,308.40</b>
<b>Total liabilities</b>	<b>51,362.17</b>	<b>19,253.91</b>
<b>Total equity and liabilities</b>	<b>82,983.85</b>	<b>23,635.57</b>



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Highways Infrastructure Trust

Statement of Consolidated financial results for the quarter and year ended 31 March 2024

(All amounts in ₹ millions unless otherwise stated)

Particulars	01 January 2024 to 31 March 2024	1 October 2023 to 31 December 2023	01 January 2023 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
	<i>(Refer Note 20)</i>	<i>(unaudited)</i>	<i>(Refer Note 20)</i>	<i>(Audited)</i>	<i>(Audited)</i>
<b>Income and gains</b>					
Revenue from operations	8,538.30	2,212.47	1,600.34	14,127.92	6,152.35
Interest income from bank deposits	190.86	70.05	23.63	306.45	121.51
Profit on sale of assets/investments	60.89	30.52	24.87	124.16	126.04
Other income	95.51	8.93	5.88	115.30	31.17
<b>Total income and gains</b>	<b>8,885.56</b>	<b>2,321.97</b>	<b>1,654.72</b>	<b>14,673.83</b>	<b>6,431.07</b>
<b>Expenses and losses</b>					
Valuation expenses	1.49	1.20	0.81	3.12	2.40
Audit fees (statutory auditor of Trust)	12.90	1.85	8.71	25.21	17.38
Audit fees (auditor of subsidiaries)	2.75	1.16	1.09	6.18	5.64
Insurance and security expenses	16.76	7.86	11.90	40.07	45.66
Employee benefits expense	60.38	28.86	26.36	145.36	104.03
Project management fees	49.13	46.36	40.83	171.05	53.55
Investment manager fees	145.60	58.00	60.49	367.20	111.61
Management support services fee	-	-	-	-	247.43
Trustee fees	1.48	1.68	2.92	4.18	4.43
Depreciation on property, plant and equipment	15.41	7.41	9.16	34.35	26.96
Amortization of intangible assets	1,064.45	456.34	307.82	2,176.01	1,139.01
Finance costs					
- Interest on term loan, non convertible debentures and others	1,116.47	536.13	367.60	2,236.07	1,743.11
- Other finance costs	167.70	91.18	(18.07)	416.13	447.48
Rating fee	12.28	2.20	1.82	18.97	2.35
Operation and maintenance expense	395.04	188.64	82.43	805.43	433.39
Corporate social responsibility	19.86	3.37	7.25	32.15	15.16
Provision for major maintenance obligation	801.26	321.43	226.20	1,424.15	416.39
Operating expenses	4,304.51	-	141.76	4,304.51	365.44
Independent consultancy and project monitoring fees	22.44	19.49	18.34	79.93	69.28
Legal and professional fees	206.08	38.55	91.47	419.32	152.55
Other expenses	25.23	15.88	7.80	75.69	63.34
<b>Total expenses and losses</b>	<b>8,441.22</b>	<b>1,827.59</b>	<b>1,396.70</b>	<b>12,785.08</b>	<b>5,466.59</b>
<b>Profit before exceptional items and tax for the period/year</b>	<b>444.34</b>	<b>494.38</b>	<b>258.02</b>	<b>1,888.75</b>	<b>964.48</b>
Exceptional items (refer note 17 and 18)	(3,689.54)	-	-	(3,689.54)	-
<b>(Loss)/Profit before tax for the period/year</b>	<b>(3,245.20)</b>	<b>494.38</b>	<b>258.02</b>	<b>(1,800.79)</b>	<b>964.48</b>
<b>Tax expense:</b>					
Current tax	204.93	106.00	36.25	452.22	225.67
Deferred tax	(236.45)	98.60	14.63	(243.02)	396.82
<b>Total tax expense</b>	<b>(31.52)</b>	<b>204.60</b>	<b>50.88</b>	<b>209.20</b>	<b>622.49</b>
<b>(Loss)/Profit after tax for the period/year</b>	<b>(3,213.68)</b>	<b>289.78</b>	<b>207.14</b>	<b>(2,009.99)</b>	<b>341.99</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
Remeasurement gains/(losses) on defined benefit plans	(0.50)	-	(0.11)	(0.65)	0.90
Income tax related to these items	(0.40)	-	-	(0.40)	-
<b>Total other comprehensive (loss)/income for the period/year</b>	<b>(0.90)</b>	<b>-</b>	<b>(0.11)</b>	<b>(1.05)</b>	<b>0.90</b>
<b>Total comprehensive (loss)/income for the period/year</b>	<b>(3,214.18)</b>	<b>289.78</b>	<b>207.03</b>	<b>(2,011.04)</b>	<b>342.89</b>
<b>(Loss)/Profit for the year attributable to</b>					
Unit holders	(3,289.47)	289.78	207.14	(2,085.78)	341.99
Non-controlling interests	75.79	-	-	75.79	-
<b>Other comprehensive (loss)/ income for the year attributable to</b>					
Unit holders	0.29	-	(0.11)	0.14	0.90
Non-controlling interests	(1.19)	-	-	(1.19)	-
<b>Total comprehensive (loss)/ income for the year attributable to</b>					
Unit holders	(3,288.78)	289.78	207.03	(2,085.64)	342.89
Non-controlling interests	74.60	-	-	74.60	-
<b>Earning per unit capital (Nominal value of unit capital ₹ 100 per unit)</b>					
Basic (₹)	(4.72)	0.61	0.50	(4.17)	0.82
Diluted (₹)	(4.72)	0.61	0.50	(4.17)	0.82



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Highways Infrastructure Trust  
Consolidated Statement of Cash flows for the year ended 31 March 2024  
(All amounts in ₹ millions unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
	(Audited)	(Audited)
<b>A. Cash flows from operating activities</b>		
(Loss)/ Profit before tax for the year	(1,800.79)	964.48
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	34.35	26.96
Amortization of intangible assets	2,176.01	1,139.01
Gain on sale of property, plant and equipment (net)	(0.77)	(0.02)
Gain on sale of investments (net)	(92.26)	(123.66)
Gain on investments carried at fair value through profit or loss (net)	(31.13)	(2.36)
Excess provisions written back	(50.22)	(9.15)
Bad debts written off	1.83	9.34
Impairment of intangible assets	587.81	-
Impairment of goodwill	3,101.73	-
Interest income	(306.45)	(121.51)
Finance cost		
Interest on term loan and non convertible debentures and others	2,236.07	1,684.64
Unwinding finance cost on deferred payment to National Highway Authority of India ('NHAI') for purchase of right to charge users of toll road	181.66	177.46
Unwinding of discount on provisions and financial liabilities carried at amortised cost	55.42	110.04
Unwinding of discount on provision for major maintainance	79.77	51.31
Finance and bank charges	84.82	162.08
Modification loss on financial liability	14.46	5.06
Modification (gain)/ loss on annuity	(41.19)	298.58
<b>Operating profit before working capital changes and other adjustments</b>	<b>6,231.12</b>	<b>4,372.26</b>
<b>Working capital changes and other adjustments:</b>		
Trade receivables	154.01	36.95
Other financial assets	2,448.03	621.00
Other assets	37.93	11.70
Trade payables	414.19	66.91
Provisions	(17.13)	102.03
Financial liabilities	(219.52)	72.32
Other liabilities	114.98	11.99
<b>Cash flow from operating activities post working capital changes</b>	<b>9,163.61</b>	<b>5,295.16</b>
Income tax paid (net of refund)	(637.05)	(267.30)
<b>Net cash flow from operating activities (A)</b>	<b>8,526.56</b>	<b>5,027.86</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of subsidiaries	(29,712.93)	-
Acquisition of property, plant and equipment	(91.04)	(13.34)
Proceeds from disposal of property plant and equipment and capital work-in progress	3.32	18.83
Investment in compulsarily convertible debentures ('CCD's')	-	(3,060.00)
Investment in preference shares	-	(545.10)
Proceeds from maturity of bank deposits	216.27	784.00
Purchase of current investments	(3,892.73)	-
Proceeds from sale maturity of current investments	-	1,629.82
<b>Net cash used in investing activities (B)</b>	<b>(33,477.11)</b>	<b>(1,185.79)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of units	27,040.00	4,160.00
Repayment of current borrowings	(16,645.82)	(112.50)
Repayment of non-current borrowings	-	(14,300.60)
Proceeds from commercial paper	2,559.13	-
Proceeds from current borrowings	19,089.69	14,469.03
Formation and issue expenses	(51.65)	(111.58)
Processing fees	(158.74)	(118.90)
Finance costs paid	(2,153.35)	(1,814.23)
Distribution made to unit-holders	(4,953.52)	(6,030.00)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>24,725.74</b>	<b>(3,858.78)</b>
<b>D Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(224.81)</b>	<b>(16.71)</b>
<b>E Addition on account of business combination</b>	<b>1,130.08</b>	<b>-</b>
<b>F Cash and cash equivalents at the beginning of the year</b>	<b>349.11</b>	<b>365.82</b>
<b>Cash and cash equivalents at the end of the year (D+E+F)</b>	<b>1,254.38</b>	<b>349.11</b>

Note:

The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, Statement of Cash Flows.



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Highways Infrastructure Trust

Additional disclosures as per regulation 52(4) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Consolidated financial results for the quarter and year ended 31 March 2024:

(all amounts in ₹ millions, except ratios)

Sl.No.	Particulars	01 January 2024 to 31 March 2024	1 October 2023 to 31 December 2023	01 January 2023 to 31 March 2023	01 April 2023 to 31 March 2024	01 April 2022 to 31 March 2023
		(Refer Note 20)	(Unaudited)	(Refer Note 20)	(Audited)	(Audited)
(a)	Debt equity ratio (in times) [Non-current borrowings + Current borrowings/unit capital]	1.44	3.94	3.37	1.44	3.37
(b)	Debt service coverage ratio (in times) [Profit before tax, finance costs, exceptional items/ Finance costs + Principal repayment for borrowings]	1.31	1.68	1.60	1.50	0.20
(c)	Interest service coverage ratio (in times) [Profit before tax, finance costs, exceptional items, depreciation and amortization expense]/ Finance cost	2.19	2.53	2.65	2.55	1.97
(d)	Outstanding redeemable preference shares	-	-	-	-	-
(e)	Capital redemption reserve/debenture redemption reserve	2.83	2.83	2.83	2.83	2.83
(f)	Net worth [Unit Capital + Other equity]	25,987.63	8,466.23	4,381.66	25,987.63	4,381.66
(g)	Net Profit after tax	(3,213.68)	289.78	207.14	(2,009.99)	341.99
(h)	Earning per unit capital [Profit/(loss) after tax/ Total number of units]	(4.72)	0.61	0.50	(4.17)	0.82
(i)	Current ratio (in times) [Current assets/ Current liabilities]	2.14	0.98	2.47	2.14	2.47
(j)	Long term debt to working capital (in times) [Non-current borrowings + Current borrowings/ Current assets less current liabilities (excluding current maturity of non-current borrowings)]	2.83	3.24	6.88	2.83	6.88
(k)	Bad debts to account receivable ratio (in %) [Bad debts/ Average trade receivables]	-	-	-	-	-
(l)	Current liability ratio (in %) [Current liabilities/ Total liabilities]	16.66%	32.84%	6.80%	16.66%	6.80%
(m)	Total debts to total assets ratio (in times) [Non-current borrowings + Current borrowings/ Total assets]	0.45	0.68	0.62	0.45	0.62
(n)	Debtors turnover (in times) [Revenue from operations/ Average Trade Receivables including financial assets]	891.63	165.67	1,339.19	754.27	328.47
(o)	Inventory turnover * [Sale of products/ Average inventory of finished goods and stock in trade]	NA	NA	NA	NA	NA
(p)	Operating margin (in %) [Profit before tax, finance cost, exceptional items and other income]/ Revenue from operations]	20.24%	50.70%	37.96%	32.14%	51.28%
(q)	Net profit margin (in %) [Profit after tax/ Revenue from operations]	-37.64%	13.10%	12.94%	-14.23%	5.56%

\*The Trust does not have any inventory, hence inventory turnover ratio is not applicable.

Notes:

(i) The Trust has outstanding senior, secured, taxable, rated, listed, redeemable non-convertible debentures ("NCD's") as at 31 March 2024 amounting to ₹ 11,340.62 millions (31 March 2023: ₹ 6,416.05 millions) for Series I, Series II and Series III which will mature on 22 December 2025, 22 September 2029 and 18 January 2027 respectively. The "NCD's" are listed on Bombay Stock Exchange (BSE). The asset cover exceeds 100% of the principal amount of "NCD's" as at 31 March 2024.

(ii) The Non Convertible Debentures ("NCD's") are secured by charge on the following:

a) first ranking pari passu security interest, by way of hypothecation on all movable assets and the receivables of Highways Infrastructure Trust (the Issuer), present and future, including but not limited to:

(i) all receivables of the Issuer from the HoldCos and SPVs;

(ii) loans and advances, and interest on such loans and advances advanced by the Issuer to the Hold Cos and SPVs;

(iii) dividends and any other amounts to be paid / payable by the Hold Cos and SPVs to the Issuer;

(iv) inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any) of the Issuer; and

(v) all other current assets of the Issuer, including all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future;

b) first ranking pari passu charge by way of mortgage on all immovable assets of the Issuer (if any), both present and future. It is clarified that, as on the date hereof, there is no immovable property owned by the Issuer.

c) first ranking pari passu charge by way of hypothecation over all bank accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account including the cash flows to be received from the Hold Cos and SPVs.

d) first ranking pari-passu charge over DSRA all funds from time to time deposited therein and all permitted investments or other securities representing all amounts credited to the DSRA or, as applicable, the bank guarantee or fixed deposit in lieu of the DSRA;

e) first ranking pari passu charge by way of assignment through hypothecation by way of security of (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to any of the Hold Cos and SPVs present and future (collectively, the "Issuer Loans"); (b) the right, title and interest and benefits of the Issuer in, to and under all the SPV Financing Documents, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans including the rights and securities available to the Issuer in respect of the Issuer Loans including documents in respect of Issuer Loan;

f) first ranking pari passu pledge over all the equity shares, preference shares, debentures (whether convertible or not) representing 100% (one hundred percent) of such securities, respectively, issued by each of the SPVs and the Hold Cos to the Issuer / HoldCo ("Pledged Securities");



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**Highways Infrastructure Trust**  
**Notes to Audited Consolidated Financial results for the quarter and year ended 31 March 2024**  
**(All amounts in ₹ millions unless otherwise stated)**

- 1 The audited consolidated financial results of Highways Infrastructure Trust ("Trust") for quarter and year ended 31 March 2024 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ("Investment Manager of the Trust") at their meeting held on 16 May 2024 and approved by the Board of Directors of the Investment Manager of the Trust at their meeting held on 16 May 2024. The statutory auditors have issued an unmodified audit report on the consolidated financial results.
- 2 The audited Consolidated financial results comprises the consolidated statement of assets and liabilities, consolidated statement of profit and loss, consolidated statement of cash flows and other explanatory notes pursuant to requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations")(audited Consolidated financial results). The audited consolidated financial results has been prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations.
- 3 The Trust was registered as an irrevocable trust set up under the provisions of Indian Trusts Act, 1882 on 03 December 2021 .Trust was registered as an Infrastructure Investment Trust under the InvIT Regulations, as on 23 December 2021 having registration number IN/ InvIT/ 21-22/ 0019.
- 4 **Distribution related to FY 2022-2023:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 1.6876 (rounded off) per unit amounting to ₹ 701.20 millions in their meeting held on 19 May 2023 and the aforesaid distribution was paid to eligible unitholders on 30 May 2023.  
**Distribution related to FY 2023-2024:**  
The Board of Directors of the Investment Manager have declared distribution of ₹ 2.6480 (rounded off) per unit amounting to ₹ 1,100.24 millions, ₹ 0.8725 (rounded off) per unit amounting to ₹ 420.05 millions and ₹ 3.6579 (rounded off) per unit amounting to ₹ 2,732.03 millions in their meeting held on 11 August 2023, 09 November 2023 and 06 February 2024 respectively and the aforesaid distribution was paid to eligible unitholders on 22 August 2023, 21 November 2023 and 16 February 2024 respectively. Subsequent to year end 31 March 2024, the Board of Directors of the Investment Manager of the Trust have declared distribution of ₹ 9.3792 (rounded off) per unit amounting to ₹ 7,005.19 millions in their meeting held on 16 May 2024. Accordingly, the total distribution for the financial year ended 31 March 2024 stands at ₹ 16.5576 per unit.  
Further the yield per unit for the financial year ended 31 March 2024 stands at 19.41%, which have been calculated as (Total distribution per unit for the financial year ended 31 March 2024/NAV per unit as disclosed in the financial statements as at 31 March 2024.)
- 5 During the previous year ended 31 March 2023, three of the project SPV's Viz. Godhra Expressways Private Limited ("GEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL") and Ulundurpet Expressways Private Limited ("UEPL") has filed the petition with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") for capital reduction under Section 66 and other provisions of the Companies Act, 2013. The said reduction was approved in the extraordinary general meeting in the respective Project SPVs which were held on 19 October 2022 for GEPL and DBCPL and on 29 November 2022 for UEPL. Pursuant to capital reduction scheme, the shareholders shall be entitled to receive an amount based on the fair market valuation of the equity shares of the aforesaid project SPV's and the said consideration shall be presented as loan outstanding to the shareholders. NCLT admission order has been received for the applications in GEPL, DBCPL and UEPL by Hon'ble NCLT and necessary notices have been given to the Regional Directors, ROC and creditors of these aforesaid mentioned SPV's.  
  
The final order for approving capital reduction scheme in DBCPL was received on 27 February 2023 and the final certificate of registration from Registrar of Companies, Mumbai was received on 20 March 2023 and the impacts of the same were considered in the previous year ended 31 March 2023. During the year ended 31 March 2024, the Hon'ble NCLT has approved the capital reduction scheme of GEPL on 12 June 2023 and final certificate of registration from Registrar of Companies, Mumbai was received on 14 August 2023 and the impacts of the same have been considered in the audited consolidated financial results for the year ended 31 March 2024. In UEPL, the Capital reduction Scheme was heard on 23 June 2023 and the same has been reserved for order by the Hon'ble NCLT. Thereafter, the matter was heard on 03 October 2023 and Hon'ble NCLT has asked for certain further clarifications on the matter. Further as per the NCLT order dated 10 January 2024, the Hon'ble NCLT has declined the Capital reduction scheme in UEPL. Further the Board of Directors of UEPL in its meeting held on 19 January 2024 has proposed to approach the Hon'ble National Company Law Appellate Tribunal ("NCLAT") to re-consider the scheme. The Trust has filled appeal under section 421 of Companies Act, 2013 with the Hon'ble NCLAT on 02 February 2024. Further, the matters were partially heard on 02 May 2024 and have been adjourned till 16 May 2024. On 16 May 2024 it has been further adjourned till 31 May 2024.
- 6 During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 03 May 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in four special purpose vehicles owned by H.G. Infra Engineering Limited i.e. Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited till 20 December 2023), Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited till 20 December 2023), Gurgaon Sohna Highway Private Limited ("GSHPL") and H.G. Rewari Bypass Private Limited ("RBPL"). Approval for change in ownership was received on 29 September 2023 from National Highways Authorities of India ("NHAI") for 3 SPV's viz. ANHPL, GSHPL and RAHPL. Consequently, the Trust acquired 100% issued and paid up share capital of these 3 SPV's on 21 November 2023 ("acquisition date") for a cash consideration of ₹ 1,511.49 Millions, ₹ 844.46 Millions and ₹ 757.83 Millions respectively from H.G Infra Engineering Limited. Consequently, ANHPL, GSHPL and RAHPL have become a subsidiaries of the Trust. Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.  
  
Accordingly, the revenue and corresponding expenses for ANHPL, GSHPL and RAHPL in the audited consolidated statement of Profit & Loss have been included from acquisition date till the year ended on 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103-Business combinations. The Trust has also carried out Purchase Price Allocation Study ("PPA") in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, necessary impacts have been considered in the audited consolidated financials for the year ended 31 March 2024.

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IDENTIFICATION  
PURPOSES**





7 During the previous year, the Trust has entered into a Share Purchase Agreement for acquiring 100% (one hundred percent) shareholding of Udupi Tollway Private Limited (UTPL) (formerly known as Navayuga Udupi Tollway Private Limited till 28 December 2023) in one or more tranches and management control in UTPL owned by Navayuga Road Projects Private Limited ("NRPL") and Navayuga Engineering Company Limited (NECL). Approval for change in ownership has been received on 11 September 2023 from National Highways Authorities of India ("NHAI"). During the year ended 31 March 2024, the Trust has acquired 100% stake on 02 November 2023 ('acquisition date') for cash consideration of ₹ 196.05 millions and UTPL become subsidiary of the Trust. Accordingly, the revenue and corresponding expenses have been included from 02 November 2023 to 31 March 2024 in the consolidated statement of profit and loss for the year ended 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. Accordingly, there is a gain on bargain purchase due to excess of fair value of intangible assets acquired and liabilities assumed over the cash consideration paid. The aforesaid gain on bargain purchase amounting to ₹ 20.45 millions is credited to capital reserve in audited financials for the year ended 31 March 2024 in accordance with IND AS 103- Business combinations. Accordingly, necessary impacts have been considered in the audited financials for the year ended 31 March 2024.

8 During the year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 28 July 2023 for acquisition of upto 83.61% of equity share capital in M/s. Gujarat Road and Infrastructure Company Limited ("GRICL") owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 1") and other shareholders of GRICL and 100% of equity share capital in M/s. Swarna Tollway Private Limited ("STPL"), owned by M/s. MAIF Investments India Pte. Ltd ("MAIF 2"). Approval for change in ownership was received on 24 January 2024 for GRICL and STPL. Consequently, the Trust acquired 100% issued and paid up share capital of STPL and 56.8% issued and paid up share capital of GRICL on 24 January 2024 ('acquisition date') for a total consideration (including transaction costs) of ₹ 5,657.22 millions and ₹ 20,745.90 millions respectively. Consequently, GRICL and STPL have become a subsidiaries of the Trust.

Accordingly, the revenue and corresponding expenses for GRICL and STPL in the audited Consolidated Statement of Profit and Loss have been included from acquisition date till the year ended on 31 March 2024. The Trust has accounted the business combination using acquisition method in accordance with IND AS 103- Business combinations. The Trust has also carried out Purchase Price Allocation Study in compliance with Ind AS 103 for the purpose of allocating the aforesaid cash consideration into identifiable net assets. The gain on bargain purchase amounting to ₹ 1,651.53 millions pertaining to GRICL has been credited to capital reserve in audited financials for the year ended 31 March 2024 in accordance with IND AS 103- Business combinations. Further goodwill amounting to ₹ 3,101.73 millions has been measured as excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed pertaining to STPL. All necessary impacts have been considered in the audited financials for the year ended 31 March 2024.

9 During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has executed the share purchase agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in Bangalore Elevated Tollway Private Limited owned by Galaxy Investments II Pte. Ltd (Sponsor of the Trust). The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

10 During the year ended 31 March 2024, the Board of Directors of the Investment Manager has executed the share purchase agreement on 15 January 2024 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in twelve special purpose vehicles owned by PNC Infratech Limited and PNC Infra Holdings Limited namely:

- (i) PNC Rajasthan Highways Private Limited ("PRHPL");
- (ii) PNC Chitradurga Highways Private Limited ("PCHPL");
- (iii) PNC Aligarh Highways Private Limited ("PAHPL");
- (iv) PNC Bundelkhand Highways Private Limited ("PBHPL");
- (v) PNC Khajuraho Highways Private Limited ("PKHPL");
- (vi) PNC Triveni Sangam Highways Private Limited ("PTSHPL");
- (vii) PNC Challakere (Karnataka) Highways Private Limited ("PCKHPL");
- (viii) PNC Meerut Haridwar Highways Private Limited ("PMHHPL");
- (ix) PNC Bithur Kanpur Highways Private Limited ("PBKHPL");
- (x) PNC Unnao Highways Private Limited ("PUHPL");
- (xi) PNC Gomti Highways Private Limited ("PGHPL") and
- (xii) PNC Bareilly Nainital Highways Private Limited ("PBNHPL" or the "Toll Asset").

The completion of acquisition would depend upon receipt of relevant approvals and completion of contractual obligations.

11 During the year ended 31 March 2024, the Board of Directors of Highway Concessions One Private Limited (acting in its capacity as Investment Manager of the Trust), in its meeting held on 06 July 2023, had considered and approved, inter-alia, issue of units aggregating up to ₹ 5,150.00 millions ("Issue") by way of a rights issue to eligible unitholders of the Trust, subject to receipt of necessary approvals from statutory, regulatory and other authorities as applicable in accordance with the applicable provisions of the SEBI InvIT Regulations and other applicable laws. The net proceeds from the issue are proposed to be utilised towards the following objects: (a) Acquisition of 100% of the issued, subscribed and paid-up equity share capital of the Ateli Narnaul Highway Private Limited ("Target SPV") from H.G. Infra Engineering Limited ("Shareholders of the Target SPV") (b) Partial or full repayment of the outstanding debt of the Target SPV, including the debt availed by the Target SPV from certain external lenders and its existing shareholders; and (c) for general purposes. Pursuant to the above issue, draft letter of offer filed with the National Stock Exchange of India Limited ("NSE") on 07 July 2023, and letter of offer filed with NSE on 25 September 2023 in accordance with applicable law. Further, the Investment Manager of the Trust has approved allotment of 65,931,294 units on a rights basis on 13 October 2023 to the eligible unitholders of Highways Infrastructure Trust who have submitted bids under the rights issue for cash at a price of ₹ 77.96 per unit aggregating to approximately ₹ 5,140.00 million, in accordance with the applicable law. In-principal approval for listing of the above units was received via letter dated 16 October 2023 from NSE who intimated the Investment Manager of the Trust that the NSE has listed and admitted to dealings of these units on the Stock Exchange w.e.f 17 October 2023.

The Trust has paid issue management fees of ₹ 17.70 millions to Axis Capital Limited ("Axis Capital") from the Rights Issue Proceeds during the quarter ended 31 December 2023. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The disclosure w.r.t. issue management fees was disclosed on the letter of offer dated 25 September 2023 for rights issue filed with the NSE.

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IDENTIFICATION  
PURPOSES





- 12 During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment and issue of 50,000 Senior, Secured, Listed, Rated, Taxable, Redeemable, Non-convertible Debt Securities of face value of ₹ 100,000 each ("Debentures") on private placement basis out of which 15,000 Debentures have been issued at par i.e. at the issue price ₹ 100,000 per Debenture and 35,000 Debentures have been issued at the issue price ₹ 100,300.10 per Debenture in accordance with the SEBI LODR Regulations. The debentures were listed with Bombay Stock Exchange on 19 January 2024.
- 13 During the year ended 31 March 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 265,454,540 units of the Trust at an issue price of ₹ 82.50 per unit for an aggregate amount up to approximate ₹ 21,900 millions on a preferential basis in accordance with the the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with Chapter 7 'guidelines for preferential issue and insituational placement of units by listed InvITs' of Master Circular for Infrastructure Investment Trusts (InvITs) dated 06 July 2023 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 19 January 2024. The proceeds of ₹ 21,900 millions have been utilised for payment of purchase consideration of STPL and GRICL.
- 14 During the year ended 31 March 2024, Board of directors of Investment Manager of the Trust have approved following matters on 20 October 2023:
- (i) Issuance of listed, rated, unsecured, Commercial Papers ("CPs") aggregating upto ₹ 2,750.00 millions in one or more series or tranches on a private Placement basis to the eligible investors; and
- (ii) Availing additional rupee term loan facility upto ₹ 19,000 millions.
- The Board of Directors of the Investment Manager of the Trust has approved the allotment of 5,500 commercial papers having maturity of ₹ 500,000/- each and aggregate maturity value of ₹ 2,750 millions at issue price of ₹ 465,295.50 only each aggregating to ₹ 2,559.13 millions. The CPs were listed with Bombay Stock Exchange Limited on 31 October 2023. Further, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI") and Axis Bank Limited as lenders for an amount of ₹19,000 millions out of which Trust has received disbursement of ₹ 14,248.43 millions from lenders on 02 November 2023, 21 November 2023, 22 November 2023, 04 January 2024, 18 March 2024 and 21 March 2024.
- 15 During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time ("SEBI Regulations") and pursuant to Regulation 26A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding resignation of Mr. Narayanan Doraiswamy, existing Chief Financial Officer ("CFO") of the Investment Manager of the Trust vide its letter dated 28 August 2023. Mr. Narayanan Doraiswamy held his current position of CFO till 31 December, 2023 (end of business hours) and post that he has ceased to be a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, SEBI Regulations and SEBI LODR Regulations from date of relieving. Further, the Board of Directors of Investment Manager of the Trust in its meeting dated 25 September, 2023 have approved the appointment of Mr. Abhishek Chhajjer as the Chief Financial Officer (CFO) of the Investment Manager of the Highways Infrastructure Trust in place of the existing CFO which has been effective from 01 January, 2024 onwards. Mr. Abhishek Chhajjer has been appointed as a Key Managerial Personnel (KMP) and Senior Management under the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other provisions of the SEBI Regulations with effective from the date as mentioned above.
- 16 During the year ended 31 March 2024, pursuant to the applicable provisions of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 read with circulars and guidelines issued thereunder from time to time and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of Investment Manager of the Trust have informed the National Stock Exchange of India Limited and BSE Limited regarding retirement of Mr. Neeraj Sanghi from the position of Chief Executive Officer and Wholetime Director of the Highway Concessions One Private Limited ("Investment Manager") till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandna as Joint Chief Executive Officers and Additional Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.
- 17 During the year the Trust has aquired one SPV namely STPL which is primarily engaged in the business of carrying out the project of Design, Engineering, Construction, Development, Finance, Operation and Maintenance of road on Build, Operate and Transfer (BOT-Toll) basis. In accordance with the requirements of Ind AS 103, Business Combinations (Ind AS 103), the assets and liabilities, including road assets, acquired through aforesaid acquisition were recorded in the accompanying financial statements at fair value ('Purchase Price Allocation' or 'PPA'). This also resulted in recognition of goodwill amounting to ₹ 3,101.73 millions, being the difference between the fair value of the net assets acquired and the purchase consideration paid by the Trust.
- The cash inflows from project are largely independent of those from other assets or groups of assets. Accordingly goodwill has been allocated to cash generating unit of STPL.
- Management periodically assesses whether there is an indication that such goodwill may be impaired. For goodwill, where impairment indicators exists, management compares the carrying amount of such goodwill with its recoverable amount. As on the reporting date, the recoverable amount of this goodwill as Nil. Recoverable amount is value in use computed based upon value-in-use calculations which uses cash flow projections (as approved by the management) covering the concession period as the Group believes this to be the most appropriate timescale for reviewing and considering performance. As the carrying amount is in excess of the recoverable amount of goodwill, impairment loss has been recorded on the aforesaid goodwill during the year.
- 18 As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of Intangible assets (toll collection rights) and provided for an impairment loss of ₹ 587.81 millions during the quarter ended 31 March 2024 (Quarter ended 31 December 2023: Nil and Quarter ended 31 March 2023: Nil) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis) respectively in respect of intangible assets of the subsidiary companies of the Trust.
- 19 Subsequent to the year ended 31 March 2024, three of the project SPVs, namely ANHPL, RAHPL, and GSHPL, have submitted petitions to the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') for capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. The aforementioned reduction was approved during extraordinary general meetings held on 04 April 2024 for ANHPL, RAHPL, and GSHPL respectively. Subsequent to the approval of the capital reduction scheme, The said consideration shall stand outstanding and the terms for such repayment will be mutually agreed upon by the Company and its shareholders. The petitions were filed on 08 April 2024 for ANHPL, RAHPL, and GSHPL, and were admitted by the NCLT on 17 April 2024 for GSHPL and 24 April 2024 for ANHPL. The subsequent hearings are scheduled for 24 July 2024 for GSHPL and 07 August 2024 for ANHPL.



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IDENTIFICATION  
PURPOSES



Highways Infrastructure Trust  
Notes to Audited Consolidated Financial results for the quarter and year ended 31 March 2024  
(All amounts in ₹ millions unless otherwise stated)

- 20 The consolidated financial results for the quarter ended 31 March 2024 and 31 March 2023, being the balancing figures between the audited consolidated financial figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the respective financial year, which were subject to limited review by us.
- 21 Previous period figures have been reclassified/regrouped wherever necessary to conform to current period classification. The impact of the same is not material to these consolidated financial results.
- 22 All values are rounded to nearest millions, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.

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IDENTIFICATION  
PURPOSES



Gaurav Chandna  
Executive Director and  
Joint CEO  
DIN: 10312924

Place: Mumbai  
Date: 16 May 2024

For and on behalf of Board of Directors of  
Highways Concessions One Private Limited  
(as Investment Manager of Highways Infrastructure Trust)

Abhishek Chhajer  
Chief Financial Officer

Place: Mumbai  
Date: 16 May 2024

Dr. Zafar Khan  
Joint CEO

Place: Mumbai  
Date: 16 May 2024





**Statement indicating statement of utilization of issue proceeds and Statement of deviation/ variation in use of issue proceeds of listed non-convertible debt securities for the quarter ended March 31, 2024 Statement of utilization of issue proceeds**

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised	Funds utilized	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Highways Infrastructure Trust	INE0KXY07018	Private Placement	Non-Convertible Debenture	23-09-2022	Rs. 400,00,00,000	Rs. 400,00,00,000	No	NA	-
Highways Infrastructure Trust	INE0KXY07026	Private Placement	Non-Convertible Debenture	23-09-2022	Rs. 250,00,00,000	Rs. 250,00,00,000	No	NA	-
Highways Infrastructure Trust	INE0KXY07034	Private Placement	Non-Convertible Debenture	18-01-2024	Rs. 5,000,00,00,000	Rs. 5,000,00,00,000	No	NA	-

**A. Statement of deviation/ variation in use of Issue proceeds:**

Particulars	Remarks
Name of listed entity	Highways Infrastructure Trust
Mode of fund raising	Private Placement
Type of instrument	Non-Convertible Debentures
Date of raising funds	As per above Annexure
Amount raised	As per above Annexure
Report filed for quarter ended	March 31, 2024
Is there a deviation/ variation in use of funds raised?	No Deviation
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	No
If yes, details of the approval so required?	Not Applicable
Date of approval	Not Applicable
Explanation for the deviation/ variation	Not Applicable
Comments of the audit committee after review	Not Applicable
Comments of the auditors, if any	Not Applicable

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
Not Applicable						

Deviation could mean:

Deviation in the objects or purposes for which the funds have been raised.

Deviation in the amount of funds actually utilized as against what was originally disclosed.

**Name of signatory: Kunjal Shah**

**Designation: Compliance Officer**



**Prepared for:**  
**Highways Infrastructure Trust ("the Trust")**

**Highway Concessions One Private Limited**  
**("the Investment Manager")**

**Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended**

**Fair Enterprise Valuation**

**Valuation Date: 31<sup>st</sup> March 2024**

**Report Date: 10<sup>th</sup> May 2024**

**Mr. S Sundararaman,**  
**Registered Valuer,**  
IBBI Registration No - IBBI/RV/06/2018/10238

RV/SSR/R/2025/05

Date: 10<sup>th</sup> May, 2024**Highways Infrastructure Trust**

2<sup>nd</sup> Floor, Piramal Tower,  
Peninsula Corporate Park,  
Lower Parel, Mumbai – 400 013.

**Highway Concessions One Private Limited**

(acting as the Investment Manager to Highways Infrastructure Trust)

601-602, 6<sup>th</sup> Floor, Windsor House,  
Off CST Road, Kalina,  
Santacruz (East), Mumbai – 400 098

**Sub: Financial Valuation of InvIT assets as per SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended (“the SEBI InvIT Regulations”)**

Dear Sir(s)/ Madam(s),

I, Mr. S. Sundararaman (“**Registered Valuer**” or “**RV**” or “**I**” or “**My**” or “**Me**”) bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 10<sup>th</sup> April 2024 as an independent valuer, as defined as per Regulation 2(zf) of the SEBI InvIT Regulations, by **Highway Concessions One Private Limited** (“**HC One**” or “**the Investment Manager**”) acting as the Investment manager for **Highways Infrastructure Trust** (“**the Trust**” or “**Highways InvIT**”), an infrastructure investment trust, registered with the **Securities Exchange Board of India** (“**SEBI**”) with effect from 23<sup>rd</sup> December 2021, bearing registration number IN/InvIT/21-22/0019 and **Axis Trustee Services Limited** (“**the Trustee**”) acting on behalf of the Trust. For the purpose of determination of the financial valuation of the special purpose vehicles (defined below and hereinafter together referred as “**the SPVs**”) of InvIT Asset held by Highways Infrastructure Trust as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**SEBI InvIT Regulations**”). The SPVs are to be valued as per Regulation 21 of SEBI (Infrastructure Investment Trust) Regulations 2014 (“**SEBI InvIT Regulations**”) as amended from time to time, where HC One is acting as the Investment Manager.

I am enclosing the independent valuation Report providing opinion on the fair enterprise value of the SPVs as defined hereinafter on a going concern basis as at 31<sup>st</sup> March 2024 (“**Valuation Date**”).

Enterprise Value (“**EV**”) is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPVs as at 31<sup>st</sup> March 2024, where the adjusted enterprise value (“**Adjusted EV**”) is derived as EV as defined above plus cash and cash like items (which includes cash and cash equivalent and current investment) of the SPVs as at 31<sup>st</sup> March 2024.

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, those are not independently investigated or otherwise verified. My team and I have no present or planned future interest in the Trust, the SPVs or the Investment Manager except to the extent of this appointment as an independent valuer and the fee for this Valuation Report (“**Report**”) which is not contingent upon the values reported herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

The analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this Report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.



Following Special Purpose Vehicles are held under the Trust:

Sr. No.	Name of the SPVs	Term	COD/PCOD	Project Type
1	Dewas Bhopal Corridor Private Limited	DBCPL	10 <sup>th</sup> February 2009	Toll SPVs
2	Godhra Expressways Private Limited	GEPL	31 <sup>st</sup> October 2013	
3	Jodhpur Pali Expressway Private Limited	JPEPL	31 <sup>st</sup> October 2014	
4	Ulundurpet Expressways Private Limited	UEPL	23 <sup>rd</sup> July 2009	
5	Nirmal BOT Private Limited	NBPL	22 <sup>nd</sup> July 2009	Annuity SPVs
6	Shillong Expressway Private Limited	SEPL	28 <sup>th</sup> February 2013	
7	Udupi Tollway Private Limited	UTPL	1 <sup>st</sup> February, 2017	Toll SPVs
8	Gujarat Road & Infrastructure Company Limited – Vadodara Halol Section	GRICL*	24 <sup>th</sup> October 2000	
	Gujarat Road & Infrastructure Company Limited – Ahmedabad Mehsana Section	GRICL*	20 <sup>th</sup> February 2003	
9	Swarna Tollway Private Limited – Nandigama Ibrahimpatnam Section	STPL	12 <sup>th</sup> July 2005	
	Swarna Tollway Private Limited – Tada Nellore Section	STPL	31 <sup>st</sup> October 2005	
10	Ateli Narnaul Highway Private Limited	ANHPL	11 <sup>th</sup> March, 2022	HAM SPVs
11	Gurgaon Sohna Highway Private Limited	GSHPL	25 <sup>th</sup> February, 2022	
12	Rewari Atari Highway Private Limited	RAHPL	15 <sup>th</sup> November, 2021	

(Hereinafter referred to as “the SPVs”)

\* The Trust owns 56.8% equity stake/economic interest in GRICL.

The information provided to me by the Investment Manager in relation to the SPVs included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.

By nature, valuation is based on estimates and it includes the risks and uncertainties relating to the events occurring in the future. Accordingly, the actual figures in future may differ from these estimates and may have a significant impact on the valuation of the SPVs.

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I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiry to satisfy myself that such information has been prepared on a reasonable basis.

Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

The valuation provided by RV and the valuation conclusion are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by the Securities and Exchange Board of India ("**SEBI**") thereunder as amended from time-to-time.

Please note that all comments in the Report must be read in conjunction with the caveats to the Report, which are contained in Section 10 of this Report. This letter, the Report and the summary of valuation included herein can be provided to Trust's advisors and may be made available for the inspection to the public and with the SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

RV draws your attention to the limitation of liability clauses in Section 10 of this Report.

This letter should be read in conjunction with the attached Report.

Yours faithfully,

SWAMINATHAN Digitally signed by  
SUNDARARAMA SWAMINATHAN  
N SUNDARARAMAN  
Date: 2024.05.10  
22:26:02 +05'30'

**S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 24028423BKGAAQ3059

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## Definition, abbreviation & glossary of terms

Abbreviations	Meaning
ANHPL	Ateli Narnaul Highway Private Limited
BOT	Build, Operate and Transfer
Capex	Capital Expenditure
CCIL	Clearing Corporation of India Limited
CCM	Comparable Companies Multiples
COD	Commercial Operation Date
Cr	Crores
CTM	Comparable Transactions Multiples
DBCPL	Dewas Bhopal Corridor Private Limited
DBFOT	Design, Build, Finance, Operate and Transfer
DCF	Discounted Cash Flow
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ERP	Equity Risk Premium
ETC	Electronic Toll Collection
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FPM	Final Placement Memorandum
FY	Financial Year Ended 31 <sup>st</sup> March
GEPL	Godhra Expressways Private Limited
GQ	Golden Quadrilateral
GRICL	Gujarat Road Infrastructure Company Limited
GSHPL	Gurgaon Sohna Highway Private Limited
HAM	Hybrid Annuity Model
ICDS	Income Computation and Disclosure Standards
Ind AS	Indian Accounting Standards
INR	Indian Rupees
Investment Manager/HC One	Highway Concessions One Private Limited
IVS	ICAI Valuation Standards 2018
JPEPL	Jodhpur Pali Expressway Private Limited
Kms	Kilometers
MoRTH	Ministry of Road Transport and Highways
MPRDC	Madhya Pradesh Road Development Corporation Limited.
MMR	Major Maintenance and Repairs
Mn	Million
NAV	Net Asset Value Method
NBPL	Nirmal BOT Private Limited
NCA	Net Current Assets Excluding Cash and Bank Balances
NH	National Highway
NHAI	National Highways Authority of India
NHDP	National Highways Development Project

NS-EW	North- South and East-West Corridors
O&M	Operation & Maintenance
PM	HC One Project Manager Private Limited
PPP	Public Private Partnership
PWD(R)	Public Works Department, Government of Rajasthan
RAHPL	Rewari Ateli Highway Private Limited
RV	Registered Valuer
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
SEPL	Shillong Expressway Private Limited
SH	State Highway
Sponsor/ Galaxy	Galaxy Investments II Pte. Ltd.
SPV	Special Purpose Vehicle
STPL	Swarna Tollway Private Limited
Trustee	Axis Trustee Services Limited
Trust	Highways Infrastructure Trust
UTPL	Udupi Tollway Private Limited
UEPL	Ulundurpet Expressways Private Limited

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**Contents**

<b>Section</b>	<b>Particulars</b>	<b>Page No.</b>
1	Executive Summary	8
2	Procedures adopted for current valuation exercise	16
3	Overview of the InvIT and the SPVs	17
4	Overview of the Industry	49
5	Valuation Methodology and Approach	56
6	Valuation of the SPVs	59
7	Valuation Conclusion	66
8	Additional procedures for compliance with InvIT Regulations	69
9	Sources of Information	73
10	Exclusions and Limitations	74
<b>Appendices</b>		
11	Appendix 1 : Valuation of SPVs as on 31 <sup>st</sup> March 2024	77
12	Appendix 2 : Weighted Average Cost of Capital of the SPVs	90
13	Appendix 3: Summary of Approvals and Licenses	93
14	Appendix 4: Summary of Ongoing Litigations	105

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# 1. Executive Summary

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## 1.1. Background

### The Trust

- 1.1.1. Highways Infrastructure Trust (“the **Trust**” or “**InvIT**”) was established on 3<sup>rd</sup> December 2021 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882. The Trust is registered as an Indian infrastructure investment trust with the Securities and Exchange Board of India (“SEBI”) with effect from 23<sup>rd</sup> December 2021, bearing registration number IN/InvIT/21-22/0019, pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time (“the SEBI InvIT Regulations”).
- 1.1.2. The units of the Trust were listed on NSE in August 2022 by way of an initial offer of units consisting of a private placement. The object and purpose of the Trust, as described in the Trust Deed, is to carry on the activity of an infrastructure investment trust as permissible under the InvIT Regulations to raise funds through the Trust, to make investments in accordance with the InvIT Regulations and the investment strategy and to carry on the activities as may be required for operating the Trust, including incidental and ancillary matters thereto.
- 1.1.3. The InvIT currently involved in owning, operating and maintaining a portfolio of 12 road projects in the Indian states of Gujarat, Madhya Pradesh, Telangana, Meghalaya, Haryana, Karnataka, Tamil Nadu, Andhra Pradesh and Rajasthan pursuant to the concessions granted by the National Highways Authority of India (“NHAI”), Ministry of Road Transport and Highways (“MoRTH”), Madhya Pradesh Road Development Corporation Limited (“MPRDC”) and Government of Gujarat.
- 1.1.4. The unitholding of the Trust as on the 31<sup>st</sup> March 2024 is as under :

Sr. No.	Particulars	No. of units	%
1	Galaxy Investments II Pte. Ltd.	37,39,00,000	50.06%
2	Nebula Asia Holdings II Pte. Ltd	18,06,06,060	24.18%
3	2452991 Ontario Limited	14,83,41,698	19.86%
4	Manipal Education and Medical Group India Private Limited	3,03,03,030	4.06%
5	Others	1,37,35,046	1.84%
	<b>Total</b>	<b>74,68,85,834</b>	<b>100.00 %</b>

Source: Investment Manager

### The Sponsor

- 1.1.5. Galaxy Investments II Pte. Ltd., Singapore (“the Sponsor” or “Galaxy”) has sponsored an infrastructure investment trust under the SEBI InvIT Regulations called “Highways Infrastructure Trust” (“Highways InvIT” or “the Trust”). Galaxy was incorporated on 11<sup>th</sup> June 2021 in Singapore. Galaxy is involved in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the “infrastructure” sector.
- 1.1.6. Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd (“KKR”). Galaxy is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR.
- 1.1.7. Founded in 1976, KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions with approximately US\$ 519 billion of assets under management as of 30th June that offers alternative asset management as well as capital markets and insurance solutions.
- 1.1.8. is Trustee Services Limited (“the Trustee”) has been appointed as the Trustee of the Highways InvIT. Highway Concessions One Private Limited (“HC One” or “the Investment Manager”) has been appointed as the Investment Manager of the Trust by the Trustee and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations

### The Investment Manager and the Project Manager

- 1.1.9. Highway Concessions One Private Limited is the current Investment Manager of the Trust. Simultaneously, the Trustee appointed as the project manager of the Trust.
- 1.1.10. Shareholding Pattern of the Investment Manager as at 31<sup>st</sup> March 2024 is as follows:

Sr. No.	Particulars	No. of shares	%
1	Galaxy Investments II Pte. Ltd.	3,76,47,288	80.50%
2	2743298 ONTARIO LIMITED	91,19,530	19.50%
3	Vidyadhar S. Dabholkar*	1	0.00%
	<b>Total</b>	<b>4,67,66,819</b>	<b>100.00%</b>

\* as a nominee of Galaxy Investments II Pte. Ltd.

Source: Investment Manager

- 1.1.11. Shareholding Pattern of the Project Manager as at 31<sup>st</sup> March 2024 is as follows:

Sr. No.	Particulars	No. of shares	%
1	Highway Concessions One Private Limited	99,999	100.00%
2	Vidyadhar S. Dabholkar*	1	0.00%
	<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

\* as a nominee of Highway Concessions One Private Limited

Source: Investment Manager

- 1.1.12. I understand that the management of the Trust is desirous of undertaking financial valuation of 12 SPVs. In this regards, I have been mandated to determine the fair enterprise value of 12 SPVs as defined in the Letter in accordance with the SEBI InvIT Regulations and in this context would like me to carry out valuation of SPVs as on 31<sup>st</sup> March 2024.

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## Scope and Purpose of Valuation

### 1.2. Financial Asset to be Valued

The financial asset under consideration are valued at Enterprise Value of the following:

Sr. No.	Name of the SPVs	Term
1	Dewas Bhopal Corridor Private Limited	DBCPL
2	Godhra Expressways Private Limited	GEPL
3	Jodhpur Pali Expressway Private Limited	JPEPL
4	Ulundurpet Expressways Private Limited	UEPL
5	Nirmal BOT Private Limited	NBPL
6	Shillong Expressway Private Limited	SEPL
7	Udupi Tollway Private Limited	UTPL
8	Gujarat Road & Infrastructure Company Limited – Vadodara Halol Section	GRICL*
8	Gujarat Road & Infrastructure Company Limited – Ahmedabad Mehsana Section	GRICL*
9	Swarna Tollway Private Limited – Nandigama Ibrahimpatnam Section	STPL
9	Swarna Tollway Private Limited – Tada Nellore Section	STPL
10	Ateli Narnaul Highway Private Limited	ANHPL
11	Gurgaon Sohna Highway Private Limited	GSHPL
12	Rewari Atari Highway Private Limited	RAHPL

(Hereinafter referred to as “the SPVs”)

\* The Trust owns 56.8% equity stake/economic interest in GRICL.

- 1.2.1. In this regard, the Investment Manager has appointed me, S. Sundararaman (“Registered Valuer” or “RV” or “I” or “My” or “Me”) bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake fair valuation of the SPVs at the enterprise level as per the extant provisions of the SEBI InvIT Regulations issued by SEBI. Enterprise Value (“EV”) is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash like items to meet those liabilities.
- 1.2.2. Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs which is derived as the EV as defined above plus cash or cash equivalents of the SPVs as at the Valuation Date.
- 1.2.3. I declare that:
- I am competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
  - I am not an associate of the sponsor(s) or investment manager or trustee and I have not less than five years of experience in valuation of infrastructure assets;
  - I am independent and have prepared the Report on a fair and unbiased basis;
  - I have valued the SPVs based on the valuation standards as specified / applicable as per SEBI InvIT Regulations.

This Report covers all the disclosures required as per the SEBI InvIT Regulations and the Valuation of the SPVs is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

### 1.3. Nature of the Asset to be Valued

The RV has been mandated by the Investment Manager to arrive at the Enterprise Value (“EV”) of the SPVs. Enterprise Value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

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#### 1.4. Valuation Base

Valuation Base means the indication of the type of value being used in an engagement. In the present case, I have determined the fair value of the SPVs at the enterprise level. Fair Value Bases defined as under:

##### **Fair Value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. It is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Fair value or Market value is usually synonymous to each other except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.

#### 1.5. Valuation Date

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The Valuation Date considered for the fair enterprise valuation of the SPVs is 31<sup>st</sup> March 2024 (“**Valuation Date**”). The attached Report is drawn up by reference to accounting and financial information as on 31<sup>st</sup> March 2024. The RV is not aware of any other events having occurred since 31<sup>st</sup> March 2024 till date of this Report which he deems to be significant for his valuation analysis.

#### 1.6. Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. In the present case, RV has determined the fair enterprise value of the SPVs on a Going Concern Value defined as under:

##### **Going Concern Value**

Going Concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc.

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## 1.7. Summary of Valuation

I have assessed the fair enterprise value of the SPVs on a stand-alone basis by using the Discounted Cash Flow (“DCF”) method under the income approach. Following table summarizes my explanation on the usage or non usage of different valuation methods:

Valuation Approach	Valuation Methodology	Used	Explanation
Cost Approach	Net Asset Value	No	NAV does not capture the future earning potential of the business. Hence NAV method is considered only for background reference.
Income Approach	Discounted Cash Flow	Yes	<p><b>For Annuity SPVs:</b> The revenue of NHAI Annuity SPVs is mainly derived from the annuity fees that are typically pre-determined with NHAI (as specified in the respective concession agreement) and cannot be modified to reflect prevailing circumstances like inflation &amp; interest rates.</p> <p><b>For Toll SPVs:</b> The Toll SPVs derive almost all of their revenue from their toll-road operations. The Toll SPVs are substantially dependent on the accuracy of the traffic volume forecasts for their respective projects.</p> <p><b>For HAM SPVs:</b> The revenue of the SPV is mainly derived from the annuity fees and O&amp;M payments that is typically pre-determined with the relevant government authority and cannot be modified to reflect prevailing circumstances, other than annual adjustments to account for inflation and interest rate changes as applicable, as specified in the concession agreements.</p> <p>Accordingly, since all the SPVs are generating income based on pre-determined agreements / mechanism and since the Investment Manager has provided me the financial projections for the balance tenor of the concessions agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.</p>
Market Approach	Market Price	No	The equity shares of the SPVs are not listed on any recognized stock exchange in India. Hence, I was unable to apply the market price method.
	Comparable Companies	No	In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPVs, I am unable to consider this method for the current valuation.
	Comparable Transactions	No	In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.

Under the DCF Method, the Free Cash Flow to Firm (“FCFF”) has been used for the purpose of valuation of the SPVs. In order to arrive at the fair EV of the SPVs under the DCF Method, I have relied on Provisional Financial Statements for the period ended 31<sup>st</sup> March 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the SPVs provided to me by the Investment Manager as at the Valuation Date on their best judgement.

The discount rate considered for the SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital (“WACC”) for the SPVs. As the SPVs under consideration have executed projects under the DBFOT/BOT model, the operating rights of the underlying assets shall be transferred back to the appointing authority after the expiry of the concession period. At the end of the agreed concession period, the operating rights in relation to the roads, the obligation to maintain the road reverts to the government entity that granted the concession by the SPVs. Accordingly, terminal period value i.e. value on account of cash flows to be generated after the expiry of concession period has not been considered.



Based on the methodology and assumptions discussed further, RV has arrived at the fair enterprise value of the SPVs as on the Valuation Date:

INR Mn				
Sr. No.	SPVs	WACC	Enterprise Value	Adjusted Enterprise Value
1	DBCPL	10.5%	16,858	17,084
2	GEPL	10.5%	22,793	22,871
3	JPEPL	10.5%	5,565	5,666
4	UEPL	10.1%	3,533	4,174
5	NBPL	8.1%	944	1,128
6	SEPL	8.1%	189	542
7	UTPL	10.6%	9,063	9,343
8	GRICL*	10.3%	12,312	17,100
9	STPL	9.9%	15,182	20,275
10	ANHPL	7.4%	4,485	5,380
11	GSHPL	7.5%	2,957	3,333
12	RAHPL	7.4%	2,743	2,792
<b>Total</b>			<b>96,624</b>	<b>1,09,688</b>

\*The trust holds 56.8% equity stake in GRICL

(Refer Appendix 1 & 2 for the detailed workings)

Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. The Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

Further, on the request of the Investment Manager, I have calculated Adjusted Enterprise Value of the SPVs as the EV (derived as above) plus non-operating cash and cash like items (which includes cash and cash equivalent and current investment) of the SPVs as at the Valuation Date. (Refer Appendix 1 & 2 for the detailed workings)

- 1.8. The fair EV of the SPVs is estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 1.9. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

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1.10. Accordingly, I have conducted sensitivity analysis on certain model inputs, the results of which are as indicated below:

1. WACC by increasing / decreasing it by 0.5%
2. WACC by increasing / decreasing it by 1.0%
3. Expenses by increasing / decreasing it by 20%
4. Revenue of Toll SPVs by increasing / decreasing it by 10%

### Sensitivity Analysis of Enterprise Value

#### 1. Fair Enterprise Valuation Range based on WACC parameter (0.5%)

Sr. No.	SPVs	WACC +0.50%	EV	INR Mn			
				Base WACC	EV	WACC -0.50%	EV
1	DBCPL	11.02%	16,488	10.52%	16,858	10.02%	17,240
2	GEPL	10.95%	21,846	10.45%	22,793	9.95%	23,800
3	JPEPL	10.98%	5,337	10.48%	5,565	9.98%	5,807
4	UEPL	10.60%	3,506	10.10%	3,533	9.60%	3,560
5	NBPL	8.57%	934	8.07%	944	7.57%	955
6	SEPL	8.59%	189	8.09%	189	7.59%	189
7	UTPL	11.10%	8,815	10.60%	9,063	10.10%	9,321
8	GRICL*	10.77%	12,078	10.27%	12,312	9.77%	12,553
9	STPL	10.44%	14,939	9.94%	15,182	9.44%	15,431
10	ANHPL	7.93%	4,384	7.43%	4,485	6.93%	4,590
11	GSHPL	8.00%	2,893	7.50%	2,957	7.00%	3,024
12	RAHPL	7.93%	2,687	7.43%	2,743	6.93%	2,801
<b>Total</b>			<b>94,096</b>		<b>96,624</b>		<b>99,271</b>

\*The trust holds 56.8% equity stake in GRICL

#### 2. Fair Enterprise Valuation Range based on WACC parameter (1.0%)

Sr. No.	SPVs	WACC +1.00%	EV	INR Mn			
				Base WACC	EV	WACC -1.00%	EV
1	DBCPL	11.52%	16,131	10.52%	16,858	9.52%	17,635
2	GEPL	11.45%	20,955	10.45%	22,793	9.45%	24,872
3	JPEPL	11.48%	5,124	10.48%	5,565	9.48%	6,064
4	UEPL	11.10%	3,479	10.10%	3,533	9.10%	3,588
5	NBPL	9.07%	924	8.07%	944	7.07%	965
6	SEPL	9.09%	190	8.09%	189	7.09%	189
7	UTPL	11.60%	8,577	10.60%	9,063	9.60%	9,590
8	GRICL*	11.27%	11,851	10.27%	12,312	9.27%	12,802
9	STPL	10.94%	14,703	9.94%	15,182	8.94%	15,687
10	ANHPL	8.43%	4,288	7.43%	4,485	6.43%	4,699
11	GSHPL	8.50%	2,831	7.50%	2,957	6.50%	3,094
12	RAHPL	8.43%	2,633	7.43%	2,743	6.43%	2,861
<b>Total</b>			<b>91,686</b>		<b>96,624</b>		<b>1,02,046</b>

\*The trust holds 56.8% equity stake in GRICL

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### 3. Fair Enterprise Valuation Range based on Expenses parameter (20%)

INR Mn				
Sr. No.	SPVs	EV at Expenses -20%	EV at Base Expenses	EV at Expenses +20%
1	DBCPL	17,284	16,858	16,432
2	GEPL	23,178	22,793	22,408
3	JPEPL	5,969	5,565	5,158
4	UEPL	3,627	3,533	3,439
5	NBPL	995	944	894
6	SEPL	216	189	160
7	UTPL	9,498	9,063	8,628
8	GRICL*	12,745	12,312	11,879
9	STPL	15,708	15,182	14,656
10	ANHPL	4,634	4,485	4,336
11	GSHPL	3,108	2,957	2,785
12	RAHPL	2,877	2,743	2,608
<b>Total</b>		<b>99,839</b>	<b>96,624</b>	<b>93,383</b>

\*The trust holds 56.8% equity stake in GRICL

### 4. Fair Enterprise Valuation Range based on Revenue parameter of Toll SPVs (10%)

INR Mn				
Sr. No.	SPVs	EV at Revenue -10%	EV at Base Revenue	EV at Revenue +10%
1	DBCPL	14,858	16,858	18,858
2	GEPL	20,163	22,793	25,423
3	JPEPL	4,698	5,565	6,427
4	UEPL	3,097	3,533	3,969
5	UTPL	7,812	9,063	10,314
6	GRICL*	10,722	12,312	13,901
7	STPL	13,238	15,182	17,091

\*The trust holds 56.8% equity stake in GRICL

The above represents reasonable range of Fair Enterprise Valuation of the SPVs.

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## 2. Procedures adopted for current valuation exercise

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- 2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Valuation Standards 2018 (“IVS”) issued by the Institute of Chartered Accountants of India.
- 2.2. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:
- 2.2.1. Requested and received financial and qualitative information relating to the SPVs;
  - 2.2.2. Obtained and analyzed data available in public domain, as considered relevant by me;
  - 2.2.3. Discussions with the Investment Manager on:
    - Understanding of the business of the SPVs – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;
  - 2.2.4. Undertook industry analysis:
    - Research publicly available market data including economic factors and industry trends that may impact the valuation;
    - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by me;
  - 2.2.5. Analysis of other publicly available information;
  - 2.2.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by me;
  - 2.2.7. Conducted physical site visit of the road stretch of the SPVs;
  - 2.2.8. Determination of fair EV and Fair Adjusted EV of the SPVs on a going concern basis at the Valuation Date.

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### 3. Overview of InvIT and SPVs

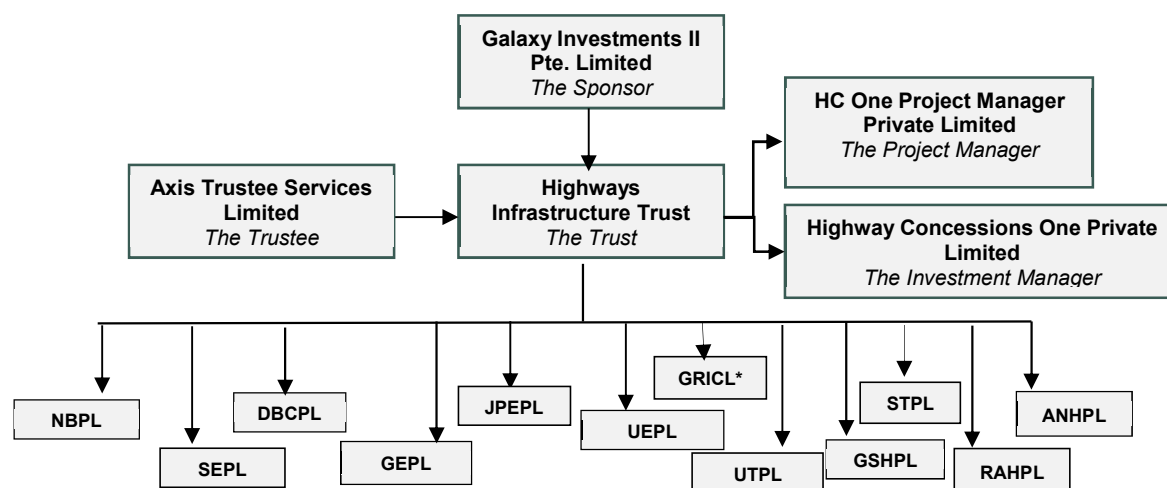
#### 3.1. The Trust

- 3.1.1. Galaxy Investments II Pte. Ltd. is the Sponsor of the Trust. The Sponsor was incorporated on 11<sup>th</sup> June 2021 in Singapore. Galaxy is involved in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the “infrastructure” sector.
- 3.1.2. Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd. Galaxy (“KKR”) is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR.
- 3.1.3. Founded in 1976, KKR is a leading global investment firm, with US\$519 billion in assets under management as of 30<sup>th</sup> June 2023 that offers alternative asset management as well as capital markets and insurance solutions.
- 3.1.4. Following is the summary of SPVs, held under the trust including the date and cost of acquisition :

Sr. No.	SPV	Name	Acquisition Date	Acquisition Cost (INR Mn)
1	DBCPL	Dewas Bhopal Corridor Private Limited	23 <sup>rd</sup> Aug, 2022	12,969
2	GEPL	Godhra Expressways Private Limited	23 <sup>rd</sup> Aug, 2022	11,167
3	JPEPL	Jodhpur Pali Expressway Private Limited	23 <sup>rd</sup> Aug, 2022	3,863
4	UEPL	Ulundurpet Expressways Private Limited	23 <sup>rd</sup> Aug, 2022	3,005
5	NBPL	Nirmal BOT Private Limited	23 <sup>rd</sup> Aug, 2022	354
6	SEPL	Shillong Expressway Private Limited	23 <sup>rd</sup> Aug, 2022	356
7	UTPL	Udupi Tollway Private Limited	02 <sup>nd</sup> Nov, 2023	196
8	GRICL	Gujarat Road Infrastructure Company Limited	24 <sup>th</sup> Jan, 2024	5,657*
9	STPL	Swarna Tollway Private Limited	24 <sup>th</sup> Jan, 2024	20,745
10	ANHPL	Ateli Narnaul Highway Private Limited	21 <sup>st</sup> Nov, 2023	1,511
11	GSHPL	Gurgaon Sohna Highway Private Limited	21 <sup>st</sup> Nov, 2023	844
12	RAHPL	Rewari Ateli Highway Private Limited	21 <sup>st</sup> Nov, 2023	758

\*This represents purchase consideration paid for 56.8% equity stake in GRICL.

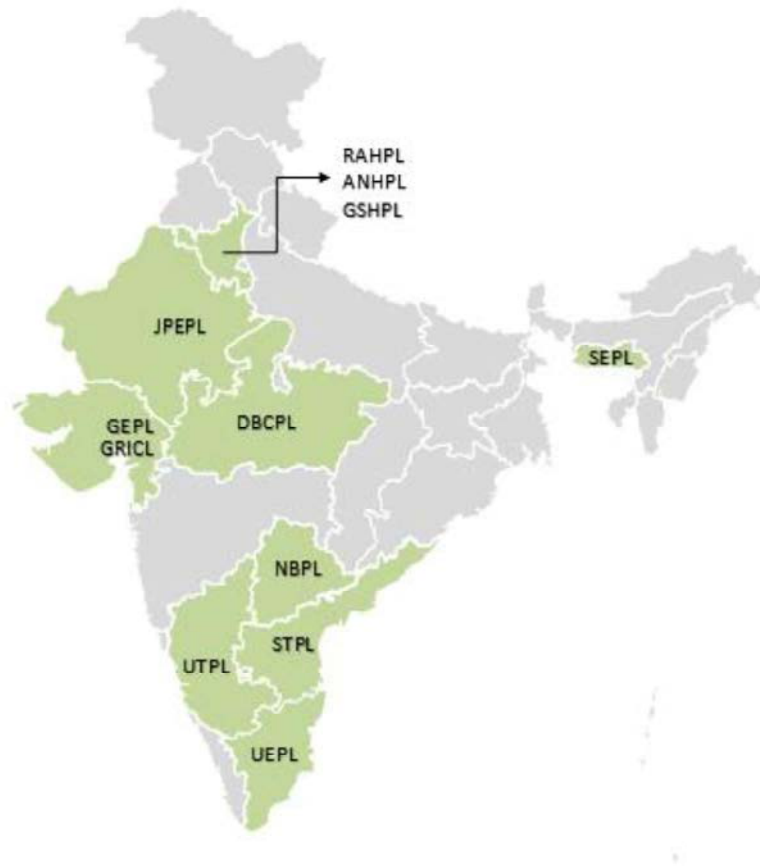
- 3.1.5. Following is the Structure of the Trust as at 31<sup>st</sup> March 2024:



\*The Trust holds 56.8% equity stake in GRICL

Source: Investment Manager

3.1.6. A map depicting the respective location of the existing project SPVs of the Trust is provided below



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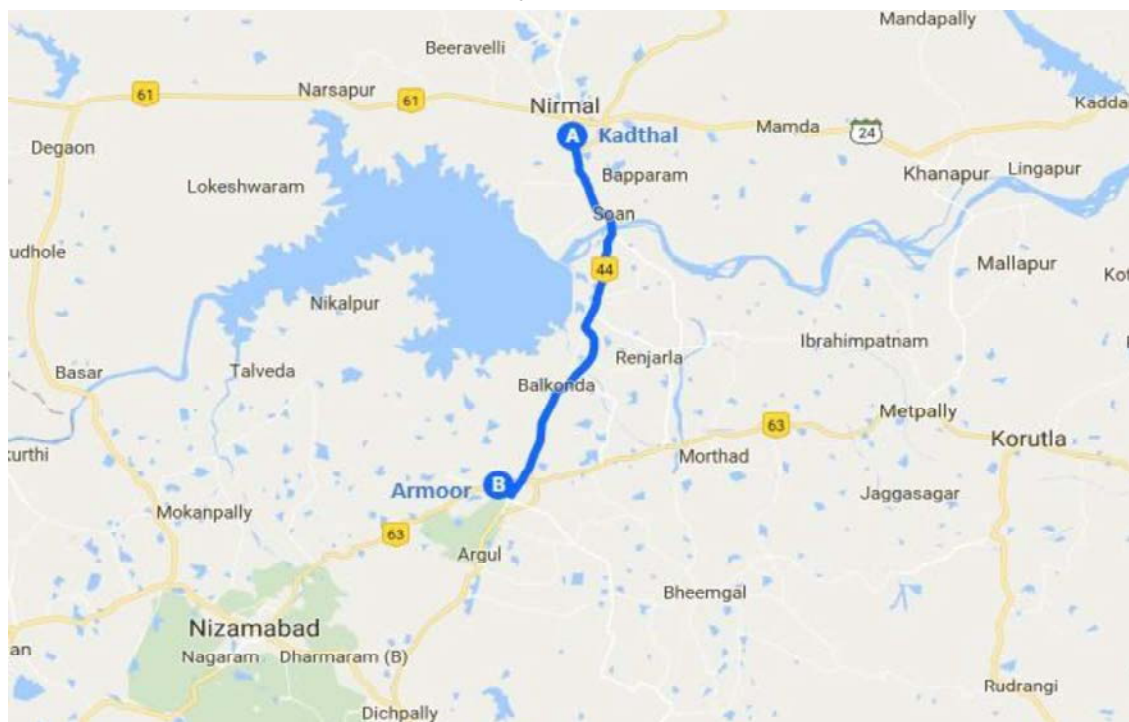
## Background of the SPVs

### 3.2. Nirmal BOT Private Limited (“NBPL”)

3.2.1. The Project Road is a Section of NH-7 which starts from Kadthal in Adilabad District (New Ch. 282+617) and ends at Armur in Nizamabad District (New Ch. 313+507). The Project Road crosses the Godavari River at the major bridge Ch. 289 + 834 (36x20.9m) and has a length of 30.89 km.

This Project for up-gradation of the existing road to four lane carriageway with paved shoulders was awarded by the National Highways Authority of India to M/s. Nirmal BOT Private Limited for a Concession Period of 20 years on BOT (Annuity) basis.

The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.2.2. Summary of project details of NBPL are as follows:

Parameters	Details
Total Length	123.56 Lane Kms
Nos. of Lanes	4
NH / SH	NH-7 (Now NH-44)
State Covered	Telangana
Area (Start and End)	Kadthal – Armur
Bid Project Cost	INR 3,150 Mn
PPP Model	BOT
Project Type	Annuity
Concession Granted by	NHAI
COD Date	22 <sup>nd</sup> July 2009
Nos. of Annuities	36 (Semi-annual)
Annuity Amount	INR 8,658 Mn
Concession Period (CP)	20 years from commencement date

Source: Investment Manager

Note: The State/ National Highway numbers and chainages mentioned in this Report are old Highway numbers and chainages as per the concession agreements. The actual SH/ NH numbers and chainage at site may differ based on subsequent changes.

3.2.3. The corridor forms a part of existing road from Km 278 to 308 (Approx. 30.9 Kms) between Kadthal and Armur of NH-7(Now NH-44).

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	0
		30.81
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	Kms
		14.68
3	Total length of Service Roads	Kms
4	No of Toll Plazas	1
5	No of Bus Bays with Bus Shelters	26
6	Number of Truck Lay Bays	4
7	No of Rest Areas	0
8	No of Major Junctions	3
9	No of Minor Junctions	8
10	No of Vehicular underpasses	4
11	No of Pedestrian underpasses	12
12	No of Major Bridges	2
13	No of Minor Bridges	6
14	No of Hume Pipe Culverts	55
15	No of Box / Slab Culverts	28

Source: Investment Manager

3.2.4. The shareholding of NBPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	3,15,00,000	100.00%
	<b>Total</b>	<b>3,15,00,000</b>	<b>100.00%</b>

\*Includes Shares held by nominees of HIT

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.2.5. My team had conducted physical site visit of the road stretch of NBPL on 14<sup>th</sup> February 2024. Refer below for the pictures of the road stretch:

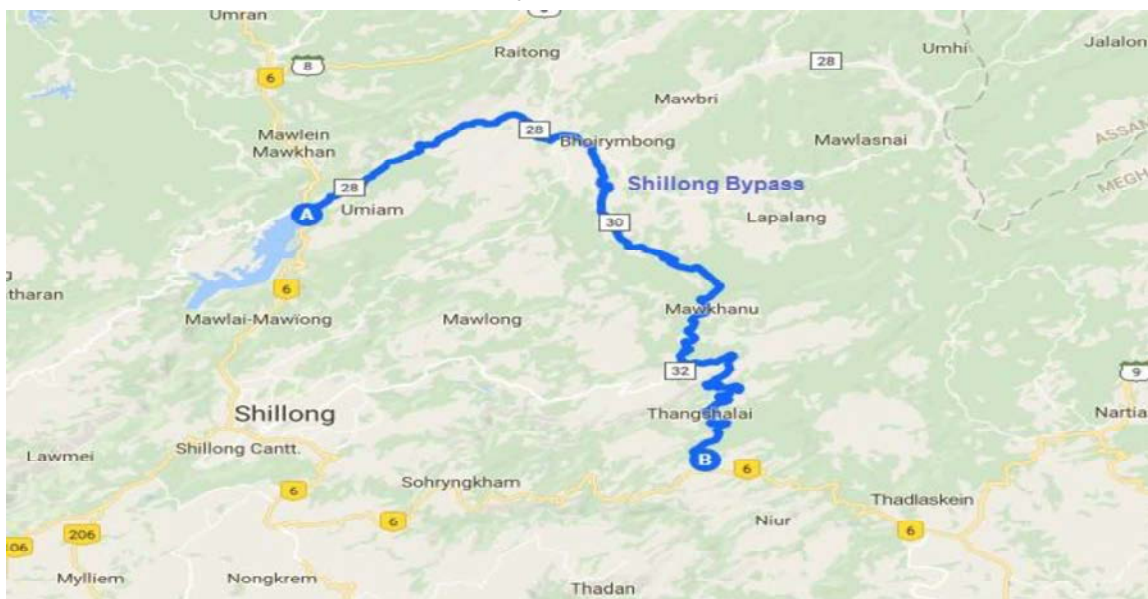


### 3.3. **Shillong Expressway Private Limited (“SEPL”)**

3.3.1. SEPL has constructed a 2 lane Shillong Bypass Connecting NH-40 and NH-44(Now joining NH-06) from KM 61.80 near Barapani to KM 34.85 on the Shillong bypass section of NH-40 and NH-44(Now joining NH-06) in the state of Meghalaya on Design, Build, Finance, Operate and Transfer (“DBFOT Annuity”) Basis. The entire project road passes through rural & Forest area with very thin inhabitations. Bhoilymbong, the only town in the area which is bypassed.

The project corridor generally runs in rolling/hilly terrain for most of length except in few locations where it is slightly plain. The land use along the project road is mostly forest. It passes through small village settlements like Umroi, Nongtrah, Diengpasoh, Thangshalai, Mawryngkneng etc.

The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.3.2. Summary of project details of SEPL are as follows:

Parameters	Details
Total Length	97.52 Lane Kms
Nos. of Lanes	2
NH / SH	NH-6
State Covered	Joining NH-40 and NH-44 (Now joining NH-06)
Area (Start and End)	Umiam to Mawryngkneng
Bid Project Cost	INR 2,261 Mn
PPP Model	BOT
Project Type	Annuity
Concession Granted by	NHAI
COD Date	28 <sup>th</sup> February 2013
Nos. of Annuities	24 (semi-annual)
Annuity Amount	INR 5,969 Mn
Concession Period (CP)	15 years from commencement date

Source: Investment Manager



3.3.3. The corridor forms a part of existing road from KM 61.80 of NH-40 and 34.85 of NH-44.

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 2 Lane with Rigid Pavement	0
2	Total Length of Main Carriageway 2 Lane with Flexible Pavement	48.76 Kms
3	Total length of Service Roads	NA
4	No of Toll Plazas	1
5	No of Bus Bays with Bus Shelters	13
6	Number of Truck Lay Bays	0
7	No of Rest Areas	0
8	No of Major Junctions	2
9	No of Minor Junctions	64
10	No of Vehicular underpasses	1
11	No of Pedestrian underpasses	0
12	No of Major Bridges	3
13	No of Minor Bridges	8
14	No of Hume Pipe Culverts	218
15	No of Box / Slab Culverts	22

Source: Investment Manager

3.3.4. The shareholding of SEPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	5,00,000	100.00%
	<b>Total</b>	<b>5,00,000</b>	<b>100.00%</b>

\*Includes Shares held by nominees of HIT

Source: Investment Manager

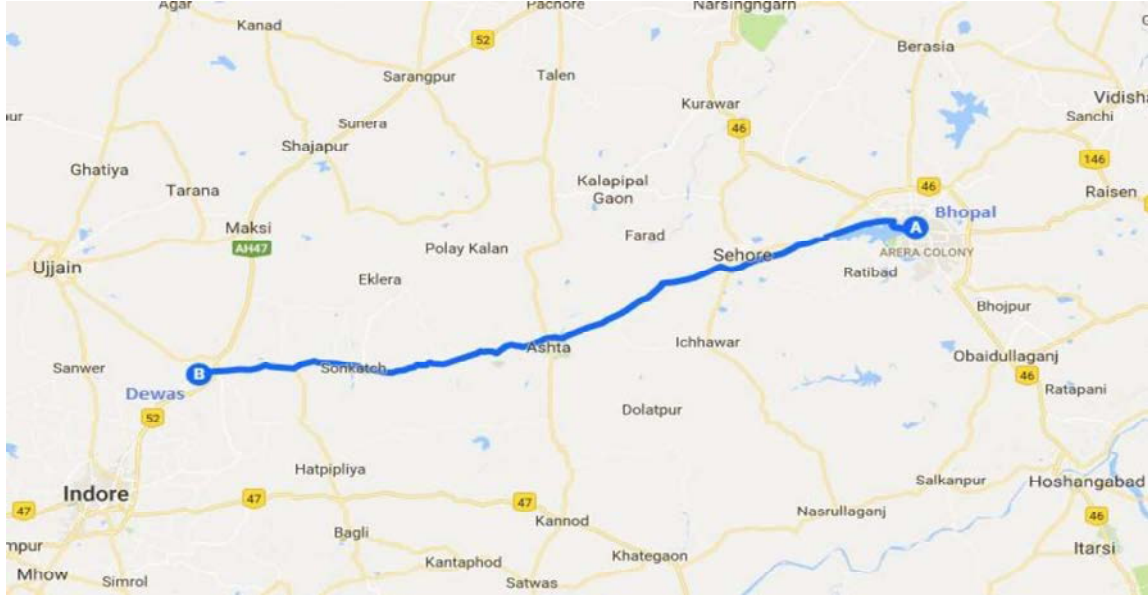
3.3.5. My team had conducted physical site visit of the road stretch of SEPL on 5<sup>th</sup> April 2024. Refer below for the pictures of the road stretch:



### 3.4. **Dewas Bhopal Corridor Private Limited (“DBCPL”)**

3.4.1. The MPRDC and DBCPL entered into the concession agreement dated June 30, 2007 (the “Concession Agreement”). DBCPL was awarded a project on BOT basis under the Concession Agreement for reconstruction, strengthening, widening and rehabilitation of the Bhopal-Dewas section including (including all bypasses) from KM 6.8 to KM 151.6 on SH-18 to 4-lane section in the State of Madhya Pradesh.

The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.4.2. Summary of project details of DBCPL are as follows:

Parameters	Details
Total Length	563.1 Lane Kms
Nos. of Lanes	4
NH / SH	SH-18
State Covered	Madhya Pradesh
Area (Start and End)	Bhopal to Dewas
Bid Project Cost	INR 6020 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	MPRDC
COD Date	10 <sup>th</sup> February 2009
Appointed Date	20 <sup>th</sup> March 2008
Original Concession Period (CP)	25 years
Extension (If any)	257.5 days
Likely End of CP	02 <sup>nd</sup> Dec 2033

Source: Investment Manager

3.4.3. The corridor forms a part of existing road from KM 6.8 to KM 151.6 (Approx. 140.8 Kms) from Bhopal to Dewas in SH-18

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	0
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	140.79 Kms
3	Total length of Service Roads	8.68 Kms
4	No of Toll Plazas	3
5	No of Bus Bays with Bus Shelters	3
6	Number of Truck Lay Bays	1
7	No of Rest Areas	0
8	No of Major Junctions	19
9	No of Minor Junctions	70
10	No of Vehicular underpasses	1
11	No of Pedestrian underpasses	0
12	No of Major Bridges	4
13	No of Minor Bridges	17
14	No of Hume Pipe Culverts	117
15	No of Box / Slab Culverts	53

Source: Investment Manager

3.4.4. The shareholding of DBCPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	95,263	100.00%
	<b>Total</b>	<b>95,263</b>	<b>100.00%</b>

\*Includes Shares held by nominees of HIT

Source: Investment Manager

3.4.5. Projections provided by the Investment Manager consider an extension of ~258 days from original concession end date, owing to:

- ~23 days were extended by MPRDC on account of demonetisation vide order no.02/MPRDC/BOT/D-B/2017/4947 dated 19<sup>th</sup> June 2017.
- 195 days were extended by MPRDC on account of change in scope vide order no. 11617/Maint/Bhopal-Dewas/MPRDC/2018 dated 25<sup>th</sup> October 2013.
- 40 days were extended on account of force majeure event due to COVID-19.

3.4.6. My team had conducted physical site visit of the road stretch of DBCPL on 5<sup>th</sup> April 2024. Refer below for the pictures of the road stretch:

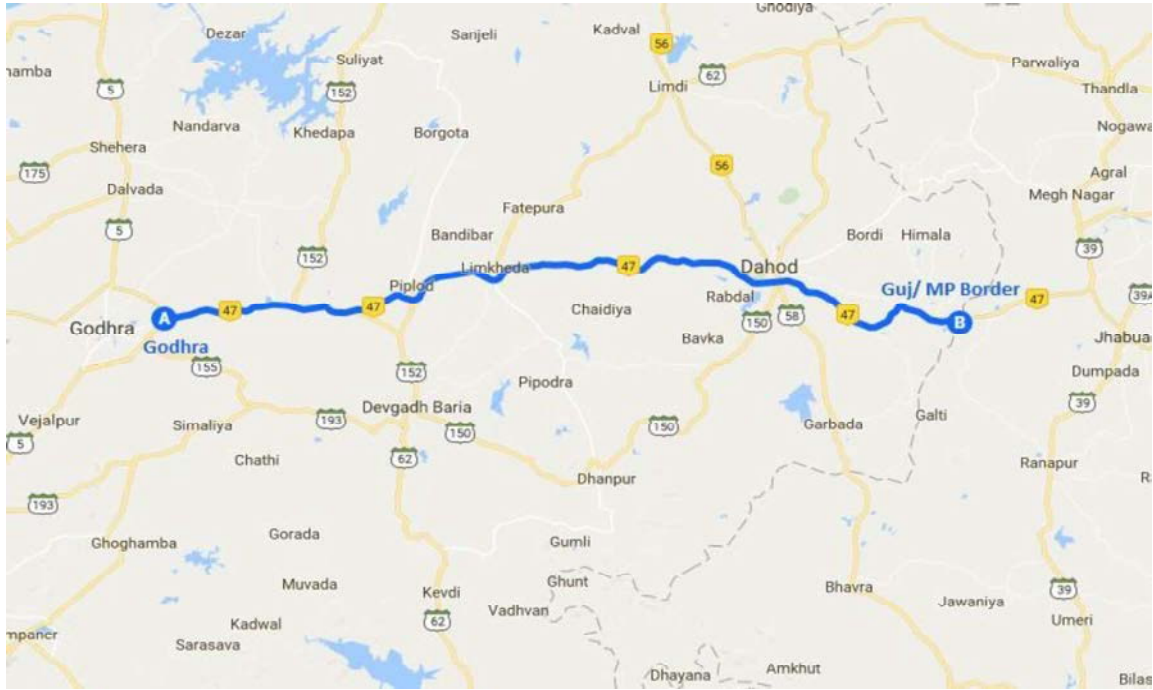




### 3.5. Godhra Expressways Private Limited (“GEPL”)

3.5.1. The NHA and GEPL entered into the concession agreement dated 25<sup>th</sup> February 2010 (the “GEPL Concession Agreement”). GEPL operates, on a four-lane highway from Godhra to Gujarat/ Madhya Pradesh Border Section of NH-59 (now NH-47) from KM 129.30 to KM 215.90, in the State of Gujarat, under NHDP Phase III on Design, Build, Finance, Operate and Transfer (“DBFOT”) basis.

The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.5.2. Summary of project details of GEPL are as follow

Parameters	Details
Total Length	348.40 Lane Kms
Nos. of Lanes	4
NH / SH	NH-59 (Now NH-47)
State Covered	Gujarat
Area (Start and End)	Godhra to Gujarat/ MP Border
Project Cost	INR 7956 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	NHA
COD Date	31 <sup>st</sup> October 2013
Appointed Date	01 <sup>st</sup> March 2011
Original Concession Period (CP)	27 years
Extension (If any)	1973 days
Likely End of CP	03 <sup>rd</sup> September 2043

Source: Investment Manager

3.5.3. The corridor forms a part of existing road from KM 129.3 to 215.9 (Approx. 87.10 Kms) from Godhra to Gujarat-Madhya Pradesh border in NH-59(now NH-47)

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	83.1 Kms
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	4 kms
3	Total length of Service Roads	19.76 Kms
4	No of Toll Plazas	1
5	No of Bus Bays with Bus Shelters	24
6	Number of Truck Lay Bays	6
7	No of Rest Areas	0
8	No of Major Junctions	4
9	No of Minor Junctions	81
10	No of Vehicular underpasses	4
11	No of Pedestrian underpasses	13
12	No of Major Bridges	6
13	No of Minor Bridges	16
14	No of Hume Pipe Culverts	98
15	No of Box / Slab Culverts	32

Source: Investment Manager

3.5.4. The shareholding of GEPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	2,01,55,033	100.00%
	<b>Total</b>	<b>2,01,55,033</b>	<b>100.00%</b>

\*Includes Shares held by nominees of HIT

Source: Investment Manager

- Projections provided by the Investment Manager consider an extension of 2,013 days from original concession end date, owing to the target traffic clause as per Concession Agreement, the same has been approved by IE and 40 days were extended on account of force majeure event due to COVID-19.

3.5.5. Modification in the Concession Period due to target traffic clause as per Concession Agreement

Particulars	Unit	Details
Target date as per CA	Date	1 <sup>st</sup> October 2019
Target traffic as per CA	PCUs	26,839
Actual Average Traffic on Target Date	PCUs	18,811
Comparison of average traffic at test date with target	%	-30%
Original concession period	years	27
Increase in concession period (Max. upto 20%)	%	20%
Change in concession period due to target traffic clause	days	1,973
Change in concession period due to COVID-19	days	40
Revised concession period	years	32.4
Appointed date	Date	1 <sup>st</sup> March 2011
Original concession end date	Date	28 <sup>th</sup> February 2038
Revised concession end date	Date	3 <sup>rd</sup> September 2043

3.5.6. My team had conducted physical site visit of the road stretch of GEPL on 6<sup>th</sup> April 2024. Refer below for the pictures of the road stretch:



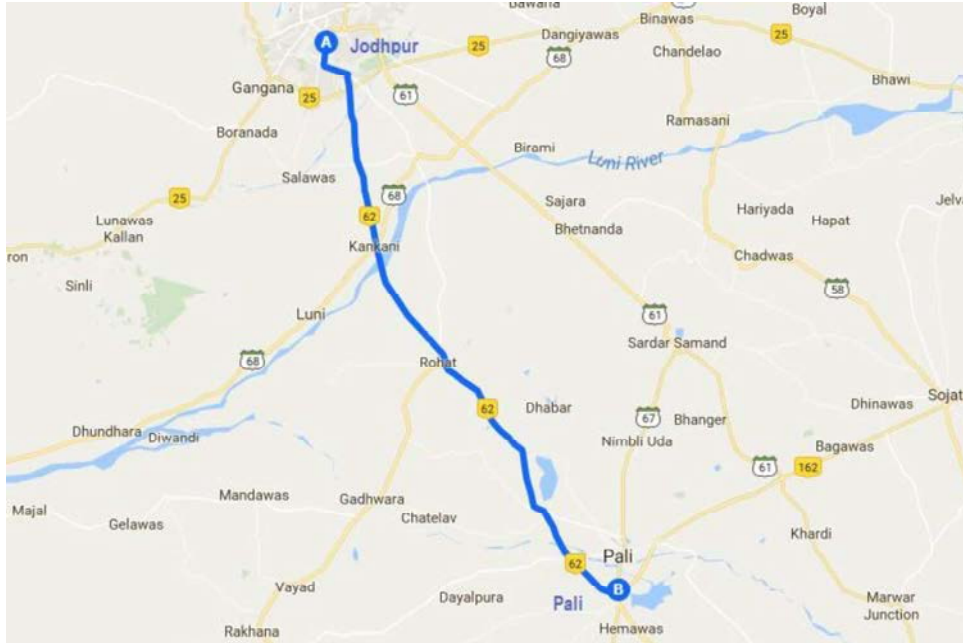
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### 3.6. Jodhpur Pali Expressway Private Limited (“JPEPL”)

3.6.1. The PWD(R) and JPEPL entered into the concession agreement dated 28<sup>th</sup> February, 2013. JPEPL was engaged, on a design, build, finance, operate and transfer basis, under the Concession Agreement for the development and operation of Jodhpur-Pali section of NH 62 from KM 308.00 to KM 366.00 and including bypass to Pali starting from KM 366.00 of National Highway 62, connecting National Highway 14 at KM 114 in State of Rajasthan.

The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.6.2. Summary of project details of JPEPL are as follows:

Parameters	Details
Total Length	286.14 Lane Kms
Nos. of Lanes	4
NH / SH	NH-62
State Covered	Rajasthan
Area (Start and End)	Jodhpur to Pali
Bid Project Cost	INR 4,140 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	Government of Rajasthan, Public Works Department
COD Date	31 <sup>st</sup> October 2014
Appointed Date	16 <sup>th</sup> September 2013
Original Concession Period (CP)	25 years
Extension (If any)	1886 days
Likely End of CP	14 <sup>th</sup> November 2043

Source: Investment Manager

- 3.6.3. The corridor forms a part of existing road from KM 308 to 366 & includes bypass to Pali starting from KM 366 of NH-62, connecting NH-14 at KM 114 in the state of Rajasthan.

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	0
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	71.55 Kms
3	Total length of Service Roads	11.57 Kms
4	No of Toll Plazas	2
5	No of Bus Bays with Bus Shelters	12
6	Number of Truck Lay Bays	1
7	No of Rest Areas	0
8	No of Major Junctions	12
9	No of Minor Junctions	33
10	No of Vehicular underpasses	1
11	No of Pedestrian underpasses	2
12	No of Major Bridges	6
13	No of Minor Bridges	6
14	No of Hume Pipe Culverts	50
15	No of Box / Slab Culverts	14

Source: Investment Manager

- 3.6.4. The shareholding of JPEPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	61,640	100.00%
	<b>Total</b>	<b>61,640</b>	<b>100.00%</b>

\*Includes Shares held by nominees of HIT

Source: Investment Manager

- 3.6.5. Projections provided by the Investment Manager consider an extension of ~1,884 days from original concession end date, owing to:

- ~1,825 days were extended due to the target traffic clause as per Concession Agreement; the traffic count is due in FY29, FY30 and FY31.
- ~59 days were extended on account of force majeure event due to COVID-19.

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3.6.6. Modification in the Concession Period due to target traffic clause as per Concession Agreement

As per the Clause 29 of the concession agreement between PWD(R) and JPEPL provided to us by the Investment Manager, if the actual traffic falls short or exceeds target traffic on a defined date, the concession period shall be revised subject to calculation specified therein. The target date and target traffic as provided in the concession agreement along with the projected traffic as on the target date are given below:

Particulars	Unit	Details
Target date as per CA	Date	1 <sup>st</sup> January 2030
Target traffic as per CA	PCUs	35,938
Estimated Average Traffic on Target Date	PCUs	27,612
Comparison of average traffic at test date with target	%	-23%
Original concession period	years	25
Increase in concession period (Max. upto 20%)	%	20%
Change in concession period due to target traffic clause	days	1,825
Change in concession period due to COVID-19	days	59
Revised concession period	years	30
Appointed date	Date	16 <sup>th</sup> September 2013
Original concession end date	Date	15 <sup>th</sup> September 2038
Revised concession end date	Date	13 <sup>th</sup> November 2043

3.6.7. My team had conducted physical site visit of the road stretch of JPEPL on 5<sup>th</sup> April 2024. Refer below for the pictures of the road stretch:



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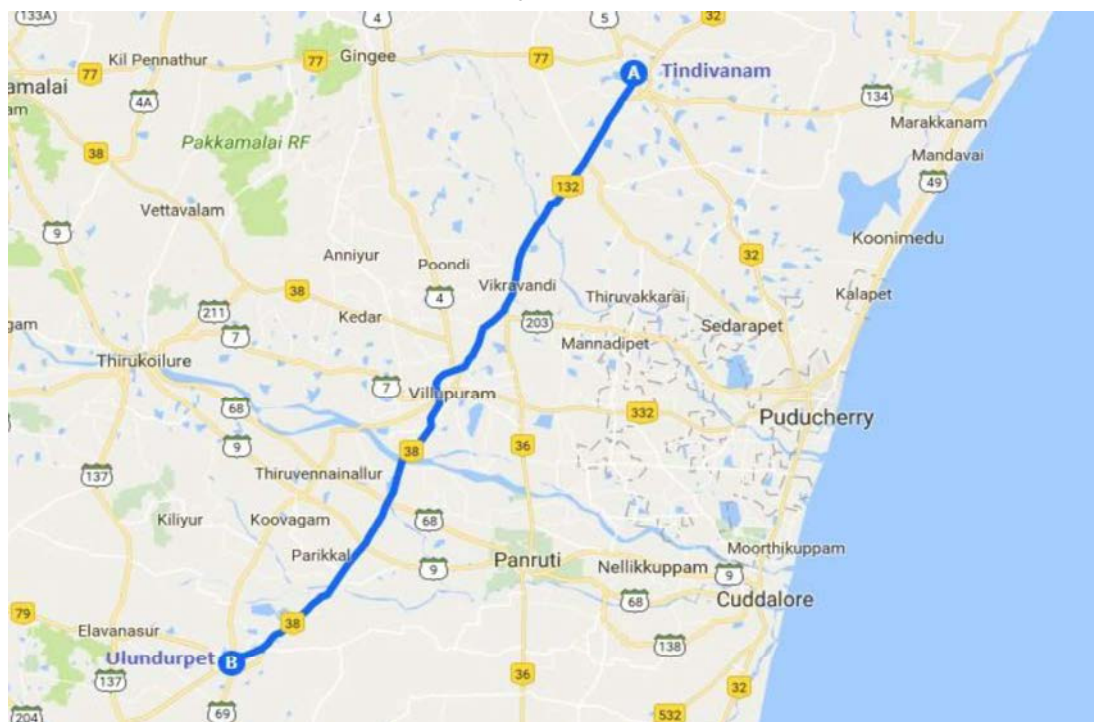


### 3.7. Ulundurpet Expressways Private Limited (“UEPL”)

3.7.1. The project road Tindivanam-Ulundurpet, is part of 472 km long National Highway No.45 (NH-45) or Great Southern Trunk Road (GST Road) which starts from Kathipara junction in Guindy area (Chennai City) and extends up to Theni (headquarters of Theni District).

It acts as one of the primary life-line corridor in the state of Tamil Nadu connecting the State Capital (Chennai city) with various industrial towns and tourist places in the southern, eastern and western parts of Tamil Nadu. The important towns which en-route the NH45 are Tambaram, Tindivanam, Viluppuram, Perambalur, Tiruchirapalli, Dindigul and Theni.

The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.7.2. Summary of project details of UEPL are as follows:

Parameters	Details
Total Length	291.6 Lane Kms
Nos. of Lanes	4
NH / SH	NH-45
State Covered	Tamil Nadu
Area (Start and End)	Tindivanam to Ulundurpet
Bid Project Cost	INR 10,151 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	NHAI
COD Date	23 <sup>rd</sup> July 2009
Appointed Date	16 <sup>th</sup> October 2006
Original Concession Period (CP)	20 years
Extension (If any)	160 days
Likely End of CP	25-March 2027

Source: Investment Manager

3.7.3. The corridor forms a part of existing road from Tindivanam (km 121.00) and ends at just north of Sengurchi (km 193.90) in NH-45.

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	0
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	72.9 Kms
3	Total length of Service Roads	36.4 Kms
4	No of Toll Plazas	1w
5	No of Bus Bays with Bus Shelters	34
6	Number of Truck Lay Bays	3
7	No of Rest Areas	0
8	No of Major Junctions	5
9	No of Minor Junctions	99
10	No of Vehicular underpasses	3
11	No of Pedestrian underpasses	6
12	No of Major Bridges	6
13	No of Minor Bridges	14
14	No of Hume Pipe Culverts	54
15	No of Box / Slab Culverts	66

Source: Investment Manager

3.7.4. The shareholding of UEPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	26,45,52,365	100.00%
	<b>Total</b>	<b>26,45,52,365</b>	<b>100.00%</b>

\*Includes Shares held by nominees of HIT

Source: Investment Manager

3.7.5. Projections provided by the Investment Manager consider an extension of 160 days from original concession end date, owing to:

- 98 days were extended by NHA on account of delay in toll notification vide order no. NHA/11015//71/RO Chennai/2009/3811 dated 27<sup>th</sup> September 2013.
- 23 days were extended on account of demonetisation.
- 15 days on account of flood.
- 24 days were extended on account of force majeure event due to COVID-19.

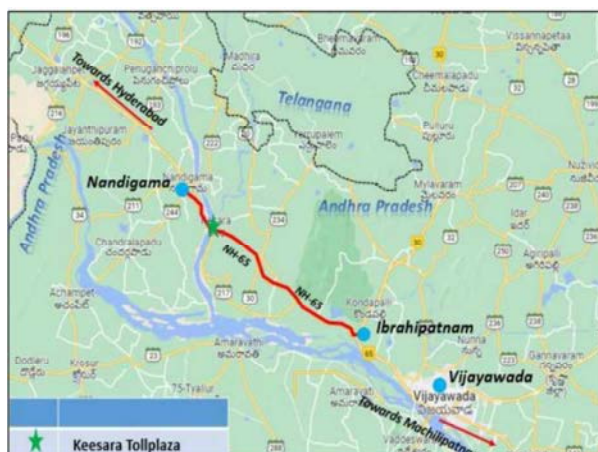
3.7.6. My team had conducted physical site visit of the road stretch of UEPL on 10<sup>th</sup> April 2024. Refer below for the pictures of the road stretch:



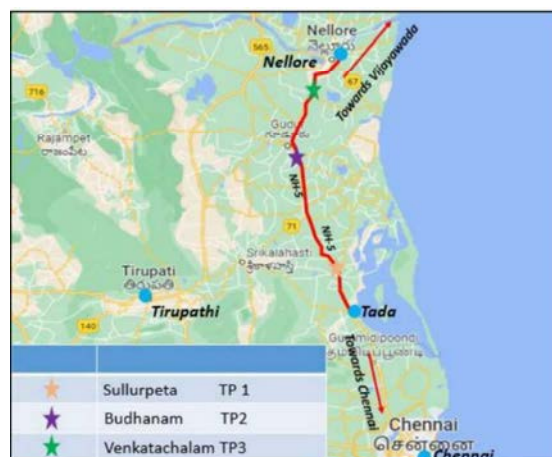
### 3.8. Swarna Tollway Private Limited (“STPL”)

3.8.1. Swarna Tollway Private Limited (STPL) was incorporated as on 11<sup>th</sup> May 2001. The NHA entered into a concession agreement dated 27<sup>th</sup> March 2001 with CIDB Invenures SON. BHD. Malaysia (CIDB). CIDB formed a SPV, Swarna Tollway Private Limited for the purpose of performing all the obligation of CIDB under the project. The project was awarded to the CIDB Invenures SON. BHD. Malaysia (CIDB) by NHA for 30 years of Design, Engineering, financing, procurement, construction, operation, maintenance & toll collection period starting from the Appointed Date i.e. 27<sup>th</sup> September, 2001. The Project has successfully achieved its Final COD for the Nandigama Ibrahimpatnam section on 12<sup>th</sup> July 2005 and for the Tada Nellore section on 31<sup>st</sup> October 2005.

3.8.2. The map below illustrates the location of the Project and the corridor it covers:



NH- 65 Nandigama Ibrahimpatnam Section (NIV)



NH- 16 Tada Nellore Section (TN)

3.8.3. Summary of Project details of STPL are as follows:

Parameters	NIV details	TN details
Total Length	49.2 Kms	110.8 Lane Kms
Nos. of Lanes	4	4
NH / SH	NH 65	NH 16
State Covered	Andhra Pradesh	Andhra Pradesh
Area (Start and End)	Nandigama to Vijayawada	Tada to Nellore
Project Cost	Rs 759.87 Crs (includes both NIV and TN)	Rs 759.87 Crs (includes both NIV and TN)
PPP Model	DBFOT	DBFOT
Project Type	Toll	Toll
Concession Granted by	NHA	NHA
COD Date	9 <sup>th</sup> February 2004	20 <sup>th</sup> February 2004
Original Concession Period (CP)	30 years from Appointed Date	30 years from Appointed Date
Extension (If any)	NA	NA
Likely End of CP	26 <sup>th</sup> September 2031	26 <sup>th</sup> September 2031



3.8.4. The Project Road includes Tada – Nellore section of NH-16 which starts from Ch. 54.383 (Tada) and ends at Ch. 165.183 (Nellore) & Nandigama - Ibrahimpatnam section of NH-65 (Old NH-9) which starts from Ch. 221.140 (Nandigama) and ends at Ch. 270.340 (Ibrahimpatnam).

Sr.No	Salient Features	Units	NIV	TN
1	Flexible Pavement	Km	49.1	110.5
2	Rigid Pavement	Km	0.1	0.3
3	Service road	Km	0.23	15.293
4	Slip road	Km	-	0
5	No of flyovers	No's	-	0
6	No of bypass	No's	2	0
7	Length of bypass	Km	11.968	17.147
8	No of major bridges	No's	4	14
9	No of minor bridges	No's	7	24
10	No of Major intersection/junctions	No's	3	12
11	No of Minor intersection/ Junctions	No's	21	100
12	No of Toll Plaza	No's	1	3
13	No of truck lay byes	No's	1	2
14	No. of bus shelters	No's	24	10
15	No of bus bay with shelter	No's	10	68
16	Rest areas	No's	1	2
17	Solar Blinkers	No's	40	66
18	Stone Pitching	Sqm	5.446	17.123
19	Road Signages	No's	813	1440
20	Guard Posts	No's	5	24
21	Location of Toll Plaza( chainage)		Km.232+000	km 86+00, km124+50, km.155+300

Source: Investment Manager

3.8.5. The shareholding of STPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust	27,00,00,000	100.00%
	<b>Total</b>	<b>27,00,00,000</b>	<b>100.00%</b>

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

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3.8.6. My team had conducted physical site visit for STPL on 24<sup>th</sup> November 2023. Following are the pictures of the plant site :

A. Nandigama Ibrahimpatnam Section (NIV)



B. Tada Nellore Section (TN)

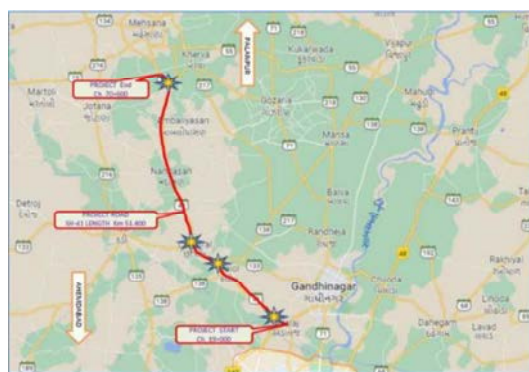


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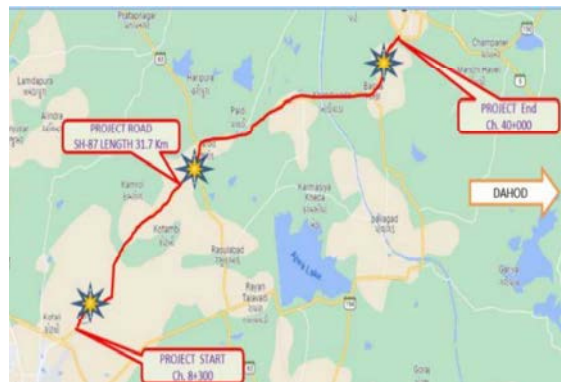
### 3.9. Gujarat Road and Infrastructure Company Limited (“GRICL”)

3.9.1. Gujarat Road and Infrastructure Company Limited (GRICL) was incorporated on 2<sup>nd</sup> June 1998. GOG and IL&FS entered into Memorandum of Agreement on 31<sup>st</sup> October 1995. Under the agreed terms GOG and IL&FS incorporated two entities Vadodara – Halol Toll Road Company Limited (“VHTCL”) and Ahmedabad Mehsana Toll Road Company Limited (“AMTRCL”). Further GOG entered into a concession agreement dated 12<sup>th</sup> May 1999 and 17<sup>th</sup> October 1998 with AMTRCL and VHTCL respectively. Later these entities were amalgamated into Gujarat Road & Infrastructure Company Limited on 11<sup>th</sup> May 2005. The project was awarded to AMTRCL and VHTCL for 30 years of Build, Own, Operate, and Transfer starting from the Operation Commencement date i.e. 20<sup>th</sup> February, 2003 and 24<sup>th</sup> October 2000 respectively.

3.9.2. The map below illustrates the location of the Project and the corridor it covers:



Ahmedabad Mehsana Section of SH-41 (AMRP)



Vadodara Halol Section of SH-87 (VHRP)

3.9.3. Summary of Project details of GRICL are as follows:

Parameters	AMRP	VHRP
Total Length	51.6 Kms	31.7 Kms
Nos. of Lanes	4	4
NH / SH	SH 41	SH 87
State Covered	Gujarat	Gujarat
Area (Start and End)	Ahmedabad- Mehsana	Vadodara-Halol
Project Cost	1063.35 Crs	904.73 Crs
PPP Model	DBOT	DBOT
Project Type	Toll	Toll
Concession Granted by	NHAI	NHAI
COD Date	20 <sup>th</sup> February 2003	24 <sup>th</sup> October 2000
Original Concession Period (CP)	30 years from operation date	30 years from operation date
Extension (If any)	NA	NA
Likely End of CP	19 <sup>th</sup> February 2033	23 <sup>rd</sup> October 2030

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3.9.4. The Project Road includes Ahmedabad Mehsana Section of SH-41 (AMRP) from 19 Km to 70.6 Km and Vadodara Halol Section of SH-87(VHRP) from 8.3 Km to 40 Km in the state of Gujarat.

S.No	Particulars	Units	AMRP	VHRP
1	Service road	Km	90.746 Km	57.694 Km
2	No of flyovers	No's	1	
3	RUB	No's	3	
4	ROB	No's	3	
5	No of major bridges	No's		1
6	No of minor bridges	No's	5	8
7	No of underpasses	No's		7
8	No of Subways	No's		1
9	Box culvert		6	14
10	Hume pipe culvert		63	27
11	Foot over bridges		3	
12	Slab Culvert	No's		13
13	No of VUP/CUP	No's	5/6	
14	No of Major intersection/junctions	No's	5	2
15	No of Minor intersection/ Junctions	No's	82	31
16	No of truck lay byes	No's		
17	No. of bus shelters/bus bay	No's	17	15
18	Lined drain	Km		6.274
19	Median drain	Km	16	
20	Median Transverse drain	Km		5.4
21	Median Opening	No's	33	29
22	Median Plantation	Km		30.403
23	avenue plantation	Km		18.532
24	Metal Beam crash barrier	Km		1.135
25	Pedestrian Guard rails	Km		8.602
26	Solar Blinkers	No's	26	26
27	Pipe Delineators	No's		288
28	3 arm lighting		1	3
29	High Mast Lighting	No's		18
30	Single Arm Lighting's	No's	274	73
31	Double Arm Lighting's	No's	377	166

Source: Investment Manager

3.9.5. The shareholding of GRICL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust	3,15,00,955	56.80%
2	Government of Gujarat	90,87,986	16.39%
3	IL&FS Financial Services Limited	91,88,846	16.57%
4	IL&FS Transportation Networks Limited	56,84,520	10.24%
	<b>Total</b>	<b>5,54,62,307</b>	<b>100.00%</b>

Source: Investment Manager

3.9.6. I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.9.7. My team had conducted physical site visit for GRICL on 24<sup>th</sup> November 2023. Following are the pictures of the plant site :

**Ahmedabad – Mehsana Section :**



**Vadodara – Halol Section :**

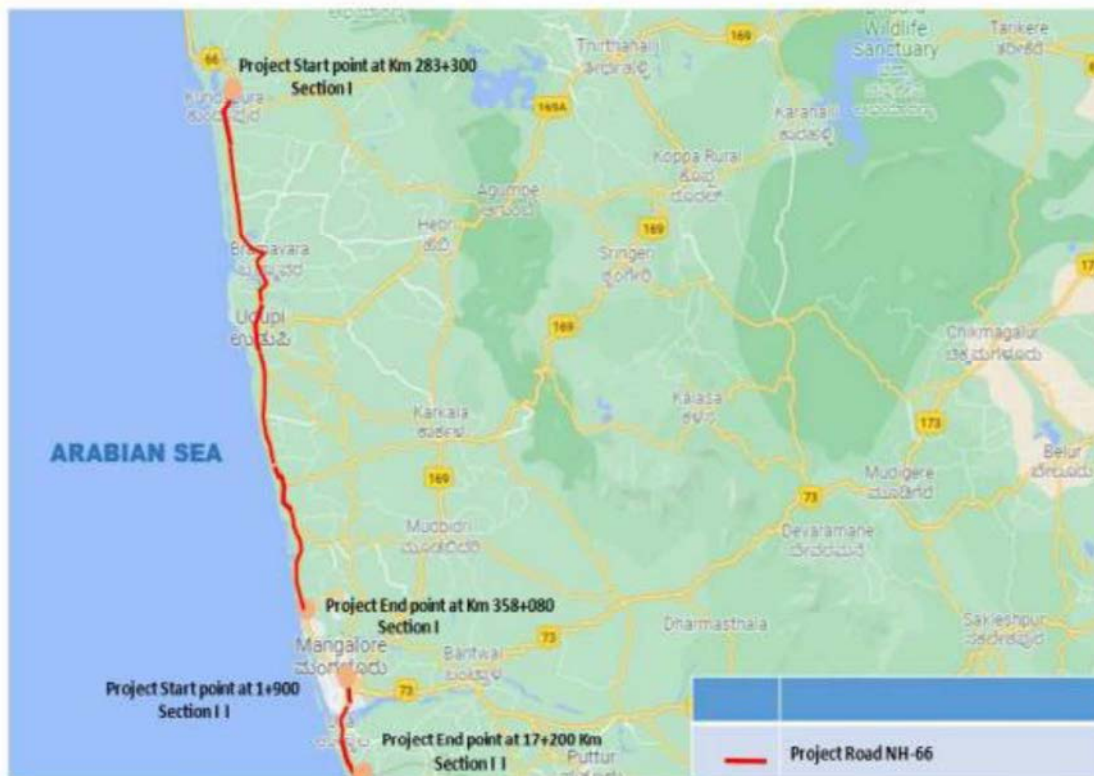


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**3.10. Udupi Tollway Private Limited (“UTPL”)**

3.10.1. Udupi Tollway Private Limited (UTPL) was incorporated as on 04<sup>th</sup> February 2009. The SPV entered into a concession agreement dated 9<sup>th</sup> March, 2010 with NHA. The project was awarded to the consortium comprising of Navayuga Engineering Company Limited and Krishnapatnam Port Company Limited by NHA for 25 years of operation & maintenance period from the Appointed Date i.e. 5<sup>th</sup> September, 2010. The Project has successfully achieved its PCOD on 30<sup>th</sup> January, 2017 for 81.955km.

3.10.2. The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.10.3. Summary of project details of UTPL are as follows:

Parameters	Details
Total Length	361.14 Lane Kms
Nos. of Lanes	4
NH / SH	NH 66
State Covered	Karnataka
Area (Start and End)	Kundapur to Surathkal & Nanthor to Talapady.
Project Cost	INR 11,341 Mn
PPP Model	DBFOT
Project Type	Toll
Concession Granted by	NHA
PCOD Date	30 <sup>th</sup> January 2017 for 81.955 Km
Original Concession Period	25 years from Appointed Date
Extension (If any)	130
Likely End of Concession Period	4 <sup>th</sup> September 2035

Source: Investment Manager



3.10.4. The Project Road includes Kundapur – Surathkal section of NH-66 (Old NH-17) which starts from Ch. 283+300m and ends at Ch. 358+080 (Design Length 74.78 km) & Mangalore – Kerala Border which starts from Ch. 375+300m and ends at 376+700m (Design Length 1.4 km) & Mahavir circle to Kerala Border which starts from Ch. 3+700m and ends at Ch. 17+200m (Design Length 13.5 km) in the state of Karnatak. The Project Road has a length of 90.285 km.

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	4.058 Km
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	86.227 Km
3	Total length of Service Roads	47.219 Km
4	Toll Plaza	3
6	Bus Bays with Shelters	46
7	Truck Lay Bays	3
8	No of Rest Areas	-
9	Major Junction	24
10	Minor Junctions	326
11	No of Vehicular underpasses	3
12	No of Vehicular overpasses	1
13	No of Flyovers	3
14	Pedestrian Underpasses	5
15	Cattle Underpasses	2
16	Railway Over Bridge	1
17	Major Bridges	9
18	Minor Bridges	11
19	Box/Slab Culverts	129
20	Pipe Culverts	105

Source: Investment Manager

3.10.5. As at the valuation date, the project has not yet received its final COD for the entire length. As represented by Investment Manager, any costs or losses that may arise in the pursuit of obtaining the completion certificate for the entire length will be borne by the seller of the SPV under the agreed indemnity clause between the buyer and seller.

3.10.6. However, in accordance with NHAI Toll Notification dated 29<sup>th</sup> March, 2023, the SPV has been granted permission to collect tolls along the entire length of 90.285 km starting from 1<sup>st</sup> March 2023.

3.10.7. The shareholding of UTPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	31,01,334	100.00%
	<b>Total</b>	<b>37,01,334</b>	<b>100.00%</b>

Source: Investment Manager

\*Includes Shares held by nominees of HIT

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.10.8. My team had conducted physical site visit for UTPL on 27<sup>th</sup> April 2024. Following are the pictures of the plant site:



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### 3.11. Gurgaon Sohna Highway Private Limited (“GSHPL”)

3.11.1. Gurgaon Sohna Highways Private Limited (GSHPL) was incorporated on 6th April, 2018. GSHPL entered into a concession agreement dated 19th April, 2018 with NHA. The GSHPL project was awarded to HG Infra Engineering Limited by NHA on 6th March, 2018 for 15 years of operation & maintenance period along with construction period of 910 days from the Appointed Date i.e. 30th January, 2019 of the GSHPL Project. However, the construction was completed with a period of 1122 days with an extension of 212 days which was duly approved by NHA. The Project has successfully achieved its COD on 25th February, 2022.

3.11.2. The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.11.3. Summary of project details of GSHPL are as follows:

Parameters	Details
Total Length	12.854 Km
Nos. of Lanes	6 lanes
NH / SH	NH- 248A
State Covered	Haryana
Area (Start and End)	Bhondsi to Sohna, Gurugram
Bid Project Cost	6060 INR Mn
PPP Model	HAM
Project Type	HAM
Concession Granted by	NHA
PCOD Date	25 <sup>th</sup> February, 2022
Nos. of Annuities	30
Balance Completion Cost	4110 INR MN
Construction Period	1122 days
Operational Period	15 years

Source: Investment Manager



3.11.4. The Project Road is a section of NH-248A which passes mostly from the built up areas of Bhondsi, Ghamroj, Alipur, University area and Sohna in the district Gurugram, Haryana. The project starts at Ch. 11+682 (Design Ch. 9+282) near Sohna and Ends at Ch. 24+400 (Design Ch. 22+000) near Bhondsi, Gurgaon. Length of the Project Road is 12.718 km.

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	12.854 Km
2	Total length of Service Roads	25.708 Km
3	Widening	Ex. Str. LHS 6.44, RHS 7.983
4	Flexible Pavement for Main carriageway	LHS– 51MSA & RH – 133MSA
5	Toll Plaza	01 no. (24 lanes)
6	Bus Bays / Bus Shelters	06 nos.
7	Truck Lay Bays	02 nos.
8	No of Rest Areas	02 nos.
9	Major Junction	01 no.
10	Minor Junctions	13 nos.
11	No of Vehicular underpasses	02 nos
12	No of Flyovers	03 nos.
13	Minor Bridges	02 nos.
14	Box/Slab Culverts	12 nos.
15	Elevated Corridor	02 nos.
16	Pipe Culverts	1 no.

Source: Investment Manager

3.11.5. The shareholding of GSHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	6,60,30,000	100.00%
	<b>Total</b>	<b>6,60,30,000</b>	<b>100.00%</b>

\*Includes shares held by nominee of Highways Infrastructure Trust.

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

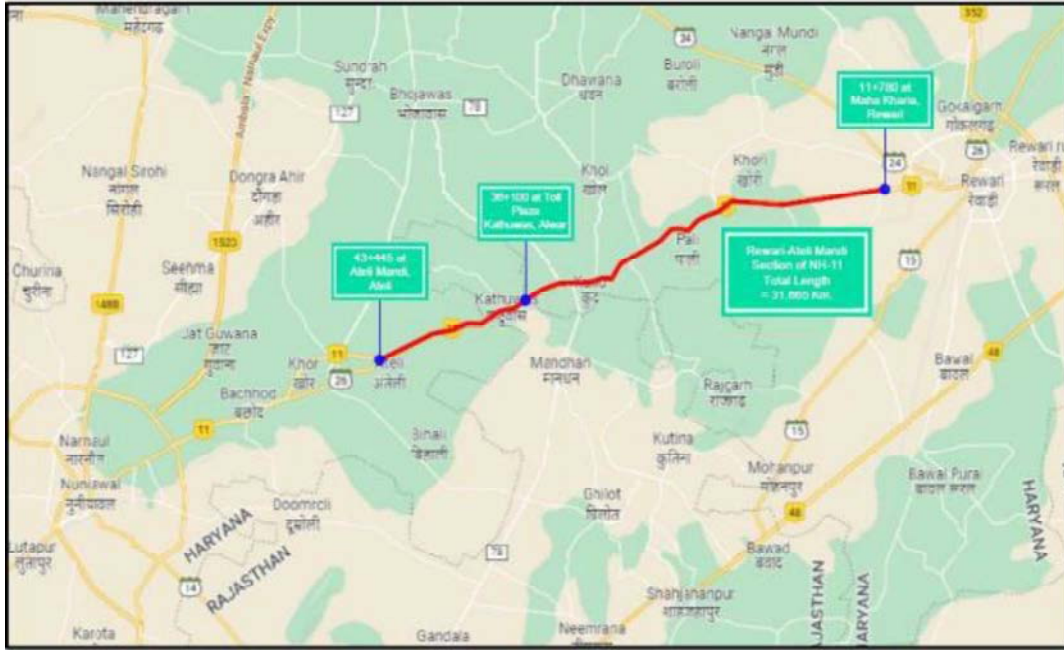
3.11.6. My team had conducted physical site visit for GSHPL on 20<sup>th</sup> March, 2024. Following are the pictures of the plant site:



**3.12. Rewari Ateli Highway Private Limited (“RAHPL”)**

3.12.1. Rewari Ateli Highway Private Ltd (RAHPL) was incorporated on 4<sup>th</sup> April, 2019. RAHPL entered into a concession agreement dated 27<sup>th</sup> May, 2019 with NHAI. The RAHPL project was awarded to H.G. Infra Engineering Ltd. by NHAI for 15 years of operation & maintenance period along with construction period of 730 Days from the Appointed Date i.e. 14<sup>th</sup> January, 2020 of the RAHPL Project. The Project has successfully achieved its PCOD on 15<sup>th</sup> November, 2021.

3.12.2. The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.12.3. Summary of project details of RAHPL are as follows:

Parameters	Details
Total Length	30.450 km
Nos. of Lanes	4 lane
NH / SH	NH- 11
State Covered	Haryana
Area (Start and End)	Maha Kharia, Rewari to Ateli Mandi, Ateli
Bid Project Cost	5800 INR Mn (Revised 5750 INR Mn)
PPP Model	HAM
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	15 <sup>th</sup> November, 2021
Nos. of Annuities	30
Balance Completion Cost	3,787 INR Mn
Construction Period	730 days
Operational Period	15 years

Source: Investment Manager

3.12.4. The Project Road is a Section of NH-11 which starts from Ch. 13+000 and ends at Ch. 44+000 (Design Length 31.000 km) in the state of Haryana. The Project Road has a length of 30.450 km.

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	30.450 km
2	Total length of Service Roads	34.400 km
3	No of Bypass Roads	1 no.
4	Flexible Pavement for Main carriageway	60 MSA
5	Toll Plaza	01 no.
6	Bus Bays / Bus Shelters	12 nos.
7	Truck Lay Bays	02 nos.
8	No of Rest Areas	02 nos.
9	Major Junction	07 nos.
10	Minor Junctions	24 nos.
11	No of Vehicular underpasses	07 nos.
12	No of Subways	01 no.
13	Pedestrian/Cattle Underpass	08 nos.
14	Minor Bridges	01 no.(de-scoped)
15	Box/Slab Culverts	72 nos.
16	Pipe Culverts	01 no.

Source: Investment Manager

3.12.5. The shareholding of RAHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	3,82,25,000	100.00%
	<b>Total</b>	<b>3,82,25,000</b>	<b>100.00%</b>

\*Includes shares held by nominee of Highways Infrastructure Trust.

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

3.12.6. My team had conducted physical site visit for RAHPL on 20<sup>th</sup> March, 2024. Following are the pictures of the plant site:





**3.13. Ateli Narnaul Highways Private Limited (“ANHPL”)**

3.11.1. The Project Road includes Ateli Mandi to Narnaul section of NH-11 which starts from Ch. 43+445m and ends at Ch. 56+900 ( Design Length 14 km) & Narnaul Bypass ( Design Length 28.000 km) in the state of Haryana. The Project Road is a section which is heading towards the Industrial town of Narnaul. The Project Road has a length of 40.81 km.

3.11.2. The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

3.11.3. Summary of project details of ANHPL are as follows:

Parameters	Details
Total Length	191.24 Lane Kms
Nos. of Lanes	4/6
NH / SH	NH 11
State Covered	Haryana
Area (Start and End)	Narnaul Bypass and Ateli Mandi to Narnaul
Bid Project Cost	INR 9,521 Mn
PPP Model	HAM
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	11 <sup>th</sup> March 2022
COD Date	11 <sup>th</sup> March 2022
Nos. of Annuities	30
Total Annuity Amount	~6,370 Mn
Construction Period	910 days from Appointed date
Operational Period	15 years from PCOD date

Source: Investment Manager

3.11.4. Salient Features of ANHPL have been given in the table below:

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	40.81 Km (6 Lane – 14Km & 4Lane – 28.81 Km)
2	Total length of Service Roads	62.07 Km
3	Widening	0.00 Km
4	New Alignment including bypass	23.85 Km
5	Approaches to underpasses	16.96 Km
6	No of Bypass Roads	5 Nos.
7	Flexible Pavement for Main carriageway	40.06 Km
8	Toll Plaza	NIL
9	Bus Bays / Bus Shelters	13 Nos.
10	Truck Lay Bays	2 Nos.
11	No of Rest Areas	NIL
12	Major Junction	3 Nos.
13	Minor Junctions	31 Nos.
14	No of Vehicular underpasses	16 Nos.
15	Vehicle overpass	1 Nos.
16	No of Subways	1 Nos.
17	No of Flyovers	3 Nos.
18	Pedestrian/Cattle Underpass	19 Nos.
19	Railway Over Bridge	1 Nos.
20	Major Bridges	1 Nos.
21	Minor Bridges	5 Nos.
22	Box/Slab Culverts	61 Nos.
23	Pipe Culverts	2 Nos.

Source: Investment Manager

3.11.5. The shareholding of ANHPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust*	9,52,11,000	100.00%
	<b>Total</b>	<b>9,52,11,000</b>	<b>100.00%</b>

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

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3.11.6. My team had conducted physical site visit for ANHPL on 20<sup>th</sup> March 2024. Following are the pictures of the plant site:



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## 4. Overview of the Industry

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The road infrastructure is an important determinant of economic growth in India and it plays a significant role in the economy's overall development process.

India has the second-largest road network in the world, spanning over 6.3 million kms. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute.

Creation and operation of quality road infrastructure continue to be major requirements for enabling overall growth and development of India in a sustained manner.

Bridging of existing infrastructure gaps and creating additional facilities to cater to the increasing population are equally important. Apart from providing connectivity in terms of enabling movement of passengers and freight, roads act as force multipliers in the economy.

Further, roads play a significant role in times of natural calamities, wars and other such events in terms of timely evacuation of the impacted population, carriage of relief material and other associated movements. Government takes cognisance of this requirement and road infrastructure remains to be a focus area.

### 4.1 Road Network in India

4.1.1 India has the second largest road network in the world, spanning over 6.37 million kms. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute.

### 4.2 Government Agencies for Road Development

4.2.1 The Ministry of Road Transport & Highway ("MoRTH") is responsible for development of Road Transport and Highways in general and construction & maintenance of National Highways.

4.2.2 The National Highways Authority of India ("NHAI") is an autonomous agency of the Government of India, set up in 1988 and is responsible for implementation of National Highways Development Project ("NHDP").

4.2.3 The NHDP in the context of NHs is nearing completion- in seven phases. Later, the other highway development programmes like Special Accelerated Road Development Programme for Development of Road Network in North Eastern States (SARDP- NE) and National Highways Interconnectivity Improvement Project (NHIP) were also taken up by MoRTH. Further, Bharatmala Pariyojana is ongoing. For majority of the projects under NHDP and Bharatmala Pariyojana, NHAI is the implementation agency. Other NH related programmes/works are being implemented through agencies like National Highways Infrastructure Development Corporation Limited (NHIDCL), State Public Works Departments (PWDs), State Road Development Corporations and the Border Road Organization.

4.2.4 In August 2023, the National Highways Authority of India (NHAI) made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.

4.2.5 In June 2023, National Highways Authority of India (NHAI) introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.

4.2.6 NHAI will come out with the third and fourth rounds of Infrastructure Investment Trusts (InvITs) to raise over Rs. 20,000 crore (US\$ 2.41 billion) in FY24. NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT).

4.2.7 In December 2022, NHAI raised Rs. 10,200 crore (US\$ 1.23 billion) from foreign and Indian institutional investors to meet ever-growing budgetary support. Indian Government and Asian Development Bank signed US\$ 500 million loan agreement to build the longest bridge across river Ganga, in Bihar. The bridge is expected to be ready by December 2021.

4.2.8 NHAI is planning to award 1,000-1,500 km of projects under the BOT model in 2023-24. As of November 2023, there were 352 PPP projects worth US\$ 76.95 billion in India

- 4.2.9 A total of 261 road projects under different Schemes of MoRTH with a total sanctioned cost of Rs. 1,02,594 crore (US\$ 12.33 billion) are under implementation through the National Highways Authority of India (NHAI), National Highways & Infrastructure Development Corporation Ltd. (NHIDCL), and State Public Works Departments (PWDs) in the North-Eastern States. The Ministry of Development of the North-Eastern Region, under the erstwhile North-East Road Sector Development Scheme (NERSDS) and the present North-East Special Infrastructure Development Scheme (NESIDS), has sanctioned a total of 77 road projects amounting to Rs. 3,372.58 crore (US\$ 405.5 million).
- 4.2.10 As of November 2023, there were 352 PPP projects worth US\$ 76.95 billion in India.
- 4.2.11 In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.
- 4.2.12 Roads in the jurisdiction of state governments are under different categories like State Highways (“SHs”) and Major District Roads. They are being developed/ upgraded through State PWDs and State Road Development Corporations. Pradhan Mantri Gram Sadak Yojana is being implemented for rural roads through the Ministry of Rural Affairs with active participation by state governments. Further, roads within urban areas are maintained/ developed mostly with PWDs and Urban Local Bodies.
- 4.2.13 State Governments have a significant role to play in developing the SHs, Major District Roads, Other District Roads to ensure the last mile connectivity. States have varying levels of maturity in terms of road infrastructure development due to issues such as inadequate identification and prioritization of projects, funding shortfall, limited institutional capacity to implement projects, etc

### 4.3 Trend of Road and Highways Construction

- 4.3.1 The length of National Highways awarded has almost doubled in the years FY15 to FY18 compared to FY11 to FY14. NHAI plans to construct 25,000 kilometres of national highways in 2022-23 at a pace of 50 km per day.
- 4.3.2 The current rate of road construction is almost three times that in 2007-08.
- 4.3.3 The launch of the Bharatmala Pariyojana in 2017 provided a big fillip to construction activity, with the pace of construction doubling from 12 km per day in 2014-15 to 30 km per day in 2022-23, and peaking at 37 km per day in 2020-21.
- 4.3.4 The government aims to take this up to 100 km per day in the next few years.
- 4.3.5 National Highway (NH) network increased by 60% from 91,287 km in 2014 to 1,46,145 km in year 2023
- 4.3.6 Length of 4 lanes and above NH increased by 2.5 times – 18,387 km (2014) to 46,179 km (Nov’23)
- 4.3.7 Length of less than 2 lane NH decreased from 30% (2014) to 10% (Nov’23)
- 4.3.8 Average pace of NH construction increased by 143% to 28.3 km/day from 2014
- 4.3.9 Expenditure is expected to increase by 9.4 times to Rs 3.17 lakh Crore from 2014
- 4.3.10 Out of 108 (3700 km) port connectivity road projects, 8 (294 km) are completed, 28 (1808 km) are awarded and DPR under-progress for 72 (1595 km) projects
- 4.3.11 Under the Union Budget 2023-24, the Government of India has allocated Rs. 2.7 lakh crore (US\$ 33 billion) to the Ministry of Road Transport and Highways.
- 4.3.12 With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector’s growth. Cumulative FDI inflows in construction development stood at US\$ 26.42 billion between April 2000-September 2023.
- 4.3.13 The GST on construction equipment has been reduced to 18% from 28%, which is expected to give a boost to infrastructure development in the country.
- 4.3.14 The Indian construction equipment industry, which aspires to become the world’s second-largest by 2030, is believed to have grown by 25% year-on-year in FY23, surpassing 100,000-unit sales for the second year in a row.

- 4.3.15 In FY23, a total of 107,779 units of construction equipment were sold, registering an increase of 26%.
- 4.3.16 The NHDP is a program to upgrade, rehabilitate and widen major highways in India to a higher standard. The project was started in 1998 to be implemented in 7 phases.
- 4.3.17 With the launch of Bharatmala project, 10,000 km of highway construction left under NHDP was merged with Phase I of the Bharatmala project.
- 4.3.18 The Indian government launched Gati Shakti-National Master Plan, which has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres).
- 4.3.19 The main aim of this program is a faster approval process by digitizing the process through a dedicated Gati shakti portal.
- 4.3.20 In December 2021, the government set a highway monetization target of Rs. 2 trillion (US\$ 26.20 billion) for the next 3 years.
- 4.3.21 The Government of India has allocated Rs. 111 lakh crore (US\$ 13.14 billion) under the National Infrastructure Pipeline for FY 2019-25. The Roads sector is expected to account for 18% capital expenditure over FY 2019-25.
- 4.3.22 NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT). The InvIT of NHAI, National Highways Infra Trust, has raised more than Rs 8,000 crore from foreign and Indian institutional investors till October 2022.
- 4.3.23 The development of market for roads and highways is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country.
- 4.3.24 In August 2023, the National Highways Authority of India (NHAI) made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.
- 4.3.25 In June 2023, National Highways Authority of India (NHAI) introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.

#### **4.4 Implementation of important projects and expressways:**

##### **4.4.1 Bharatmala Pariyojna**

Bharatmala Pariyojana is a new umbrella program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressway.

The Bharatmala Pariyojana envisages development of about 24,800 km length of Economic Corridors, which along with Golden Quadrilateral (GQ) and North-South and East-West (NS-EW) Corridors are expected to carry majority of the Freight Traffic on roads.

A total length of 34,800 km in road projects have been proposed to be constructed with an estimated outlay of Rs 5.35 trillion under Bharatmala Pariyojana Phase-I over a five year period (2017-18 to 2021-22).

##### **4.4.2 Char Dham Vikas Mahamarg Pariyojna:**

This project envisages development of easy access to the four dhams in India – Gangotri, Yamunotri, Kedarnath and Badrinath. Development of this route of 889 km route us expected at an estimated cost of INR 12,000 Crores.



#### 4.4.3 Eastern peripheral and western peripheral expressway

These two projects will connect NH-1 and NH-2 from western and eastern side of Delhi.

#### 4.4.4 NH-544G Bengaluru–Vijayawada Economic Corridor

In February 2023, Mr. Nitin Gadkari has approved the development of 32 km long 6-lane Access Controlled Greenfield Highway on NH-544G Bengaluru–Vijayawada Economic Corridor in Hybrid Annuity Mode in Andhra Pradesh worth US\$ 157 million (Rs. 1,292.65 crores).

#### 4.4.5 Setu Bharatam:

This project aims to replace crossings on NHs with Road Over Bridges and Road Under Bridges. It is projected to construct 174 such structures.

#### 4.4.6 To further augment road infrastructure, more economic corridors are also being planned by Government of India .

- a. In July 2023, Prime Minister Mr. Narendra Modi dedicated a six-lane greenfield motorway part of the Amritsar-Jamnagar Economic Corridor and the first phase of the Inter-State Transmission Line for Green Energy Corridor.
- b. 1,100 km of National Highway works in the State of Kerala at an investment of INR 65,000 Crores including 600 km section of Mumbai Kanyakumari corridor in Kerala.
- c. 675 km of highway works in the state of West Bengal at a cost of INR 25,000 Crores including upgradation of existing road-Kolkata –Siliguri.
- d. National Highway works of around INR 19,000 Crores are currently in progress in the State of Assam. Further works of more than INR 34,000 Crores covering more than 1300 kms of National Highways will be undertaken in the State in the coming three years.
- e. In the Union Budget of 2022-23, the increase in Budget was a whopping 68% compared to the last year and the government plans to complete 25,000 kilometres of National highways.
- f. Up to October 2023 of FY24, the Ministry of Road Transport and National Highways awarded a total length of 2,595 kms.

### 4.5 **Opportunities in road development & maintenance in India**

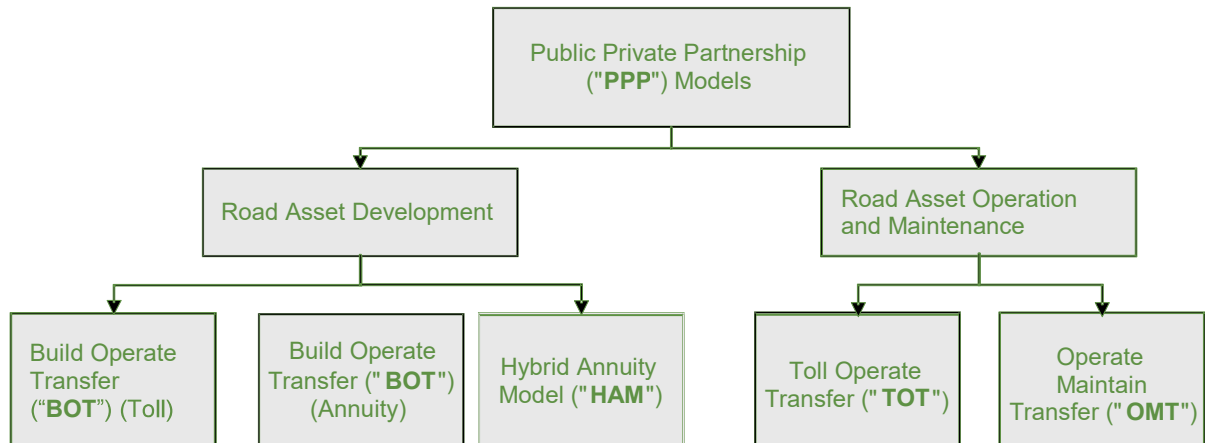
- a. India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies
- b. A total of 202 national highway projects worth Rs. 79,789 crore (US\$ 9.59 billion) are at the implementation stage in the country and are 6,270 km in length.
- c. The government also aims to construct 23 new national highways by 2025.
- d. Road building in India is second least expensive in Asia.
- e. In Andhra Pradesh, 70 projects underway, totaling 2,014 kms and costing Rs. 33,540 crore (US\$ 4.09 billion) are currently in progress.
- f. In February 2022, NHAI rolled out a plan to construct 5,795 kilometres of highways that will connect 117 districts. The plan was worth Rs. 1 trillion (US\$ 13.09 billion).
- g. In March 2023, NHAI has invited bid to help in developing Wayside Amenities at more than 600 locations on National Highways and Expressways by FY25.

### 4.6 **Public Private Partnership (“PPP”) Models of road development and maintenance in India**

4.6.1 India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. PPP has been a major contributor to the success story of the roads and highway sector in India. With the emergence of private players over the last decade, the road construction market has become fragmented and competitive. Players bidding for projects also vary in terms of size. PPP modes have been used in India for both development and operation & maintenance of road assets.

4.6.2 In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private

developers, thus creating a more market-friendly sector and attracting more private players.



### **Road Asset Development Models**

- **BOT Toll**

In a BOT toll project, the concessionaire is responsible for designing, building, financing, operating, maintaining, tolling and transferring the project to the relevant authority at the end of the concession period. The concession period is project specific but is usually for 20-25 years. In BOT Toll model, the concessionaire earns revenue primarily in the form of toll revenue which in turns depends on the traffic on the road stretch. Toll rates are regulated by the government through rules.

- **BOT Annuity**

Similar to a BOT Toll projects, in BOT Annuity project, the concessionaire is responsible for designing, building, financing, operating, maintaining, tolling and transferring the project to the relevant authority at the end of the concession period. However, in these projects, the right to collect toll on road stretch lies with the government. The concessionaire earns revenue in the form of pre-determined semi-annual annuity payments.

- **HAM**

Similar to a BOT projects, in HAM project, the concessionaire is responsible for designing, building, financing, operating, maintaining, tolling and transferring the project to the relevant authority at the end of the concession period. However, in these projects, the right to collect toll on road stretch lies with the government. The construction period for HAM projects is project specific and a fixed operation period of 15 years.

### **4.7 Government Investment in the Sector**

4.7.1 Under the Union Budget 2023- 24, the Government of India allocated Rs. 2.7 lakh crore (US\$ 33 billion) to the Ministry of Road Transport and Highways.

4.7.2 The Government aims to increase the toll revenue to INR 1.3 Trillion by 2030. In 2014, the waiting time at the toll plazas was 734 seconds, whereas in the 2023 this has reduced to 47 seconds. We are hopeful that we will bring it down to 30 second soon

4.7.3 NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT)

### **4.8 Recent Initiatives by Government**

#### **4.8.1 Bhoomi Rashi – Land Acquisition Portal**

The ministry has corroborated with the National Informatics Centre, to create Bhoomirashi, a web portal which digitises the cumbersome land acquisition process, and also helps in processing notifications relating to land acquisition online. Processing time, which was earlier two to three months has come down to one to two weeks now.

#### 4.8.2 FASTag – Electronic Toll Collection

National Electronic Toll Collection (NETC) system, has been implemented on pan India basis in order to remove bottlenecks and ensure seamless movement of traffic and collection of user fee as per the notified rates, using passive Radio Frequency Identification (RFID) technology.

#### 4.8.3 Revival of languishing projects

Projects which were languishing for a number of years have been attempted to be revived, with the help of a number of policy measures taken by the government. Some of the policy measures like Premium deferment in stressed projects, extension of concession period for languishing projects to the extent of delay not attributable to concessionaires, One Time Capital Support for physical completion of languishing projects that have achieved at least 50 per cent physical progress, through one time fund infusion by NHAI, subject to adequate due diligence on a case to case basis.

#### 4.8.4 Road Safety

The government has launched several initiatives to improve road safety in the country, including the implementation of the Motor Vehicles (Amendment) Act, 2019, which provides for higher penalties for traffic violations, the installation of speed cameras and red light cameras, and the promotion of road safety awareness through campaigns and training programs.

#### 4.8.5 Gati Shakti-National Master Plan

India's Gati Shakti program has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres). The main aim of this program is a faster approval process which can be done through the Gati shakti portal and digitized the approval process completely.

#### 4.8.6 Rural development

Under the Union Budget 2023-24, the Government of India allocated Rs. 19,000 (US\$ 2.37 billion) for Pradhan Mantri Gram Sadak Yojana (PMGSY).

#### 4.8.7 Portfolios in roads & highways sector

In October 2020, the National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infra-projects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field.

#### 4.8.8 Encouragement of infrastructure debt funds (IDFs)

Government of India has set up the India Infrastructure Finance Company (IIFCL) to provide long-term funding for infrastructure projects. Interest payment on external commercial borrowings for infrastructure are now subject to a lower withholding tax of 5% vis-a-vis 20% earlier. IDF income is exempt from income tax

#### 4.8.9 International Tie-ups

In December 2020, the Ministry of Road Transport and Highways signed an MoU with the Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology of the Republic of Austria on technology cooperation in the road infrastructure sector.

#### 4.8.10 Encourage private funding to reduce finance constraints

- Cumulative FDI inflows in construction development stood at US\$ 26.21 billion between April 2000-March 2022. Maif 2 Investments India Pvt. Ltd. became the first-largest foreign investment in Indian roads sector under toll-operate-transfer (TOT) mode worth Rs. 9,681.5 crore (US\$ 1.50 billion).
- In October 2020, the Asian Development Bank (ADB) and the Government of India signed a US\$ 177 million loan to upgrade 450 kms of state highways and major district roads in Maharashtra.
- In January 2021, the Government of India and New Development Bank (NDB) signed two loan agreements for US\$ 646 million for upgrading the state highway and district road networks in Andhra Pradesh.



- In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires.
- According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.

#### 4.9 Outlook

- 4.9.1. Highway construction in India increased at 17.00% CAGR between FY16-FY21. Despite pandemic and lockdown, India has constructed 10,457 km of highways in FY22. Under the Union Budget 2023-24, the Government of India has allocated Rs. 2.7 lakh crore (US\$ 33 billion) to the Ministry of Road Transport and Highways. In FY23 (until December), the Ministry of Road Transport and Highways constructed national highways extending 6,318 kms.
- 4.9.2. Development and maintenance of road infrastructure is a key Government priority, the sector has received strong budgetary support over the years. During the past years, the standardized processes for Public Private Partnership & public funded projects and a clear policy framework relating to bidding and tolling have also been developed.
- 4.9.3. The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth and sustainable development.
- 4.9.4. The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometres by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector.
- 4.9.5. The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector.
- 4.9.6. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY25. The roads sector is likely to account for 18% capital expenditure over FY25.

*Sources: IBEF Roads Report, Nember 2022; KPMG Report - Roads and Highway Sector; ICRA reports, website of Ministry of Road Transport and Highways, Government of India.*

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## 5. Valuation Methodology and Approach

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- 5.1. The present valuation exercise is being undertaken in order to derive the fair EV and Adjusted EV of the SPVs.
- 5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 5.3. There are three generally accepted approaches to valuation:
  - (a) "Cost" approach
  - (b) "Market" approach
  - (c) "Income" approach

### Cost Approach

- 5.4. The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, cost value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

### Net Asset Value ("NAV") Method

- 5.5. The NAV Method under Cost Approach considers the assets and liabilities, including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the preference shareholders, if any, represent the value of a company.

The NAV Method is appropriate in a case where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. This valuation approach is also used in cases where the firm is to be liquidated, i.e. it does not meet the "Going Concern" criteria.

As an indicator of the total value of the entity, the NAV method has the disadvantage of only considering the status of the business at one point in time.

Additionally, NAV does not properly take into account the earning capacity of the business or any intangible assets that have no historical cost. In many aspects, NAV represents the minimum benchmark value of an operating business.

### Market Approach

- 5.6. Under the Market approach, the valuation is based on the market value of the company in case of listed companies, and comparable companies' trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

### Comparable Companies Multiples ("CCM") Method

- 5.7. The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

### Comparable Transactions Multiples ("CTM") Method

- 5.8. Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/Earnings before Interest, Taxes, Depreciation & Amortization ("EBITDA") multiple and EV/Revenue multiple.

### Market Price Method

- 5.9. Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

### Income Approach

- 5.10. The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

## 5.11. DCF Method

5.11.1. Under DCF Method value of a company can be assessed using the Free Cash Flow to Firm Method (“**FCFF**”) or Free Cash Flow to Equity Method (“**FCFE**”). Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the WACC. The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

5.11.2. The perpetuity (terminal) value is calculated based on the business’ potential for further growth beyond the explicit forecast period. The “Constant Growth Model” is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business’ future operations. The EV (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

## 5.12. Conclusion on Cost Approach

5.12.1 The existing book value of EV of the SPVs comprising of the value of its Net fixed assets, Net intangible assets and working capital based on the Provisional Financial statements as at 31<sup>st</sup> March 2024 prepared as per Indian Accounting Standards (Ind AS) are as under :

INR Mn	31st March 2024	
	Book EV	Adjusted Book EV
DBCPL	3,566	3,792
GEPL	5,306	5,384
JPEPL	3,112	3,213
UEPL	2,204	2,845
NBPL	842	1,026
SEPL	138	491
UTPL	4,887	5,168
GRICL*	3,209	7,997
STPL	4,517	9,611
ANHPL	3,969	4,864
GSHPL	2,762	3,138
RAHPL	2,521	2,570
<b>Total</b>	<b>37,033</b>	<b>50,099</b>

\*The trust holds 56.8% equity stake in GRICL

5.12.2 In the present case, the SPVs operate and maintain the project facilities in accordance with the terms and conditions under the relevant concession agreement. During the concession period, the SPVs operate and maintain the road asset and earns revenue through Charges and collection of user fee in the form of Toll revenue. The charges, fees or tolls that may be collected are notified by relevant government authority, which are usually revised annually as specified in the relevant concessions and toll notifications. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the cost of the project. Accordingly, I have not considered the cost approach for the current valuation exercise..

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### 5.13. Conclusion on Market Approach

5.13.1. The present valuation exercise is to undertake fair EV of the SPVs engaged in the road infrastructure projects for a predetermined tenure. Further, the tariff revenue and expenses are very specific to the SPVs depending on the nature of their geographical location, stage of project, terms of profitability. In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPVs, I have not considered CCM method in the present case. In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method. Currently, the equity shares of the SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

### 5.14. Conclusion on Income Approach

5.14.1. Each of the SPVs operates under a BOT or DBFOT based concession agreement with the relevant regulatory authorities. Government authorities in India typically award highway infrastructure development projects under BOT concessions, which are characterized by three distinct phases:

- a. Build: upon successfully securing a project concession through a competitive bid, a concessionaire secures financing for, and completes construction, of a road;
- b. Operate: during the agreed concession period, the concessionaire operates, manages and maintains the road at its own expense and earns revenues by collecting tolls from vehicles using the road or annuity payments from the Concessions Authority; and
- c. Transfer: at the end of the agreed concession period, the ownership of the road (rights over the road under the concession), the obligation to maintain the road and the right to collect tolls from the vehicles using the road revert to the government entity that granted the concession.
- d. A DBFOT project involves, in addition to the activities required under a BOT project, the provision of engineering and design for such project.

5.14.2. Currently, each of the SPVs are completed and are revenue generating.

The revenue of the Toll SPVs is based on tenure, tariff rates, traffic volumes, operations, macro-economic factors like GDP growth, WPI, and other factors that are unique to each of the Toll SPVs. The Toll SPVs derive almost all of their revenue from their toll-road operations (toll collections) over the operation period. Traffic plying through the toll roads is primarily dependent on sustained economic development in the regions that they operate in and government policies relating to infrastructure development. The Toll SPVs are substantially dependent on the accuracy of their respective traffic volume forecasts. The rights in relation to the underlying assets of all the SPVs shall be transferred after the expiry of the Concession Period.

5.14.3. The revenue of the Annuity SPVs is mainly derived from the annuity payments (annuity fees).

5.14.4. The annuity fees are typically pre-determined with the relevant government authority (NHAI in this case) and cannot be modified to reflect prevailing circumstances. Interest on balance annuity payments are linked to bank rate, which is changed by RBI based on prevailing market conditions. The rights in relation to the underlying assets of the SPVs shall be transferred after the expiry of the Concession Period. Accordingly, since the SPVs are generating income based on pre-determined agreements / mechanism and since the Investment Manager has provided me with the financial projections of the SPVs for the balance tenor of the concession agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise

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## 6. Valuation of the SPVs

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- 6.1. In the present exercise, my objective is to determine the Fair Enterprise Value of the SPVs as per the DCF Method. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. Accordingly, in the present case, I have considered it appropriate to consider cash flows at FCFF (Free Cash Flow to Firm) level i.e., cash flows that are available to all the providers of capital (equity shareholders, preference shareholders and lenders). Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund raising are not considered in the calculation of FCFF.
- 6.2. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPVs as provided by the Investment Manager. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.
- 6.3. Following are the major steps I have considered in order to arrive the EV of the SPVs as per the DCF Method:
- Determination of Free Cash Flows to Firm which included:
    - a. Obtaining the financial projections to determine the cash flows expected to be generated by the SPVs from the Investment Manager;
    - b. Analyzed the projections and its underlying assumptions to assess the reasonableness of the cash flows;
  - Determination of the discount rate for the explicit forecast period; and
- Applying the discount rate to arrive at the present value of the explicit period cash flows and for arriving at the terminal value.

- 6.4. The key assumptions of the projections provided to me by the Investment Manager are:

### Key Assumptions:

#### 6.4.1. Revenue cash flows for Annuity Model SPVs (Annuity SPVs)

Under this model, concessionaire is responsible for designing, building, financing, operating, maintaining and transferring the project to the authority at the end of the concession period. Under this model, post completion of the road project, the right and responsibility of tolling is with the government. Accordingly, only one mode of revenue is earned by these SPVs that is explained below:

**Annuity Payments:** The concessionaire earns revenue primarily in the form of pre - determined biannual annuity payments which are made by NHAI to the concessionaire based on the respective concession agreements.

#### 6.4.2. Revenue cash flows for the Toll SPVs:

Under this model, the Toll SPVs are responsible for designing, building, financing, operating, maintaining and transferring the project to the authority at the end of the concession period. The right and responsibility for tolling is with the Toll SPVs. The concessionaire earns revenue primarily in the form of toll revenue.

**Toll Revenue:** As per the concession agreements for the respective Toll SPVs, the Concessionaire is allowed to levy, demand, collect and appropriate the fees (called as toll fees) from vehicles and persons liable to payment of fees for using their road stretch or any part thereof and refuse entry of any vehicle to the road asset if the due fee is not paid. Toll revenues depend on toll receipts, which in turn depend on traffic volumes and toll fees on the toll roads.

### Concession Period

The Concession Period refers to the period where the Concessionaire has the responsibility to construct the road asset and post-construction is granted with the exclusive rights, license and authority to demand, collect and appropriate fee, operate, manage and maintain the project highway subject to the terms and conditions mention in their respective concession agreement. The cash flow projections are prepared by the Investment Manager for the balance concession period remaining from the Valuation Date as summarized below:

SPV	Concession Period End Date		Extension Period	
	Original	Revised	For Traffic Variance	For Other Reasons
DBCPL	19-Mar-33	02-Dec-33	Nil	258
GEPL	28-Feb-38	03-Sep-43	1,973*	40**
JPEPL	16-Sep-38	13-Nov-43	1,825***	59**
UEPL	16-Oct-26	25-Mar-27	Nil	25**
UTPL	04-Sep-35	12-Jan-36	Nil	130

\*Subject to NHAI approval

\*\* COVID-19 Extension

\*\*\*Subject to Public Works Department, Government of Rajasthan approval

I understand, as per the extant provisions of the Concession Agreements for the respective Toll SPVs in relation to the traffic variation, the concession period could be modified to take into the account shortfall or excess in actual average traffic vis-à-vis the target traffic ranging beyond 2.5% and such concession extension or truncation shall be subject to a cap of 20% extension for shortfall and 10% for truncation for excess.

Accordingly, the Investment Manager has considered an extension period based on its calculation which is subject to the approval from the respective Authorities in case of GEPL and JPEPL. I have relied on the information provided by the Investment Manager.

**Extension for Other Reasons:** Respective authorities vide their various orders have extended the concession period of the BOT Toll Projects for reasons including natural calamities, lockdowns on account of COVID-19, etc.

I have considered the projection period for the current valuation exercise based on the balance concession period as represented by the Investment Manager, wherein expected COVID-19 related extensions are considered for the Toll SPVs, as final approval from authorities has not been received.

### Traffic Volumes

Traffic volumes are directly or indirectly affected by a number of factors, many of which are outside of the control of the Toll SPVs, including: toll fees; fuel prices in India; the frequency of traveler use; the quality, convenience and travel efficiency of alternative routes outside the Toll SPV's network of toll roads; the convenience and extent of a toll road's connections with other parts of the local, state and national highway networks; the availability and cost of alternative means of transportation, including rail networks and air transport; the level of commercial, industrial and residential development in areas served by the Toll SPVs' projects; adverse weather conditions; and seasonal holidays.

### Toll Rates

During the concession period, the Toll SPVs operate and maintain the road asset and earn revenues through charges, fees or tolls generated from the asset. The amount of charges, fees or tolls that they may collect are notified by the relevant government authorities, which are usually revised annually as specified in the relevant concessions and toll notifications.

The toll rates for the projected period have been derived in the manner stipulated in the individual concession agreements of the Toll SPVs.

In the present case, the Investment Manager has appointed independent third-party research agencies to forecast the traffic volumes and toll revenues for the Toll SPVs. As confirmed by the Investment Manager, the traffic volumes and toll revenues for Toll SPVs have been estimated by the traffic consultant after considering overall structure and condition of the projects including analysis of demand and supply and strategic geographical locations of the individual road projects. This was one of the most important input in projecting the toll revenues.



#### 6.4.3. Revenue cash flows for the HAM SPVs:

The Cash flow for the SPVs can be divided into two segments:

##### **Payment from NHAI during the Construction Period:**

The SPVs are eligible to receive 40% of the Bid Project Cost (BPC), adjusted for the price index multiple, in 5 installments of 8% each during the construction period. I have been represented by the Investment Manager that SPVs have received the agreed portion of the inflation adjusted bid project cost (of 40%) as per the respective concession agreements.

**Payment by NHAI during the Operation Period:** Accordingly, the revenue of the SPVs would mainly consist of the following receipts:

- a. **Annuity payments:** The Bid Project Cost remaining, adjusted for the price index multiple, to be paid in pursuance of the respective concession agreements (i.e. the Balance Completion Cost) is eligible to be received by the respective SPVs by way of specified biannual installments as mentioned in their respective concession agreement for the balance period of operations.
- b. **Interest:** As per the concession agreements, the SPVs is entitled to receive interest on reducing Balance Completion Cost equal to applicable Bank Rate (as decided by the Monetary Policy Committee and published by the Reserve Bank of India) + 3.00% spread. Such interest is due and payable along with each of the biannual installments as mentioned above; and
- c. **Operation and Maintenance Revenue:** In lieu of O&M expenses to be incurred by SPVs, SPVs is eligible for certain O&M income (as defined in the respective concession agreement) at each biannual installment date, duly adjusted for an appropriate inflation rate.

#### 6.4.4. Operating and Maintenance Expenses:

Since all the SPVs are operational on the Valuation Date, following are the major costs incurred by the SPV:

##### **Operation and Maintenance Costs (Routine) (“O&M Costs”)**

These are routine costs incurred every year. These costs are related to the normal wear and tear of the road and hence involve repairing the patches damaged mainly due to heavy traffic movement. O&M Costs also includes staff salaries, consumables, security expenses, electricity, etc. The primary purpose of these expenses is to maintain the road as per the specifications mentioned in the respective concession agreement. SPV is generally responsible for carrying out operation and maintenance activities at its toll road during its concession period. Within the scope of such operation and maintenance obligations, the SPV may be required to undertake routine maintenance of project roads, maintain and comply with safety standards to ensure smooth and safe traffic movement, deploy adequate human resources for incident management, maintain proper medical and sanitary arrangements for personnel deployed at the site, prevent any unauthorized entry to and exit from the project as may be required.

##### **Major Maintenance and Repairs Costs (“MMR Costs”)**

###### **Estimating the MMR Costs**

Period maintenance expenses will be incurred on periodic basis say every 5 years or more. These are the costs incurred to bring the road assets back to its earlier condition or keep the road assets in its present condition. These expenses are primarily related to the construction or re-laying of the top layer of the road. Accordingly such costs include considerable amounts of materials and labour.

We have relied on projections as provided to us by the Investment Manager for estimating major maintenance expenses and O&M Costs for the projected period.

###### **Provisions for MMR Costs and Cash Flow Adjustments**

As per the financial requirements, provision is required for appropriate major maintenance expense over a period until the actual expenditure is incurred. These are non-cash expenses. Hence, for my DCF analysis, such provisions are added back in their respective years and the actual expenditure expected to be incurred during the particular interval (of 5 years or more) is deducted in those respective years in order to arrive at net cash flows.

The Investment Manager has provided me the estimated Major Maintenance Expenses.

#### 6.4.5. Depreciation and Amortization: The toll collection rights or the financial rights (intangible assets) of the SPVs are being amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the Companies Act, 2013.

6.4.6. **Revenue Share/ Premium payment:** The revenues collected from the toll would be shared with NHAI (in case of GEPL) and Public Works Department, Government of Rajasthan (in case of JPEPL) in the form of a concession fee. The percentage of revenue that the SPV has to share with their respective appointing authority is defined in the Concession Agreement. This is applicable in case of GEPL and JPEPL only. Such Premium payment is reduced from the revenue of the respective SPV to arrive at FCFF for calculation of Enterprise Value.

6.4.7. **Capital Expenditure (“Capex”):** As represented by the Investment Manager, the maintenance Capex has already been factored in the Operations & Maintenance expenditure and Major maintenance expenditure for the projected period.

6.4.8. **Taxes and Tax Incentive:**

There have been changes in tax regime pursuant to introduction of Taxation Laws (Amendment) Ordinance 2019 made on 20<sup>th</sup> September 2019 which was enacted to make certain amendments in the Income Tax Act, 1961 and the Finance (No. 2) Act, 2019. As per the discussions with the Investment Manager, the old provisions of Income Tax Act have been considered for the projected period of all SPVs for the current valuation exercise, which inter alia provide benefits of additional depreciation, section 115JB and section 80-IA. New provision of Income Tax Act (with base corporate tax rate of 22%) have been considered for all SPVs (except for NBPL, SEPL & UEPL) after utilization/ lapse of such 80-IA/ MAT benefits for the current valuation exercise.

6.4.9. **Working Capital:**

The Investment Manager has provided projected Working Capital information for all the SPVs. We have relied on the same.

6.5. **Impact of Ongoing Material Litigation on Valuation**

As on 31<sup>st</sup> March 2024, there are ongoing litigations as shown in Appendix 4. Further, Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPVs.

6.6. **GST Claim:** The Investment Manager has informed us that due to the changes in extant provision of the Goods & Services Tax (“GST”) laws, the SPVs are eligible to receive GST claim from NHAI which are as follows:

- i. On Annuity: As per the Annexure IV of the Policy circular of Ministry of Road Transport & Highways as on 23rd December 2022, SPVs are eligible to claim reimbursement of GST on annuity, considering change in law, after adjusting GST input credit lying with the SPVs.
- ii. On Interest on Annuity: As per the Ministry of Finance circular dated 17th June 2021, GST will be applicable on annuity (deferred payments) paid for construction of roads i.e. annuity plus interest, additionally Ministry of Road Transport & Highways issued clarification dated 17th June 2021 that the SPVs will be eligible to claim reimbursement of GST on interest.
- iii. Change in GST rates: Ministry of Finance vide notification no. 03/2022 dated 13th July 2022, increased the GST rates applicable on road construction services from 12% to 18%. As per the Policy circular of Ministry of Road Transport & Highways as on 23rd December 2022, the above increase in GST rates are eligible for reimbursement from NHAI as it is considered as change in law (i.e. change of rate).

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## 6.7. Calculation of Weighted Average Cost of Capital for the SPV

### 6.7.1. Cost of Equity:

Cost of Equity (CoE) is a discounting factor to calculate the returns expected by the equity holders depending on the perceived level of risk associated with the business and the industry in which the business operates.

For this purpose, I have used the Capital Asset Pricing Model (CAPM), which is a commonly used model to determine the appropriate cost of equity for the SPVs.

$$K(e) = R_f + [ERP * Beta] + CSR_P$$

Wherein:

K(e) = cost of equity

R<sub>f</sub> = risk free rate

ERP = Equity Risk Premium

Beta = a measure of the sensitivity of assets to returns of the overall market

CSR<sub>P</sub> = Company Specific Risk Premium (In general, an additional company-specific risk premium will be added to the cost of equity calculated pursuant to CAPM).

For valuation exercise, I have arrived at adjusted cost of equity of the SPVs based on the above calculation (Refer Appendix 2).

### 6.7.2. Risk Free Rate:

I have applied a risk free rate of return of 6.97% on the basis of the zero coupon yield curve as on 31<sup>st</sup> March 2024 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited.

### 6.7.3. Equity Risk Premium (“ERP”):

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. Based on the aforementioned, a 7% equity risk premium for India is considered appropriate.

### 6.7.4. Beta:

Beta is a measure of the sensitivity of a company's stock price to the movements of the overall market index. In the present case, I find it appropriate to consider the beta of companies in similar business/ industry to that of the SPVs for an appropriate period.

**For the valuation of the Annuity SPVs,** I find it appropriate to consider the beta of MEP Infrastructure Developers Ltd., Bharat Road Network Ltd and IRB InvIT Fund for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPVs like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty, etc. to arrive at the adjusted unlevered beta appropriate to the SPV.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio of annuity based road DBFOT/BOT projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of Annuity SPVs. (Refer Appendix 2)

**For the valuation of the Toll SPVs,** I find it appropriate to consider the beta of Ashoka Buildcon Limited and IRB Infrastructure Developers Limited for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPVs like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty etc. to arrive at the adjusted unlevered beta appropriate to the SPV.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 50:50 based on the industry Debt: Equity ratio of a road toll based BOT/DBFOT projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the Toll SPVs. (Refer Appendix 2)



**For the valuation of the SPVs**, I find it appropriate to consider the beta of MEP Infrastructure Developers Limited, Bharat Road Network Limited and IRB InvIT fund for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPVs like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty, etc. to arrive at the adjusted unlevered beta appropriate to the SPVs.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio of HAM based projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the SPVs. (Refer Appendix 2)

#### 6.7.5. Company Specific Risk Premium (“CSRP”):

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, considering the counter-party risk for the SPVs, considering the length of the explicit period for the SPVs, and basis my discussion with Investment Manager, I found it appropriate to consider following CSRP for the SPVs:

Sr. No.	SPVs	CSRP	Sr. No.	SPVs	CSRP
1	DBCPL	2%	7	UTPL	2%
2	GEPL	2%	8	GRICL	2%
3	JPEPL	2%	9	STPL	1%
4	UEPL	1%	10	ANHPL	0%
5	NBPL	0%	11	GSHPL	0%
6	SEPL	0%	12	RAHPL	0%

#### 6.7.6. Cost of Debt:

The calculation of Cost of Debt post-tax can be defined as follows:

$$K(d) = K(d) \text{ pre-tax} * (1 - T)$$

Wherein:

K(d) = Cost of debt

T = tax rate as applicable

For valuation exercise, pre-tax cost of debt has been considered as 8.25% for all the SPVs.

#### **Weighted Average Cost of Capital (WACC):**

The discount rate, or the WACC, is the weighted average of the expected return on equity and the cost of debt. The weight of each factor is determined based on the company’s optimal capital structure.

Formula for calculation of WACC:

$$\text{WACC} = [K(d) * \text{Debt} / (\text{Debt} + \text{Equity})] + [K(e) * (1 - \text{Debt} / (\text{Debt} + \text{Equity}))]$$

Accordingly, as per above, I have arrived the WACC for the explicit period of the SPVs.

(Refer Appendix 2 for detailed workings).

#### 6.7.7. Cash Accrual Factor (CAF):

Discounted cash flow require to forecast cash flows in future and discount them to the present in order to arrive at present value of the asset as on Valuation Date. To discount back the projections we use the Cash Accrual Factor (“CAF”). The Cash Accrual Factor refers to the duration between the Valuation date and the point at which each cash flow is expected to accrue.

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#### 6.7.8. Discounting Factor

Discounted cash flow is equal to sum of the cash flow in each period divided by present value factor, where the present value factor is determined by raising one plus discount rate (WACC) raised to the power of the CAF.

$$DCF = [CF1 / (1+r)^{CAF1}] + [CF2 / (1+r)^{CAF2}] + \dots + [CFn / (1+r)^{CAFn}]$$

Where,

CF = Cash Flows,

CAF = Cash accrual factor for particular period

R = Discount Rate (i.e. WACC)

- 6.8. At the end of the agreed concession period, the rights in relation to the underlying assets, its operations, the obligation to maintain the road reverts to the government authority that granted the concession. Hence, the SPVs is not expected to generate cash flow after the expiry of their respective concession agreements. Accordingly, I found it appropriate not to consider terminal period value, which represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life, in this valuation exercise

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## 7. Valuation Conclusion

- 7.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 7.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at fair EV of the SPVs.
- 7.3. Based on the above analysis, the fair EV as on the Valuation Date of the SPVs are as mentioned below:

INR Mn				
Sr. No.	SPVs	WACC	Enterprise Value	Adjusted Enterprise Value
1	DBCPL	10.5%	16,858	17,084
2	GEPL	10.5%	22,793	22,871
3	JPEPL	10.5%	5,565	5,666
4	UEPL	10.1%	3,533	4,174
5	NBPL	8.1%	944	1,128
6	SEPL	8.1%	189	542
7	UTPL	10.6%	9,063	9,343
8	GRICL*	10.3%	12,312	17,100
9	STPL	9.9%	15,182	20,275
10	ANHPL	7.4%	4,485	5,380
11	GSHPL	7.5%	2,957	3,333
12	RAHPL	7.4%	2,743	2,792
<b>Total</b>			<b>96,624</b>	<b>1,09,688</b>

\*The trust holds 56.8% equity stake in GRICL

(Refer Appendix 1 for detailed workings)

- 7.4. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.
- 7.5. Adjusted Enterprise Value is described as the Enterprise Value plus any closing cash or cash equivalents as at the date of valuation.
- 7.6. Adjusted Enterprise Value ("Adj. EV") is described as the Enterprise Value plus any closing cash or cash equivalents as at the date of valuation.
- 7.7. The fair EV of the SPVs are estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 7.8. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 7.9. Accordingly, I have conducted sensitivity analysis on certain model inputs, the results of which are as indicated below:
1. WACC by increasing / decreasing it by 0.5%
  2. WACC by increasing / decreasing it by 1.0%
  3. Expenses by increasing / decreasing it by 20%
  4. Revenue of Toll SPVs by increasing / decreasing it by 10%



1. Fair Enterprise Valuation Range based on WACC parameter (0.5%)

INR Mn							
Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	DBCPL	11.02%	16,488	10.52%	16,858	10.02%	17,240
2	GEPL	10.95%	21,846	10.45%	22,793	9.95%	23,800
3	JPEPL	10.98%	5,337	10.48%	5,565	9.98%	5,807
4	UEPL	10.60%	3,506	10.10%	3,533	9.60%	3,560
5	NBPL	8.57%	934	8.07%	944	7.57%	955
6	SEPL	8.59%	189	8.09%	189	7.59%	189
7	UTPL	11.10%	8,815	10.60%	9,063	10.10%	9,321
8	GRICL*	10.77%	12,078	10.27%	12,312	9.77%	12,553
9	STPL	10.44%	14,939	9.94%	15,182	9.44%	15,431
10	ANHPL	7.93%	4,384	7.43%	4,485	6.93%	4,590
11	GSHPL	8.00%	2,893	7.50%	2,957	7.00%	3,024
12	RAHPL	7.93%	2,687	7.43%	2,743	6.93%	2,801
<b>Total</b>			<b>94,096</b>		<b>96,624</b>		<b>99,271</b>

\*The trust holds 56.8% equity stake in GRICL

2. Fair Enterprise Valuation Range based on WACC parameter (1.0%)

INR Mn							
Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	DBCPL	11.52%	16,131	10.52%	16,858	9.52%	17,635
2	GEPL	11.45%	20,955	10.45%	22,793	9.45%	24,872
3	JPEPL	11.48%	5,124	10.48%	5,565	9.48%	6,064
4	UEPL	11.10%	3,479	10.10%	3,533	9.10%	3,588
5	NBPL	9.07%	924	8.07%	944	7.07%	965
6	SEPL	9.09%	190	8.09%	189	7.09%	189
7	UTPL	11.60%	8,577	10.60%	9,063	9.60%	9,590
8	GRICL*	11.27%	11,851	10.27%	12,312	9.27%	12,802
9	STPL	10.94%	14,703	9.94%	15,182	8.94%	15,687
10	ANHPL	8.43%	4,288	7.43%	4,485	6.43%	4,699
11	GSHPL	8.50%	2,831	7.50%	2,957	6.50%	3,094
12	RAHPL	8.43%	2,633	7.43%	2,743	6.43%	2,861
<b>Total</b>			<b>91,686</b>		<b>96,624</b>		<b>1,02,046</b>

\*The trust holds 56.8% equity stake in GRICL

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### 3. Fair Enterprise Valuation Range based on Expenses parameter (20%)

INR Mn				
Sr. No.	SPVs	EV at Expenses -20%	EV at Base Expenses	EV at Expenses +20%
1	DBCPL	17,284	16,858	16,432
2	GEPL	23,178	22,793	22,408
3	JPEPL	5,969	5,565	5,158
4	UEPL	3,627	3,533	3,439
5	NBPL	995	944	894
6	SEPL	216	189	160
7	UTPL	9,498	9,063	8,628
8	GRICL*	12,745	12,312	11,879
9	STPL	15,708	15,182	14,656
10	ANHPL	4,634	4,485	4,336
11	GSHPL	3,108	2,957	2,785
12	RAHPL	2,877	2,743	2,608
<b>Total</b>		<b>99,839</b>	<b>96,624</b>	<b>93,383</b>

\*The trust holds 56.8% equity stake in GRICL

### 4. Fair Enterprise Valuation Range based on Revenue parameter of Toll SPVs (10%)

INR Mn				
Sr. No.	SPVs	EV at Revenue -10%	EV at Base Revenue	EV at Revenue +10%
1	DBCPL	14,858	16,858	18,858
2	GEPL	20,163	22,793	25,423
3	JPEPL	4,698	5,565	6,427
4	UEPL	3,097	3,533	3,969
5	UTPL	7,812	9,063	10,314
6	GRICL*	10,722	12,312	13,901
7	STPL	13,238	15,182	17,091

\*The trust holds 56.8% equity stake in GRICL

The above represents reasonable range of Fair Enterprise Valuation of the SPVs.

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## 8. Additional Procedures to be complied with in accordance with InvIT regulations

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### 8.1. Scope of Work

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT.

The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of the SPVs are as follows:

- List of one-time sanctions/approvals which are obtained or pending;
- List of up to date/overdue periodic clearances;
- Statement of assets;
- Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
- Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
- On-going material litigations including tax disputes in relation to the assets, if any;
- Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

### 8.2. Limitations

This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.

I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.

I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.

I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

#### **Analysis of Additional Set of Disclosures for the SPVs**

##### A. List of one-time sanctions/approvals which are obtained or pending:

The list of sanctions/ approvals obtained by the SPVs till the date of this Report is provided in Appendix 3. As informed by the Investment Manager, there are no applications for government sanctions/ licenses by the SPVs for which approval is pending as on 31<sup>st</sup> March 2024.

##### B. List of up to date/ overdue periodic clearances:

The Investment Manager has confirmed that the SPVs are not required to take any periodic clearances and hence there are no up to date/ overdue periodic clearances as on 31<sup>st</sup> March 2024.



C. **Statement of assets included:**

The details of assets in INR Mn of the SPVs as at 31<sup>st</sup> March 2024 are as mentioned below:

Sr. No.	SPVs	INR Mn			
		Net Fixed Assets	Net Intangible Asset	Non-Current Assets	Current Assets
1	DBCPL	17	3,287	4,165	411
2	GEPL	23	7,576	7,602	95
3	JPEPL	55	3,793	3,850	123
4	UEPL	9	3,002	3,025	666
5	NBPL	6	-	502	666
6	SEPL	4	0	271	393
7	UTPL	11	6,067	6,131	381
8	GRICL%	75	3,412	3,643	5,100
9	STPL	139	3,155	5,484	5,122
10	ANHPL	4	-	2,991	1,978
11	GSHPL	0	-	2,082	1,156
12	RAHPL	0	-	1,886	803
	<b>Total</b>	<b>342</b>	<b>30,291</b>	<b>37,664</b>	<b>14,934</b>

Source: Investment Manager

\*The trust holds 56.8% equity stake in GRICL

\* Non-Current Assets for Annuity SPVs includes Non-Current Financial Assets in the form of Annuity Receivable from respective counterparties.

D. **Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion:**

I have been informed that maintenance is regularly carried out by SPVs in order to maintain the working condition of the assets.

**Historical Major Repairs**

SPVs	INR Mn						
	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
DBCPL	123	-	217	180	504	67	
GEPL	-	-	-	7	233	-	
JPEPL	-	-	-	-	185	292	
UEPL	-	287	333	-	-	-	191
NBPL	-	6	284	-	-	-	183
SEPL	6	-	10	23	-	-	359
UTPL							
GRICL	71	78	76	216	201		
STPL					1,386		1135
ANHPL							
GSHPL							
RAHPL							

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## Forecasted major repairs

SPVs	INR Mn										
	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35
DBCPL	257	267	278	278	-	-	-	-	-	634	653
GEPL	-	-	-	-	-	-	381	-	-	-	-
JPEPL	4	-	-	-	-	1,386	-	-	-	-	-
UEPL	745	-	13	-	-	-	-	-	-	-	-
NBPL	235	-	-	1	-	-	-	-	-	-	-
SEPL	-	12	-	-	-	-	-	-	-	-	-
UTPL	1,102	84	-	-	-	459	946	-	-	-	266
GRICL	1,162	600	624	-	170	230	-	385	570	-	-
STPL	483	-	-	-	1,784	304	-	276	-	-	-
ANHPL	30	-	16	-	-	662	331	-	15	-	-
GSHPL	13	-	8	-	-	396	-	-	8	-	-
RAHPL	25	-	12	-	-	659	-	-	9	-	-

SPVs	INR Mn									
	FY 36	FY 37	FY 38	FY 39	FY 40	FY 41	FY 42	FY 43	FY 44	
DBCPL	-	-	-	-	-	-	-	-	-	
GEPL	498	-	-	-	-	-	-	455	-	
JPEPL	782	-	-	-	-	-	-	1,043	-	
UEPL	-	-	-	-	-	-	-	-	-	
NBPL	-	-	-	-	-	-	-	-	-	
SEPL	-	-	-	-	-	-	-	-	-	
UTPL	274	-	-	-	-	-	-	-	-	
GRICL	-	-	-	-	-	-	-	-	-	
STPL	-	-	-	-	-	-	-	-	-	
ANHPL	362	181	-	-	-	-	-	-	-	
GSHPL	226	-	-	-	-	-	-	-	-	
RAHPL	338	-	-	-	-	-	-	-	-	

E. **Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any:**

Investment Manager has informed me that there are no material dues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities with respect to the SPVs (InvIT assets) except as may be disclosed in the financial statements.

F. **On-going material litigations including tax disputes in relation to the assets, if any:**

As informed by the Investment Manager, the status of arbitration matters and status of tax assessments are updated in Appendix 4. Investment Manager has informed us that majority of the cases are having low to medium risk and accordingly no material outflow is expected against the litigations. Hence, I have relied on the Investment Manager with respect to the current status of the above mentioned cases

G. **Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control:**

Investment Manager has confirmed to me that there are no such natural or induced hazards which have not been considered in town planning/ building control.

H. **Valuation of the project in the previous 3 years (for existing projects of the InvIT)**

Sr. No.	SPVs	Mar-22	Mar-23	Mar-24
1	DBCPL	14,760	15,709	16,858
2	GEPL	21,281	22,866	22,793
3	JPEPL	8,628	8,018	5,565
4	UEPL	5,423	4,484	3,533
5	NBPL	1,362	1,104	944
6	SEPL	567	220	189
7	UTPL			9,063
8	GRICL*			12,312
9	STPL			15,182
10	ANHPL			4,485
11	GSHPL			2,957
12	RAHPL			2,743
	<b>Total</b>	<b>52,021</b>	<b>52,401</b>	<b>96,624</b>

\*The trust holds 56.8% equity stake in GRICL

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## 9. Sources of Information

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- 9.1. For the Purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:
- i. Audited Financial Statements of the SPVs for Financial Year (“FY”) ended 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2023.
  - ii. Provisional Unaudited Financial Statements of the SPVs for Financial Year (“FY”) ended 31<sup>st</sup> March 2024.
  - iii. Details of brought forward losses and MAT credit (as per Income Tax Act) of the SPVs as at 31<sup>st</sup> March 2024.
  - iv. Projected financial information for the remaining project life for the SPVs;
  - v. Details of projected Major Maintenance & Repairs (MMR) Expenditure and Capital Expenditure (Capex);
  - vi. Traffic Study Report prepared by Ramboll India Private Limited for DBCPL, GEPL and UEPL, IBI Group India Private Limited for JPEPL and Steer Group for UTPL and STPL respectively;
  - vii. Details of Written Down Value (WDV) (as per Income Tax Act) of assets as at 31<sup>st</sup> March 2023;
  - viii. Concession Agreement of the SPVs with the respective authority;
  - ix. List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPVs;
  - x. Shareholding pattern as on 31<sup>st</sup> March 2024 of the SPVs and other entities mentioned in this Report;
  - xi. Management Representation Letter by the Investment Manager dated 9<sup>th</sup> May 2024;
  - xii. Relevant data and information about the SPVs provided to us by the Investment Manager either in written or oral form or in the form of soft copy;
- 9.2. Information provided by leading database sources, market research reports and other published data.
- 9.3. The information provided to me by the Investment Manager in relation to the SPVs included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.
- 9.4. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.
- 9.5. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

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## 10. Exclusions and Limitations

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- 10.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 10.2. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 31<sup>st</sup> March 2024 ("Valuation Date") mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 10.3. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPVs till 31<sup>st</sup> March 2024. The Investment Manager has represented that the business activities of the SPVs have been carried out in normal and ordinary course between 31<sup>st</sup> March 2024 and the Report Date and that no material changes have occurred in the operations and financial position between 31<sup>st</sup> March 2024 and the Report date.
- 10.4. The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.
- 10.5. In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out here in which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- 10.6. I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPVs or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 10.7. This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- 10.8. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party's purpose.
- 10.9. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.
- 10.10. This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- 10.11. Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.
- 10.12. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.

- 10.13. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 10.14. I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.
- 10.15. My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date.
- 10.16. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- 10.17. The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- 10.18. For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.
- 10.19. In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- 10.20. In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- 10.21. This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 10.22. I am not an advisor with respect to legal, tax and regulatory matters for the proposed transaction. No investigation of the SPV's claim to title of assets has been made for the purpose of this Report and the SPV' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 10.23. I have no present or planned future interest in the Trustee, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPVs.
- 10.24. I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of the factual data used in my analysis and to prevent any error or inaccuracy in this Report.



### Limitation of Liabilities

- 10.25. It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.
- 10.26. In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).
- 10.27. It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- 10.28. RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.
- 10.29. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

Yours faithfully,

SWAMINATHAN SUNDARARAMAN  
AN

Digitally signed by  
SWAMINATHAN  
SUNDARARAMAN  
Date: 2024.05.10  
22:28:08 +05'30'

**S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 24028423BKGAAQ3059

## Appendix 1 – Valuation of SPVs as on 31<sup>st</sup> March 2024

Abbreviations	Meaning
EBITDA	Operating Earnings Before Interest, Taxes, Depreciation and Amortization
MMR	Major Maintenance and Repair Expenses
Capex	Capital Expenditure
Wcap	Incremental Working Capital
FCFF	Free Cash Flow to the Firm
CAF	Cash Accrual Factor
DF	Discounting Factor
PVFCFF	Present value of Free Cash Flow to the Firm

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**Appendix 1.1 – Valuation of DBCPL as on 31<sup>st</sup> March 2024 under the DCF Method**

INR Mn											
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E	H	I	J	K=G*J	
FY 25	2,536	2,211	257	-	11	313	1,629	0.50	10.52%	0.95	1,550
FY 26	2,837	2,473	267	-	5	355	1,845	1.50	10.52%	0.86	1,588
FY 27	3,195	2,800	278	-	5	407	2,109	2.50	10.52%	0.78	1,643
FY 28	3,557	3,132	278	-	6	460	2,388	3.50	10.52%	0.70	1,683
FY 29	3,980	3,519	-	-	6	536	2,976	4.50	10.52%	0.64	1,898
FY 30	4,468	3,968	-	-	6	604	3,358	5.50	10.52%	0.58	1,937
FY 31	4,984	4,442	-	-	6	674	3,762	6.50	10.52%	0.52	1,964
FY 32	5,569	4,980	-	-	6	754	4,220	7.50	10.52%	0.47	1,993
FY 33	6,181	5,545	634	-	7	1,245	3,658	8.50	10.52%	0.43	1,564
FY 34	4,628	4,015	653	-	3	861	2,498	9.34	10.52%	0.39	982
<b>Total of PVFCFF</b>											<b>16,801</b>
(+) Present Value of Working Capital Release											57
<b>Enterprise Value</b>											<b>16,858</b>
(+) Closing cash or cash equivalents as at the Valuation Date											226
<b>Adjusted Enterprise Value</b>											<b>17,084</b>



**Appendix 1.2 – Valuation of GEPL as on 31<sup>st</sup> March 2024 under the DCF Method**

INR Mn												
Year	Revenue	EBITDA	MMR Expense	Premium Payment to NHAI	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	C	D	E	F	G	H=A-B-C-D-E-F-G	I	J	K	L=H*K	
FY25	1,755	1,587	-	134	-	-	248	1,206	0.50	10.45%	0.95	1,147
FY26	1,959	1,791	-	141	-	-	279	1,371	1.50	10.45%	0.86	1,181
FY27	2,190	2,010	-	148	-	-	313	1,549	2.50	10.45%	0.78	1,208
FY28	2,450	2,259	-	155	-	-	352	1,752	3.50	10.45%	0.71	1,237
FY29	2,728	2,521	-	163	-	-	392	1,966	4.50	10.45%	0.64	1,257
FY30	3,029	2,805	381	171	-	-	436	1,816	5.50	10.45%	0.58	1,051
FY31	3,350	3,107	-	179	-	-	487	2,440	6.50	10.45%	0.52	1,279
FY32	3,713	3,448	-	188	-	-	540	2,720	7.50	10.45%	0.47	1,290
FY33	4,085	3,797	-	198	-	-	594	3,005	8.50	10.45%	0.43	1,291
FY34	4,500	4,187	-	208	-	-	654	3,326	9.50	10.45%	0.39	1,293
FY35	4,956	4,618	-	218	-	-	720	3,680	10.50	10.45%	0.35	1,296
FY36	5,416	5,053	498	229	-	-	787	3,539	11.50	10.45%	0.32	1,128
FY37	5,886	5,497	-	241	-	-	872	4,385	12.50	10.45%	0.29	1,265
FY38	6,424	6,006	-	253	-	-	1,468	4,285	13.50	10.45%	0.26	1,119
FY39	6,986	6,539	-	265	-	-	1,602	4,672	14.50	10.45%	0.24	1,105
FY40	7,617	7,138	-	278	-	-	1,752	5,107	15.50	10.45%	0.21	1,094
FY41	8,255	7,743	-	292	-	-	1,904	5,546	16.50	10.45%	0.19	1,075
FY42	8,967	8,419	-	307	-	-	2,074	6,039	17.50	10.45%	0.18	1,060
FY43	9,717	9,132	455	322	-	-	2,138	6,217	18.50	10.45%	0.16	988
FY44	4,515	4,157	-	169	-	-	1,042	2,945	19.21	10.45%	0.15	436
<b>Total of PVFCFF</b>												<b>22,801</b>
<b>(+) Present Value of Working Capital Release</b>												<b>(8)</b>
<b>Enterprise Value</b>												<b>22,793</b>
<b>(+) Closing cash or cash equivalents as at the Valuation Date</b>												<b>78</b>
<b>Adjusted Enterprise Value</b>												<b>22,871</b>

\*Upto 3 September 2043

Appendix 1.3 – Valuation of JPEPL as on 31<sup>st</sup> March 2024 under the DCF Method

INR Mn													
Year	Revenue	EBITDA	MMR Expense	PWD Premium Payable	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF	
	A	B	C	D	E	F	G=A-B-C-D-E-F	H	I	J	L=G*J		
FY25	719	528	4	18	-	-	43	463	0.50	10.48%	0.95	441	
FY26	757	563	-	18	-	-	43	502	1.50	10.48%	0.86	432	
FY27	790	584	-	19	-	-	39	525	2.50	10.48%	0.78	409	
FY28	855	634	-	20	-	-	39	575	3.50	10.48%	0.71	406	
FY29	921	686	1,386	21	-	-	38	-759	4.50	10.48%	0.64	-485	
FY30	1,001	753	-	22	-	-	95	636	5.50	10.48%	0.58	368	
FY31	1,084	821	-	24	-	-	102	695	6.50	10.48%	0.52	363	
FY32	1,180	899	-	25	-	-	111	763	7.50	10.48%	0.47	361	
FY33	1,284	985	-	26	-	-	121	838	8.50	10.48%	0.43	359	
FY34	1,392	1,075	-	27	-	-	131	917	9.50	10.48%	0.39	356	
FY35	1,510	1,174	-	29	-	-	142	1,004	10.50	10.48%	0.35	352	
FY36	1,652	1,296	782	30	-	-	155	328	11.50	10.48%	0.32	104	
FY37	1,792	1,415	-	32	-	-	187	1,196	12.50	10.48%	0.29	344	
FY38	1,941	1,541	-	33	-	-	204	1,304	13.50	10.48%	0.26	340	
FY39	2,101	1,676	-	35	-	-	385	1,256	14.50	10.48%	0.24	296	
FY40	2,268	1,817	-	37	-	-	421	1,360	15.50	10.48%	0.21	290	
FY41	2,433	1,955	-	38	-	-	455	1,461	16.50	10.48%	0.19	282	
FY42	2,615	2,109	-	40	-	-	494	1,574	17.50	10.48%	0.17	275	
FY43	2,807	2,272	1,043	42	-	-	273	914	18.50	10.48%	0.16	144	
FY44*	1,875	1,326	-	30	-	-	313	983	19.31	10.48%	0.15	143	
<b>Total of PVFCFF</b>												<b>5,581</b>	
(+) Present Value of Working Capital Release												(17)	
<b>Enterprise Value</b>												<b>5,565</b>	
(+) Closing cash or cash equivalents as at the Valuation Date												101	
<b>Adjusted Enterprise Value</b>												<b>5,666</b>	

\*Upto 13 November 2043

**Appendix 1.4 – Valuation of UEPL as on 31<sup>st</sup> March 2024 under the DCF Method**

												INR Mn
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF	
	A	B	C	D	E	F=A-B-C-D-E	F	G	H	I=F*H		
FY25	1,913	1,696	745	-	97	127	727	0.50	10.10%	0.95	693	
FY26	2,039	1,814	-	-	-	141	1,674	1.50	10.10%	0.87	1,449	
FY27*	2,170	1,930	13	-	-	155	1,762	2.49	10.10%	0.79	1,386	
<b>Total of PVFCFF</b>											<b>3,527</b>	
(+ Present Value of Working Capital Release											6	
<b>Enterprise Value</b>											<b>3,533</b>	
(+ Closing cash or cash equivalents as at the Valuation Date											641	
<b>Adjusted Enterprise Value</b>											<b>4,174</b>	

\*Upto 25 March 2027



**Appendix 1.5 – Valuation of NBPL as on 31<sup>st</sup> March 2024 under the DCF Method**

Year	Cash Annuity	Cash EBJTDA	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	INR Mn
											PVFCFF
											J=F*I
A	B	C	D	E	F = A-B-C-D-E	G	H	I	J=F*I		
FY 25	476	377	235		107	24	11	0.50	8.07%	0.96	11
FY 26	476	384	-		-	18	366	1.50	8.07%	0.89	326
FY 27	476	378	-		-	13	364	2.50	8.07%	0.82	300
FY 28	476	412	1		-	6	405	3.29	8.07%	0.77	314
<b>Total of PVFCFF</b>											<b>950</b>
(+ Present Value of Working Capital Release											(6)
<b>Enterprise Value</b>											<b>944</b>
(+ Closing cash or cash equivalents as at the Valuation Date											184
<b>Adjusted Enterprise Value</b>											<b>1,128</b>

\*Upto 29 October 2027

**Appendix 1.6 – Valuation of SEPL as on 31<sup>st</sup> March 2024 under the DCF Method**

Year	Cash Annuity	Cash EBJTDA	MME	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	INR Mn
											PVFCFF
											A
FY 25	497	402	-	-	68	3	331	0.50	8.09%	0.96	319
FY 26*	-	(81)	12	-	-	0	(93)	1.43	8.09%	0.89	(83)
<b>Total of PVFCFF</b>											<b>236</b>
<b>(+) Present Value of Working Capital Release</b>											<b>(46)</b>
<b>Enterprise Value</b>											<b>189</b>
<b>(+) Closing cash or cash equivalents as at the Valuation Date</b>											<b>353</b>
<b>Adjusted Enterprise Value</b>											<b>542</b>

\*Upto 6 February 2026

**Appendix 1.7 – Valuation of UTPL as on 31<sup>st</sup> March 2024 under the DCF Method**

INR Mn											
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E	G	H	I	J=F*I	
FY 25	1,422	1,133	(1,102)	-	-	98	(66)	0.50	10.60%	0.95	(63)
FY 26	1,578	1,282	(84)	-	-	121	1,077	1.50	10.60%	0.86	926
FY 27	1,753	1,437	-	-	-	131	1,306	2.50	10.60%	0.78	1,015
FY 28	1,909	1,566	-	-	-	145	1,420	3.50	10.60%	0.70	998
FY 29	2,073	1,707	-	-	-	160	1,546	4.50	10.60%	0.64	983
FY 30	2,267	1,880	(459)	-	-	179	1,242	5.50	10.60%	0.57	714
FY 31	2,468	2,057	(946)	-	-	196	916	6.50	10.60%	0.52	476
FY 32	2,684	2,250	-	-	-	291	1,959	7.50	10.60%	0.47	920
FY 33	2,917	2,454	-	-	-	324	2,130	8.50	10.60%	0.42	905
FY 34	3,175	2,682	-	-	-	360	2,322	9.50	10.60%	0.38	892
FY 35	3,451	2,925	(266)	-	-	398	2,261	10.50	10.60%	0.35	785
FY 36	2,932	2,374	(274)	-	-	315	1,784	11.39	10.60%	0.32	566
<b>Enterprise Value</b>											<b>9,116</b>
(+ Present Value of Working Capital Release											(53)
<b>Enterprise Value</b>											<b>9,063</b>
(+ Closing cash or cash equivalents as at the Valuation Date											280
<b>Adjusted Enterprise Value</b>											<b>9,343</b>

\*Upto 4 September 2035

**Appendix 1.8 – Valuation of GRICL as on 31<sup>st</sup> March 2024 under the DCF Method**

Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	INR Mn	
											PV FCFF	
FY 25	3,342	2,888	1,162	-	153	413	1,160	0.50	10.27%	0.95		1,104
FY 26	3,278	2,822	600	-	11	398	1,813	1.50	10.27%	0.86		1,566
FY 27	3,491	3,012	624	-	37	553	1,798	2.50	10.27%	0.78		1,409
FY 28	3,907	3,407	-	-	78	831	2,498	3.50	10.27%	0.71		1,774
FY 29	4,185	3,657	170	-	46	854	2,587	4.50	10.27%	0.64		1,666
FY 30	4,510	3,950	230	-	54	915	2,752	5.50	10.27%	0.58		1,607
FY 31*	4,008	3,457	-	-	(52)	851	2,658	6.50	10.27%	0.53		1,408
FY 32	3,139	2,710	385	-	(96)	568	1,853	7.50	10.27%	0.48		890
FY 33**	2,981	2,539	570	-	(23)	480	1,511	8.44	10.27%	0.44		662
<b>Present Value of Explicit Period</b>											<b>12,086</b>	
(+ Present Value of Working Capital release												226
<b>Enterprise Value</b>											<b>12,312</b>	
(+ Closing Cash or Cash Equivalents as at the Valuation date												4,788
<b>Adjusted Enterprise Value</b>											<b>17,100</b>	

\*VHRP - 26th Sep 2030  
AMRP - 20th Feb 2033

\*The Trust holds 56.8% equity interest in GRICL



**Appendix 1.9 – Valuation of STPL as on 31<sup>st</sup> March 2024 under the DCF Method**

Year	INR Mn										
	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-E	G	H	I	J=F*I	
FY 25	3,612	3,075	483	-	324	438	1,830	0.50	9.94%	0.95	1,745
FY 26	3,954	3,454	-	-	-	488	2,966	1.50	9.94%	0.87	2,573
FY 27	4,226	3,695	-	-	-	515	3,180	2.50	9.94%	0.79	2,509
FY 28	4,543	3,978	-	-	-	546	3,432	3.50	9.94%	0.72	2,463
FY 29	4,869	4,270	1,784	-	-	576	1,910	4.50	9.94%	0.65	1,247
FY 30	5,179	4,544	304	-	-	1,042	3,197	5.50	9.94%	0.59	1,898
FY 31	5,607	4,933	-	-	-	1,219	3,714	6.50	9.94%	0.54	2,006
FY 32*	2,998	2,296	276	-	-	508	1,512	7.25	9.94%	0.50	761
<b>Enterprise Value</b>											<b>15,202</b>
(+ Present Value of Working Capital Release											(20)
<b>Enterprise Value</b>											<b>15,182</b>
(+ Closing cash or cash equivalents as at the Valuation Date											5,093
<b>Adjusted Enterprise Value</b>											<b>20,275</b>

\*26th Sep 2031

**Appendix 1.10 – Valuation of ANHPL as on 31<sup>st</sup> March 2024 under the DCF Method**

Year	INR Mn												
	Finance Income	Changes in Financial Asset	O&M Income	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F	G	H	I=A+B+C-D-E-F-G-H	J	K	L	M=I*L
07-Sep-24	243	149	57	(48)	-	-	70	-	471	0.48	7.43%	0.97	455
07-Mar-25	232	127	82	(45)	(30)	-	66	(55)	377	0.98	7.43%	0.93	351
07-Sep-25	225	168	50	(46)	-	-	57	(68)	386	1.48	7.43%	0.90	347
07-Mar-26	213	173	50	(45)	-	-	-	(65)	326	1.98	7.43%	0.87	283
07-Sep-26	203	181	54	(49)	-	-	-	(64)	325	2.48	7.43%	0.84	272
07-Mar-27	191	169	71	(49)	(16)	-	-	(61)	304	2.98	7.43%	0.81	246
07-Sep-27	181	194	57	(51)	-	-	-	(60)	321	3.48	7.43%	0.78	250
07-Mar-28	169	200	57	(51)	-	-	-	(58)	318	3.98	7.43%	0.75	239
07-Sep-28	156	209	61	(54)	-	-	-	(56)	316	4.48	7.43%	0.73	229
07-Mar-29	142	216	61	(54)	-	-	-	(53)	312	4.98	7.43%	0.70	219
07-Sep-29	129	225	65	(57)	-	-	-	(51)	310	5.48	7.43%	0.67	209
07-Mar-30	124	(442)	730	(57)	(662)	-	(55)	(49)	-410	5.98	7.43%	0.65	-267
07-Sep-30	153	(143)	401	(61)	(331)	-	4	(47)	-23	6.48	7.43%	0.63	-14
07-Mar-31	151	186	69	(60)	-	-	51	(43)	353	6.98	7.43%	0.61	214
07-Sep-31	140	192	73	(64)	-	-	-	(41)	299	7.48	7.43%	0.58	175
07-Mar-32	128	198	73	(64)	-	-	-	(38)	296	7.98	7.43%	0.56	167
07-Sep-32	115	204	78	(68)	-	-	-	(36)	293	8.48	7.43%	0.54	159
07-Mar-33	102	196	92	(68)	(15)	-	-	(32)	275	8.98	7.43%	0.53	144
07-Sep-33	90	215	82	(72)	-	-	-	(30)	285	9.48	7.43%	0.51	145
07-Mar-34	76	223	82	(72)	-	-	-	(26)	283	9.98	7.43%	0.49	136
07-Sep-34	62	225	88	(76)	-	-	-	(24)	275	10.48	7.43%	0.47	130
07-Mar-35	48	226	87	(76)	-	-	-	(20)	265	10.98	7.43%	0.45	120
07-Sep-35	33	235	93	(81)	-	-	-	(17)	263	11.48	7.43%	0.44	116
07-Mar-36	24	(117)	457	(81)	(362)	-	(14)	(14)	-107	11.98	7.43%	0.42	-45
07-Sep-36	32	36	285	(90)	(181)	-	14	(11)	85	12.49	7.43%	0.41	35
07-Mar-37	24	347	103	(90)	-	-	54	(7)	431	12.98	7.43%	0.39	170
<b>Enterprise Value</b>													<b>4,485</b>
<b>(+) Closing cash or cash equivalents as at the Valuation Date</b>													<b>895</b>
<b>Adjusted Enterprise Value</b>													<b>5,380</b>

\*Upto 22 March 2037

Appendix 1.11 – Valuation of GSHPL as on 31<sup>st</sup> March 2024 under the DCF Method

INR Mn

Year	Finance Income	Changes in Financial Asset	O&M Income	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PV FCFF
A	B	C	D	E	F	G	H	I=A+B+C-D-E-F-G-H	J	K	L	M=I*L	
25-Aug-24	151	94	52	(48)	-	-	45	-	293	0.44	7.50%	0.97	284
25-Feb-25	145	93	59	(45)	(13)	-	43	-	281	0.95	7.50%	0.93	263
25-Aug-25	140	106	46	(46)	-	-	44	(16)	275	1.44	7.50%	0.90	248
25-Feb-26	134	114	46	(45)	-	-	2	(43)	207	1.95	7.50%	0.87	180
25-Aug-26	128	112	49	(49)	-	-	-	(41)	200	2.44	7.50%	0.84	167
25-Feb-27	121	112	57	(49)	(8)	-	-	(40)	193	2.95	7.50%	0.81	156
25-Aug-27	115	118	52	(52)	-	-	-	(38)	196	3.44	7.50%	0.78	153
25-Feb-28	108	125	52	(52)	-	-	-	(37)	197	3.95	7.50%	0.75	148
25-Aug-28	102	126	56	(55)	-	-	-	(35)	193	4.45	7.50%	0.72	140
25-Feb-29	94	133	56	(54)	-	-	-	(34)	193	4.95	7.50%	0.70	135
25-Aug-29	87	132	59	(58)	-	-	-	(32)	188	5.45	7.50%	0.67	127
25-Feb-30	79	(221)	419	(58)	(396)	-	(32)	(22)	(230)	5.95	7.50%	0.65	-150
25-Aug-30	92	119	63	(61)	-	-	32	(29)	215	6.45	7.50%	0.63	135
25-Feb-31	85	126	63	(61)	-	-	-	(28)	184	6.95	7.50%	0.60	111
25-Aug-31	78	125	67	(65)	-	-	-	(26)	179	7.45	7.50%	0.58	104
25-Feb-32	71	131	67	(65)	-	-	-	(24)	179	7.95	7.50%	0.56	101
25-Aug-32	64	130	71	(69)	-	-	-	(22)	174	8.45	7.50%	0.54	94
25-Feb-33	56	129	78	(69)	(8)	-	-	(20)	166	8.95	7.50%	0.52	87
25-Aug-33	49	135	75	(73)	-	-	-	(18)	168	9.45	7.50%	0.50	85
25-Feb-34	41	141	75	(73)	-	-	-	(16)	166	9.95	7.50%	0.49	82
25-Aug-34	34	138	80	(77)	-	-	-	(14)	160	10.45	7.50%	0.47	75
25-Feb-35	26	139	80	(77)	-	-	-	(12)	155	10.95	7.50%	0.45	70
25-Aug-35	18	140	85	(82)	-	-	-	(10)	152	11.45	7.50%	0.44	66
25-Feb-36	10	(55)	290	(82)	(226)	-	(11)	(3)	(76)	11.95	7.50%	0.42	-32
25-Aug-36	14	128	97	(94)	-	-	11	(5)	150	12.45	7.50%	0.41	61
25-Feb-37	6	127	97	(94)	-	-	33	(3)	167	12.96	7.50%	0.39	65
<b>Enterprise Value</b>													<b>2,957</b>
<b>(+) Closing cash or cash equivalents as at the Valuation Date</b>													<b>376</b>
<b>Adjusted Enterprise Value</b>													<b>3,333</b>

\*Upto 12 March 2037

Appendix 1.12 – Valuation of RAHPL as on 31<sup>st</sup> March 2024 under the DCF Method

														INR Mn
Year	Finance Income	Changes in Financial Asset	O&M Income	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF	
	A	B	C	D	E	F	G	H	I=A+B+C-D-E-F-G-H	J	K	L	M=I*L	
FY25	141	89	53	(44)	-	-	-	80	-	320	0.16	7.43%	0.99	316
FY25	135	76	73	(41)	(25)	-	-	39	(37)	220	0.67	7.43%	0.95	210
FY26	131	103	46	(41)	-	-	-	43	(41)	241	1.16	7.43%	0.92	222
FY26	124	112	46	(41)	-	-	-	18	(40)	219	1.67	7.43%	0.89	194
FY27	118	110	49	(44)	-	-	-	-	(39)	195	2.16	7.43%	0.86	167
FY27	111	106	62	(44)	(12)	-	-	-	(38)	185	2.67	7.43%	0.83	153
FY28	104	118	53	(46)	-	-	-	-	(36)	192	3.16	7.43%	0.80	153
FY28	97	126	53	(46)	-	-	-	-	(35)	194	3.67	7.43%	0.77	149
FY29	89	127	56	(49)	-	-	-	-	(34)	190	4.16	7.43%	0.74	141
FY29	81	136	56	(49)	-	-	-	-	(33)	191	4.67	7.43%	0.72	137
FY30	73	136	59	(52)	-	-	-	-	(31)	186	5.16	7.43%	0.69	128
FY30	85	(542)	727	(52)	(659)	-	-	(79)	(32)	(553)	5.67	7.43%	0.67	-369
FY31	99	104	63	(55)	-	-	-	38	(28)	220	6.16	7.43%	0.64	142
FY31	92	111	63	(55)	-	-	-	38	(27)	222	6.67	7.43%	0.62	137
FY32	85	110	67	(58)	-	-	-	4	(25)	182	7.16	7.43%	0.60	109
FY32	79	117	67	(58)	-	-	-	-	(24)	180	7.67	7.43%	0.58	104
FY33	71	116	71	(62)	-	-	-	-	(22)	175	8.17	7.43%	0.56	97
FY33	64	113	81	(62)	(9)	-	-	-	(21)	166	8.67	7.43%	0.54	89
FY34	57	121	76	(66)	-	-	-	-	(19)	170	9.17	7.43%	0.52	88
FY34	50	128	76	(66)	-	-	-	-	(17)	171	9.67	7.43%	0.50	85
FY35	42	125	81	(70)	-	-	-	-	(15)	163	10.17	7.43%	0.48	79
FY35	35	128	80	(69)	-	-	-	-	(13)	160	10.67	7.43%	0.47	74
FY36	27	129	86	(74)	-	-	-	-	(12)	156	11.17	7.43%	0.45	70
FY36	29	(212)	428	(74)	(338)	-	-	(30)	(11)	(207)	11.67	7.43%	0.43	-90
FY37	32	114	91	(78)	-	-	-	29	(8)	181	12.17	7.43%	0.42	75
FY37	15	185	30	(25)	-	-	-	(3)	(4)	200	12.67	7.43%	0.40	81
<b>Enterprise Value</b>														<b>2,743</b>
(+) Closing cash or cash equivalents as at the Valuation Date														49
<b>Adjusted Enterprise Value</b>														<b>2,792</b>
<i>*Upto 29 November 2036</i>														



**Appendix 2.1 – Weighted Average Cost of Capital of the SPV as on 31<sup>st</sup> March 2024- for Annuity SPVs.**

Particulars	NBPL	SEPL	Remarks
Risk free return (Rf)	6.97%	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2024 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.57	0.57	Beta has been considered based on the beta of companies operating in the similar kind of business in India
<b>Cost of Equity (Ke)</b>	<b>10.93%</b>	<b>10.95%</b>	<b>Base Ke = Rf + (β x ERP)</b>
Company Specific Risk Premium (CSRP)	0.00%	0.00%	Based on SPV specific risk(s)
<b>Revised Cost of Equity (Ke)</b>	<b>10.93%</b>	<b>10.95%</b>	<b>Adjusted Ke = Rf + (β x ERP) + CSRP</b>
Pre-tax Cost of Debt (Kd)	8.25%	8.25%	As per the Existing Cost of Debt of the Trust, as represented by the Investment Manager
Tax rate of SPV	17.08%	16.69%	Tax Rate Applicable to SPVs is considered
<b>Post-tax Cost of Debt (Kd)</b>	<b>6.84%</b>	<b>6.87%</b>	<b>Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)</b>
Debt/(Debt+Equity)	70.00%	70.00%	Debt : Equity ratio computed as [D/(D+E)]
<b>WACC</b>	<b>8.07%</b>	<b>8.09%</b>	<b>WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]</b>

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**Appendix 2.2 – Weighted Average Cost of Capital of the SPV as on 31<sup>st</sup> March 2024- for Toll SPVs.**

Particulars	DBCPL	GEPL	JPEPL	UEPL	UTPL	GRICL	STPL	Remarks
Risk free return (Rf)	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31 <sup>st</sup> March 2024 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.77	0.76	0.77	0.78	0.77	0.75	0.76	Beta has been considered based on the beta of companies operating in the similar kind of business in India
<b>Cost of Equity (Ke)</b>	<b>12.36%</b>	<b>12.32%</b>	<b>12.34%</b>	<b>12.40%</b>	<b>12.35%</b>	<b>12.23%</b>	<b>12.32%</b>	<b>Base Ke = Rf + (β x ERP)</b>
Company Specific Risk Premium (CSRPs)	2.00%	2.00%	2.00%	1.00%	2.00%	2.00%	1.00%	Based on SPV specific risk(s)
<b>Revised Cost of Equity (Ke)</b>	<b>14.36%</b>	<b>14.32%</b>	<b>14.34%</b>	<b>13.40%</b>	<b>14.35%</b>	<b>14.23%</b>	<b>13.32%</b>	<b>Adjusted Ke = Rf + (β x ERP) + CSRPs</b>
Pre-tax Cost of Debt (Kd)	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	As represented by the Investment Manager
Tax rate of SPV	19.01%	20.17%	19.64%	17.47%	19.18%	23.37%	20.36%	Tax Rate Applicable to SPVs is considered
<b>Post-tax Cost of Debt (Kd)</b>	<b>6.68%</b>	<b>6.59%</b>	<b>6.63%</b>	<b>6.81%</b>	<b>6.67%</b>	<b>6.32%</b>	<b>6.57%</b>	<b>Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)</b>
Debt/(Debt+Equity)	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	Debt : Equity ratio computed as [D/(D+E)]
<b>WACC</b>	<b>10.52%</b>	<b>10.45%</b>	<b>10.48%</b>	<b>10.10%</b>	<b>10.51%</b>	<b>10.27%</b>	<b>9.94%</b>	<b>WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]</b>

**Appendix 2.3 – Weighted Average Cost of Capital of the SPV as on 31<sup>st</sup> March 2024- for HAM SPVs.**

Particulars	ANHPL	GSHPL	RAHPL	Remarks
Risk free return (Rf)	6.97%	6.97%	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2024 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.45	0.45	0.45	Beta has been considered based on the beta of companies operating in the similar kind of business in India
<b>Cost of Equity (Ke)</b>	<b>10.15%</b>	<b>10.12%</b>	<b>10.15%</b>	<b>Base Ke = Rf + (β x ERP)</b>
Company Specific Risk Premium (CSRPs)	0.00%	0.00%	0.00%	Based on SPV specific risk(s)
<b>Revised Cost of Equity (Ke)</b>	<b>10.15%</b>	<b>10.12%</b>	<b>10.15%</b>	<b>Adjusted Ke = Rf + (β x ERP) + CSRPs</b>
Pre-tax Cost of Debt (Kd)	8.25%	8.25%	8.25%	As per the Existing Cost of Debt of the SPVs, as represented by the Investment Manager
Tax rate of SPV	24.00%	22.63%	24.07%	Tax Rate Applicable to SPVs is considered
<b>Post-tax Cost of Debt (Kd)</b>	<b>6.27%</b>	<b>6.38%</b>	<b>6.26%</b>	<b>Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)</b>
Debt/(Debt+Equity)	70.00%	70.00%	70.00%	Debt : Equity ratio computed as [D/(D+E)]
<b>WACC</b>	<b>7.43%</b>	<b>7.50%</b>	<b>7.43%</b>	<b>WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]</b>

**Appendix 3.1 NBPL- : Summary of approval and licences**

Sr. No.	Description of the permits	Issuing Authority	Validity/ Current status
1	Environmental Clearance No. 5-22/2007-IA-III (MH/AP to Armur, Andhra Pradesh) dated June 11,2007	Ministry of Environment & Forest (IA-III Division), NHA I	
	Registration under Shops and Establishments Act	Government of Telangana Labour department	
2	Approval of Installation of DG set dated 08.09.2009	Government of Andhra Pradesh, Electrical Inspectorate	Lifetime
<b>3</b>	<b>Bore well permit</b>		
i	Lr No:107/T/2019	Govt of Telangana Ground Water Dept.	Lifetime
ii	Lr No:107/T/2019	Govt of Telangana Ground Water Dept.	Lifetime
iii	316/T4/Drinking/2019-20	Govt of Telangana Ground Water Dept.	Lifetime
4	Provisional completion certificate dated July 22, 2009	Aarvee Associates	
5	Completion certificate dated October 8, 2018	MSV International Inc.	

Source: Investment Manager



**Appendix 3.2 – SEPL: Summary of approval and licences**

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity/ Current status
1	Labour License No. GH.46 (120)/2010-L dated 10.08.2010	GOI Office of the Deputy Chief Labour Commissioner(Central)	18-08-2023	09-08-2024
2	Approval to operate and running a D.G. Set	Government of Meghalaya, Inspectorate of Electricity, Shillong	04-07-2023	03-07-2024
3	Provisional completion certificate dated July 12, 2013	URS Scott Wilson India Pvt. Ltd		
4	Completion certificate dated March 30, 2017	Feedback Infra Private Limited		
5	Certificate of license for trading license to non tribals	Khasi Hills Autonomous District Council	03-12-2021	31-03-2024

Source: Investment Manager

### Appendix 3.3 – DBCPL: Summary of approval and licences

Sr.no.	Description of the permits	Issuing Authority	Date of issue	Validity/ Current status
1	Environment Clearance No. 5-43/2006-IA-III (Sehore bypass to Dew as bypass, Madhya Pradesh)	Ministry of Environment & Forest (IA-III Division), NHAI		
2	Labour License No. SEHO230116CC000719 dated 04.01.2023 (For Amhala Toll Plaza)	District Labour Officer Sehore, Government of Madhya Pradesh Labour Department	04-01-2023	31-12-2024
3	Labour License No. BHOP230116CC000722 dated 03.01.2023 (For Fanda Toll Plaza)	District Labour Officer Bhopal, Government of Madhya Pradesh Labour Department	03-01-2023	31-12-2024
4	Labour License No. DEVA230120CC000857 dated 05.01.2023 (For Bhourasa Toll Plaza)	District Labour Officer Dew as, Government of Madhya Pradesh Labour Department	05-01-2023	31-12-2024
<b>5</b>	<b>Air (Prevention &amp; Control of Pollution) Act, 1981</b>			
i	Fanda Toll Plaza AW-113091	Government of Madhya Pradesh		31-03-2028
ii	Amhala Toll Plaza AW-113223	Government of Madhya Pradesh		31-03-2028
<b>6</b>	<b>Applications for Issue of NOC to Abstract Ground Water (NOCAP)</b>			
i	21-4/1272/MP/INF/2022	Government of India (Ministry of Jal Shakti)		06-06-2027
ii	21-4/1274/MP/INF/2022	Government of India (Ministry of Jal Shakti)		03-07-2027
iii	21-4/1276/MP/INF/2022	Government of India (Ministry of Jal Shakti)		06-06-2024
7	Provisional completion certificate dated February 10, 2009	MFRDC		
8	Completion certificate dated August 7, 2009	MFRDC		
9	Provisional completion certificate dated September 17, 2009	MFRDC		
10	Completion certificate dated February 3, 2010	MFRDC		
11	Provisional completion certificate dated April 30, 2009	MFRDC		

Source: Investment Manager

#### Appendix 3.4 – GEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity
1	Environmental Clearance No. 5-27/2008-IA.III (Ahmedabad, Gujarat to Madhya Pradesh/Gujarat border.	Ministry of Environment & Forest (IA Division), NHA		Lifetime
2	Labour License No. ALC/ADI/46(56)/2017 dated 28.02.2017	Office Asst Labour Commissioner(C) Ahmedabad		27-02-2024
3	DG installation certificate No/EI/Nad/Certi/2716/2018	Office of the Electrical Inspector		Lifetime
4	WMM and SWB Stamping certificate 1840241/DAH/2021/01	Govt. of Gujarat Legal Metrology Dept.		
4	<b>Groundwater extraction NOC</b>			
i	GWANOC/INF/ORIG/2020/9605	Central Ground Water Board West Central Region	25-12-2020	24-12-2025
ii	CGWANOC/INF/ORIG/2020/9551	Central Ground Water Board West Central Region	22-12-2020	21-12-2025
iii	CGWANOC/INF/ORIG/2021/10553	Central Ground Water Board West Central Region	29-01-2021	28-01-2026
iv	CGWANOC/INF/ORIG/2021/9755	Central Ground Water Board West Central Region	03-01-2021	02-01-2026
5	Provisional certificates dated (i) October 31, 2013 and (ii) September 25, 2015	Intercontinental Consultants and Technocrats Pvt. Ltd.		Lifetime
6	Completion certificate dated June 29, 2016	MSV International Inc.		Lifetime

Source: Investment Manager

### Appendix 3.5 – JPEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity/ Current status
1	Sanction of CRS for Launching Scheme of composite girder in Railway Portion in Rly, Jhodpur	Dy Chief Engineer/Const. North-Western		
2	Labour License No. AJ(L)412/2014-ALC	Licensing officer and Asst Labour Commissioner(C) Ajmer	22-12-2023	24-11-2024
3	Permission for Energisation of electrical installation No. EI/JDR/PP/2021-22/340	Electrical Inspectorate , Rajasthan		
4	BOCW BOCW/ ALC Ajmer/ 2019/R-24	Assistant Labour commissioner	Lifetime	
5	WIM & SWB stamping 018632, 018633, 018634 & 018690, 018691, 018692	Weights and Measures Department	Regarding WIM calibration, SPV has informed to the weights and measure dept. that calibration is not required for the non-operational WIM as per the circular no. WM/19/134/2018 dated 14.01.2019	Regarding WIM calibration, SPV has informed to the weights and measure dept. that calibration is not required for the non-operational WIM as per the circular no. WM/19/134/2018 dated 14.01.2019
7	Registration certificate No. AJ/R/2013 dated 13-11-2013 of principal employer			
8	Certification of incorporation	Ministry of Corporate Affairs	Lifetime	

Source: Investment Manager



### Appendix 3.6 – UEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of issue	Validity/ Current status
1	Environmental Clearance No. 18-18/2004-IA-II (Tindivadam to Trichy bypass, Tamilnadu)	Ministry of Environment & Forest (IA Division), NHAI		
2	Certificate for registration of captive generating unit ( Reg ID: CUD 59/2016-17/HT dated 22.09.2020)	Government of Tamil Nadu, Electrical Inspector, Cuddalore		22-06-2025
3	Fire Service License ( K.Dis.No : 7544/B1/2023 dated 11.09.2023)	Tamil Nadu Fire and Rescue Service Department		11-09-2024
4	Certificate of registration dated December 10, 2019	Ministry of Labour and Employment		31-12-2027
5	Certificate for registration of employer dated 1/11/2081 BOCW/ALCPUDUCHERRY/2018/R-24	Office of the registering officer		
6	Consent to establish for Air dated October 30, 2018	Tamil Nadu Pollution Control Board		Payment done till the end of Concession period i.e,2027, It's in process.
7	Consent to establish for Water dated October 30, 2018	Tamil Nadu Pollution Control Board		
	<b><u>NOC for Ground water</u></b>			
i	202/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026
ii	203/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026
iii	204/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026
iv	205/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026

Source: Investment Manager

**Appendix 3.7 – UTPL: Summary of approval and licences**

Sr. No.	Description of the permits	Date of Issue	Validity	Issuing Authority
1	Consent for Establishment and Operation of Plants from Pollution Control Boards	19-07-2018		Karnataka State Pollution Control Board
2	Inspection Certificate for WIM installed at various Toll Plazas- Thalapady	06-09-2023	05-09-2024	Government of Karnataka department of legal metrology
3	Inspection Certificate for WIM installed at various Toll Plazas- Hejmadi	15-09-2023	14-09-2024	Government of Karnataka department of legal metrology
4	Labour licenses (issued by local Labour Commissioner)	18-08-2023	17-08-2024	Local labour Commissioner
5	Permission for operation of wet mix plant		31-12-2027	Karnataka State Pollution Control Board
6	Permission for operation of ready mix concrete plant		31-12-2026	Karnataka State Pollution Control Board

Source: Investment Manager

**Appendix 3.8 – STPL: Summary of approval and licences**

Sr. No.	Description of the permits	Date of Issue	Issuing Authority
1	Labour licenses (issued by local Labour Commissioner)		
	Budanam Toll Plaza	21-Nov-18	Ministry of Labour and Employment
	Sullurupet Toll Plaza	19-Dec-18	Ministry of Labour and Employment
	Venkatachalam Toll Plaza	23-Nov-18	Ministry of Labour and Employment
	Keesara Toll Plaza	29-Mar-22	Ministry of Labour and Employment
	Nellore	09-Nov-21	Ministry of Labour and Employment
	Hyderabad	30-Nov-19	Ministry of Labour and Employment
2	Registration under the concerned Shops and Establishment Act, as applicable	30-Nov-19	Labour Department - Government of Telangana
	Hyderabad	25-Jan-22	Commercial Taxes Department - Government of Telangana
	Keesara Toll Plaza	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
	Nellore	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
	Sullurupet Toll Plaza	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
	Budanam Toll Plaza	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
3	Consent of Establishment and Operation of Plants from Pollution Control Board	29-Aug-01	Andhra Pradesh Pollution Control Board
4	Approvals from Central/ State Pollution Control Boards for setting up of Hot Mix Plant .	02-Jul-02	Andhra Pradesh Pollution Control Board
5	License for use of explosives	04-Jul-01	Department of Explosives, Government of India
6	License to import and store petroleum in installation	02-Jan-02	Department of Explosives, Government of India
7	NOC for establishment of HSD storage tanks	22-Nov-01	Department of Explosives, Government of India
8	Permission of State government for drawing water from river/reservoir	20-Aug-02	Irrigation & CAD Department
9	Quarry Lease Deed	20-Apr-01	Department of Mines & Geology, Government of Andhra Pradesh

Source: Investment Manager

**Appendix 3.9 – GRICL: Summary of approval and licences**

Sr. No.	Description of the permits	Date of Issue	Issuing Authority
1	Registration under the concerned Shops and Establishment Act, as applicable	16-Feb-09	Ahmedabad Municipal Corporation
2	Registration under the concerned Shops and Establishment Act, as applicable	29-Jan-01	Vadodara Municipal Corporation
3	Registration under the concerned Shops and Establishment Act, as applicable	05-Mar-21	Amdavad Municipal Corporation
4	Registration under the concerned Shops and Establishment Act, as applicable	29-Jan-21	Vadodara Municipal Corporation
5	Enrolment Certificate under the concerned Professional Tax Act, as applicable	07-Jul-20	Professional Tax Department, Amdavad Municipal Corporation
6	Registration Certificate under the concerned Professional Tax Act, as applicable	07-Jul-20	Professional Tax Department, Amdavad Municipal Corporation
7	Enrolment Certificate under the concerned Professional Tax Act, as applicable	22-Oct-99	Commercial Tax Department, Vadodara
8	Registration Certificate under the concerned Professional Tax Act, as applicable	22-Oct-99	Commercial Tax Department, Vadodara
9	Principal Employer Registration (issued by local Labour Commissioner)	03-Oct-14	Additional Labour Commissioner
10	License for Power Supply	06-May-22	Electrical Inspector, Gandhinagar
11	Environmental Clearance for strengthening & widening of roads	30-Mar-00	Forests & Environmental Dept., Government of Gujarat
12	License to use forest or non - agricultural land	14-Nov-00	Ministry of Environment or Forests, Government of India
13	Approvals from Central/ State Pollution Control Boards for setting up of Hot Mix Plant .	11-Jan-01	Gujarat Pollution Control Board

Source: Investment Manager



#### Appendix 4.1 – NBPL: Summary of Ongoing Litigations

NBL						
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)	
1	NBL has filed writ petition (WP 15464/2011) in AP High Court against District Registrar, Adilabad's notice in regards to applicability of 5% stamp duty (on TPC) on execution of Concession Agreement.	1	Telangana High Court	AP High Court on 9 June 2011 has granted stay order in favor of NBL and restrained the Registrar from taking any action against NBL pending the decision. At present, case is pending before High Court.	135.9	

#### Appendix 4.2 – SEPL: Summary of Ongoing Litigations

SEPL					
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	Claim for bonus annuity on account of delay from Authority and positive COS during construction	1	Delhi High Court	<p>On 27 June 2018, AT has awarded claim of INR 27.42 Cr. (INR 16.21 Cr. claim + INR 11.21 Cr. towards interest up to date of Award) in favor of SEPL. Further, AT has also preponed the Annuity dates to 28 Feb. and 28 August of every year against 25 March and 25 Sept. earlier. SEPL on 26 Oct. 2018 had filed an execution petition in Delhi High Court under section 36 of A&amp;C Act, 1996.</p> <p>Application was filed by NHAI in Delhi High Court under section 34 of Arbitration Act for setting aside Award dismissed by the Court on 02 Nov. 2018.</p> <p>NHAI on 7 January 2019 further challenged aforesaid court order before divisional bench in Delhi High Court, which on 22 January 2019 ordered that, amount towards additional bonus annuity INR 10.63 Cr. and interest of INR 3.72 Cr. towards delay in additional bonus annuity payment shall be deposited with court within 4 weeks and further upheld the award other than the aforementioned two amounts. Accordingly, in the month of February/ March 2019, NHAI deposited of the amounts towards additional bonus annuity including interest (total INR 14.35 Cr.) with High Court of Delhi and also released the balance payments of INR 14.13 Cr. to SEPL as per aforesaid court order dated 22 January 2019.</p> <p>Last hearing in Section 37 matter was scheduled on 06 March 2024, which has been re-scheduled to 18 September 2024.</p> <p>Last hearing in Section 36 matter was scheduled on 06 March 2024, which has been re-scheduled to 06 August 2024.</p> <p>On 03 October 2023, SEPL has submitted its application for settlement under Vivad se Vishwas II Scheme announced by the Ministry of Finance by OM no. F.1/7/2022-PPD dated 29 May 2023 and NHAI Policy guidelines dated 04 July 2023.</p> <p>On 07 February 2024, SEPL received an offer of Rs. 13.88 Cr. for NHAI under VSV Scheme on which SEPL proposed its counter-offer of Rs. 18.27 Cr.</p>	143.5

**Appendix 4.3 – DBCPL: Summary of Ongoing Litigations**

Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	DBCPL has filed writ petition (no. 10812 of 2011) in MP High Court against imposition of labor cess amounting INR 4.68 Cr. under Building and other construction workers Welfare Cess Act, 1996.	1	MP High Court	MP High Court on 09 Sept. 2015 (corrected vide order dated 30 Sept. 2015) ordered that, pending disposal of writ petition, no coercive steps for recovery of cess shall be taken against DBCPL. At present, case is pending for final hearing.	46.8
2	DBCPL has filed special leave petition (civil) (no. 14693 of 2010 - converted into Civil Appeal No. 8987 of 2013) in Supreme Court against final order passed by MP High Court on 11 Feb. 2010 in regards to applicability of 2% stamp duty (on TPC) on execution of Concession Agreement.	1	Supreme Court	Supreme Court on 13 September 2013 ordered that, interim stay granted earlier is extended until further orders. The next date of hearing is yet to be fixed.	89

#### Appendix 4.4 – GRICL: Summary of Ongoing Litigations

GRICL						
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)	
1	As per the prayer, they asked for stop collection of toll on AMRP and VHRP in view of the fact that the Concessnaire has recovered the total cost of projects and reasonable return. Alternatively stop leying per excel user charges	1	Gujarat High Court, Chief Justice Bench	The next of hearing is 30.04.2024		
2	Appointment of Arbitration for Adjudication of dispute	1	Gujarat High Court, Chief Justice Bench	The Hon'ble High Court has not assigned the date for hearing	No monetary claim has been made by the complainant.	
3	First Appeal against Order Passed by Learned Special Judge, Commercial Court, in commercial Civil Application 25 of 2022	1	Gujarat High Court	The next date of hearing is 23.04.2024	No monetary claim has been made by the complainant.	
4	The complainant (Advertiser) has filed case against GRICL stating that its hoarding structures have been stolen by GRICL and its officials without its knowledge and information. The fact is the structures were removed in front of Advertisers representatives and Police Officials on failure of the Advetiser to remove the structures by its own. Fictional proof is there.	1	Taluka Court - Kalol, Dist Gandhinagar	The case hearings are ON at the court on due dates. The complainant has not attended the dates from last 6 months. The next date of hearing is 26.04.2024.	No monetary claim has been made by the complainant.	
5	The complainant (A Tyre Shop) has filed case against GRICL stating that GRICL has grab his land from where the access to his shop from the highway is available. GRICL is not releasing the land which is affecting his business. The fact is complainant has unauthorised occupied within the RoW of the Project Road and also has made an illegal access to his land / shop.	1	District Court - Vadodara	The case hearings are ON at the court on due dates. The complainant has not attended the dates from last 6 months. The next date of hearing is 01.05.2024	No monetary claim has been made by the complainant.	



#### Appendix 4.4 – STPL: Summary of Ongoing Litigations

Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	NA	1	Flood Claim Dispute in Consumer Court: STPL vs UIIC	STPL filed a complaint against United India Insurance Company (UIIC) under Consumer Protection Act alleging deficiency in services and underpayment of flood and inundation insurance claim lodged. STPL sought/requested relief of Rs. 33.77 crores + Rs. 25 lakhs for mental agony. District Commission ruled in Favor of STPL, awarding Rs. 22.42 crores + interest and mental agony compensation. UIIC appealed and filed a petition on 05 February 2024 in front of State Commission. Next hearing date is 13 May 2024	NA
2				Mr. Baddula Venkata Ramaiah' s complaint in District Consumer Disputes Redressal Commission, Vijayawada - On 23 February 2024 the Opposite Party No.2 filed an evidence affidavit and sought time for marking the documents. The Hon'ble Commission allowed the request and posted the matter to 21 March 2024.	
3				D. Prabhu Kishore's Complaint in 1st Additional Junior Civil Judge, Nellore - On 8 February 2024 all local counsels were present, the Ld Judge, while noting that the matter was coming up for reporting settlement by the parties, granted further time for the same and posted the matter to 02 May 2024.	

<< End of Report >>

# Walker Chandiook & Co LLP

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Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023

To  
The Board of Directors  
Highway Concessions One Private Limited  
(As the Investment Manager of Highways Infrastructure Trust)  
601-602, 6th Floor, Windsor House,  
Off CST Road, Kalina, Santacruz (East),  
Mumbai, Maharashtra – 400098

1. This certificate is issued in accordance with the terms of our engagement letter dated 25 October 2023 with **Highways Infrastructure Trust** ("the Trust").
2. The accompanying Statement containing details of senior, secured, taxable, rated, listed, redeemable Non-convertible debt securities (hereinafter referred as "NCDs") of the Trust outstanding as at 31 March 2024 along with security cover maintained against such NCDs (Section I) and details of compliance with the financial covenants and covenants other than financial covenants as per the terms of debt security trust deed ("DSTD") dated 20 September 2022 (Series I and II) and 15 January 2024 ( Series III) (collectively referred to as "DSTD"), as included in (Sections II, III and IV) of the aforesaid statement (collectively hereinafter referred to as 'the Statement') has been prepared by the Investment Manager of the Trust for the purpose of submission of the Statement along with this certificate to the Catalyst Trusteeship Limited ("Debenture Trustee") of the Trust, pursuant to the requirements of Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("SEBI LODR") and pursuant to the requirements of Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) ("Debenture Trustees Regulations") (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 and for the purpose of submission to National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). We have initialled the Statement for identification purposes only.

## Responsibilities of Investment Manager of the Trust for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Investment Manager of the Trust. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The Investment Manager is also responsible for ensuring the compliance with the requirements of the Regulations and DSTD for the purpose of furnishing this Statement and for providing all relevant information to the Debenture Trustee, NSE and BSE.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41 Connaught Circus, Outer Circle, New Delhi, 110001, India

# Walker Chandiook & Co LLP

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

## Auditor's Responsibility

5. Pursuant to requirement of the Regulations, as referred to in paragraph 2 above, it is our responsibility to express reasonable assurance in the form of a opinion as to whether the details included in:
  - a. Section I of the accompanying statement regarding maintenance of hundred percent security cover with respect to book value of assets offered as security against NCDs of the Trust outstanding as at 31 March 2024 are, in all material respects, in agreement with the audited standalone financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024 and that the calculation thereof is arithmetically accurate;
  - b. Section II of the accompanying statement regarding compliance with financial covenants relating to consolidated net debt to enterprise value as stated in Paragraph (ix) of Clause (d) of schedule III of the DSTD of NCDs of the Trust outstanding as at 31 March 2024, is in compliance with aforesaid DSTD and the amounts used in computation of such financial covenants are in agreement with the audited consolidated financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024 and that the calculation thereof is arithmetically accurate; and
  - c. Section III of the accompanying Statement with respect to financial covenant on 'Historical Debt Service Coverage Ratio' as stated in Paragraph (ix) of clause (d) of schedule III of DSTD of the NCDs outstanding as at 31 March 2024 is in compliance with the terms of DSTD and is in all material respects in agreement with the audited standalone and consolidated financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024, or that the calculation thereof is arithmetically accurate.

Further, it is our responsibility to provide limited assurance in the form of a conclusion as to whether anything has come to our attention that cause us to believe that:

  - d. details included in Section IV of the accompanying Statement with respect to compliance of all the covenants other than those covenants mentioned in Section I, Section II and Section III of the accompanying Statement of the NCDs of the Trust outstanding as at 31 March 2024, is in all material respects, not fairly stated.
6. The columns with respect to market value of assets (columns K to O) of the Section I of accompanying Statement are not covered by this certificate and no procedures have been performed by us on such information as per our terms of engagement.
7. The audited standalone and consolidated financial statements, referred to in paragraph 5 above, have been audited by us, on which we have expressed an unmodified audit opinion vide our report dated 16 May 2024. Our audit of standalone and consolidated financial statements was conducted in accordance with the Standard on Auditing ('SAs') and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('the ICAI'). Those Standards requires that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.





Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the subject matter. The procedures selected depend on the auditor's judgment, including the assessment of risk associated with the matters mentioned in the paragraph 5 (a), 5 (b) and 5 (c) above pertaining to Section I, Section II and Section III of the Statement. We have performed the following procedures in relation to such matter.

**Section I of the accompanying Statement - Statement on security cover ratio:**

- a) Verified the details of security cover ratio criteria from the DSTD in respect of listed NCDs of the Trust outstanding as at 31 March 2024;
- b) Obtained the list and value of assets offered as security against listed secured NCDs of the Trust outstanding as at 31 March 2024;
- c) Traced the book values of assets mentioned in columns A to J from the Statement to the audited standalone financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024;
- d) Traced the principal amount of the listed secured NCDs and other debt outstanding as at 31 March 2024 to the audited standalone financial statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024;
- e) Verified that the computation of security cover is in accordance with the basis of computation given in the Statement and the amounts used in such computation (from columns A to J) have been accurately extracted from audited standalone financial statements of the Trust for the year ended 31 March 2024, underlying books of account and other relevant records and documents maintained by the Trust;
- f) Obtained necessary representations from the Investment Manager of the Trust; and
- g) Verified the arithmetical accuracy of the Statement.

**Section II of the accompanying Statement - Statement on financial covenant on 'Consolidated net debt to enterprise value':**

- a) Verified the computation of financial covenants in relation to 'Consolidated Net Debt to Enterprise value' as mentioned in the Section II of the Statement as on 31 March 2024 and ensured that it is in accordance with the basis of computation given in the DSTD, and the amounts used in such computation for 'consolidated net debt' have been accurately extracted from audited consolidated financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024 and also traced the enterprise value as at 31 March 2024 from the valuation report dated 13 May 2024 of the independent registered valuer appointed by the Trust in accordance with SEBI (Infrastructure Investments Trusts) Regulations, 2014, as amended, used for calculation of enterprise value in consolidated net debt to enterprise value ratio;
- b) Obtained necessary representations from the Investment Manager of the Trust; and
- c) Verified the arithmetical accuracy of the Statement.

**Section III of the accompanying Statement - Statement on financial covenant on Historical Debt Service Coverage Ratio ("DSCR"):**

- a) Obtained the audited standalone and consolidated financial statements of the Trust for the year ended 31 March 2024;
- b) Obtained the financial statements of Jodhpur Pali Expressway Private Limited ("JPEPL") for the year ended 31 March 2024, which have been audited by Mahesh C. Solanki & Co on which they have expressed unmodified opinion vide report dated 30 April 2024;





# Walker Chandiook & Co LLP

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

- c) Obtained the financial statements of Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited) and Godhra Expressways Private Limited ("GEPL") for the year ended 31 March 2024, which have been audited by Luthra & Luthra LLP on which they have expressed unmodified opinion vide report dated 30 April 2024;
- d) Obtained the financial statements of Swarna Tollway Private Limited ("STPL") for the year ended 31 March 2024, which have been audited by M.K. Dandeker & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2024;
- e) Obtained the financial statements of Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited) for the year ended 31 March 2024, which have been audited by RCV & CO. on which they have expressed unmodified opinion vide report dated 30 April 2024;
- f) Obtained the financial statements of Gurgaon Sohna Highway Private Limited ("GSHPL") for the year ended 31 March 2024, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified opinion vide report dated 30 April 2024;
- g) Obtained the financial statements of Ulundurpet Expressways Private Limited ("UEPL"), Shillong Expressway Private Limited ("SEPL"), Dewas Bhopal Corridor Private Limited ("DBCPL"), Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as H.G. Rewari Ateli Highway Private Limited), Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as H.G. Ateli Narnaul Highway Private Limited) for the year ended 31 March 2024, which have been audited by Gianender & Associates on which they have expressed unmodified opinion vide report dated 30 April 2024;
- h) Obtained the special purpose financial information of UTPL for the period from 01 April 2023 to 01 November 2023, which have been audited by RCV & CO. on which they have expressed unmodified opinion vide report dated 01 November 2023;
- i) Obtained the special purpose financial information of GSHPL for the period from 01 April 2023 to 21 November 2023, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified opinion vide report dated 01 December 2023;
- j) Obtained the special purpose interim financial statements of RAHPL, ANHPL for the period from 01 April 2023 to 21 November 2023, which have been audited by Gianender & Associates on which they have expressed unmodified opinion vide report dated 01 December 2023;
- k) Obtained the special purpose financial information of STPL for the period from 01 April 2023 to 24 January 2024, which have been audited by M.K. Dandeker & Co. LLP on which they have expressed unmodified opinion vide report dated 20 March 2024;
- l) Recomputed the figures of the Trust, JPEPL, NBPL, GEPL, UEPL, SEPL, and DBCPL in the statement for the period from 01 April 2023 to 31 March 2024 from the audited financial statements of the Trust and respective SPVs (as mentioned in "a", "b", "c" and "g" above);
- m) Recomputed the figures of UTPL in the statement for the period from 02 November 2023 to 31 March 2024 which is calculated as balancing figures between the figures for the year ended 31 March 2024 (as mentioned in "e" above), and figures for the period from 01 April 2023 to 01 November 2023 (as mentioned in "h" above);
- n) Recomputed the figures of RAHPL, ANHPL in the statement for the period from 22 November 2023 to 31 March 2024 which is calculated as balancing figures between the figures for the year ended 31 March 2024 (as mentioned in "g" above), and figures for the period from 01 April 2023 to 21 November 2023 (as mentioned in "j" above);



Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debt Instruments) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

- o) Recomputed the figures of GSHPL in the statement for the period from 22 November 2023 to 31 March 2024 which is calculated as balancing figures between the figures for the year ended 31 March 2024 (as mentioned in "f" above), and figures for the period from 01 April 2023 to 21 November 2023 (as mentioned in "i" above);
  - p) Recomputed the figures of STPL in the statement for the period from 25 January 2024 to 31 March 2024 which is calculated as balancing figures between the figures for the year ended 31 March 2024 (as mentioned in "d" above), and figures for the period from 01 April 2023 to 24 January 2024 (as mentioned in "k" above);
  - q) Obtained the independent certificate issued by respective auditors of the subsidiaries (Refer Annexure 1 for list of subsidiaries) of the Trust to trace the amount used in computation of historical debt service coverage ratio of the Trust;
  - r) Verified the computation in respect of compliance of covenant on the historical debt service coverage ratio as mentioned in the Statement;
  - s) Obtained necessary representations from the Investment Manager of the Trust; and
  - t) Verified the arithmetical accuracy of the Statement.
11. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedure selected depend upon on the auditor's judgement, including the assessment of the areas where a material misstatement of the subject matter is likely to arise. We have performed the following procedures in relation to Section IV of the Statement.

**Section IV of the accompanying Statement - Statement on compliance with the covenants other than those mentioned in Section I, II and Section III of the accompanying Statement:**

- a) Obtained a detailed listing of all the covenants other than financial covenant stated in the DSTD in respect of the listed NCDs of the Trust outstanding as at 31 March 2024;
- b) Enquired and understood Investment Manager's assessment of compliance with all the covenants other than financial covenants and corroborated the responses from supporting documents (on test check basis) as deemed necessary;
- c) Obtained necessary representations from the Investment Manager of the Trust;
- d) Based on the procedure performed in (a), (b) and (c) above, evaluated the appropriateness of the declaration made by the Investment Manager of the Trust in Section IV of the Statement; and
- e) Verified the arithmetical accuracy of the Statement.





Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debenture Trustees/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

## Opinion on Section I, Section II and Section III of the Statement

12. Based on our examination and the procedures performed as per paragraph 10 above, evidences obtained, and the information and explanations given to us, along with the representations provided by the Investment Manager of the Trust, in our opinion the:
- details included in Section I of the accompanying statement regarding maintenance of hundred percent security cover with respect to book value of assets offered as security against NCDs of the Trust outstanding as at 31 March 2024 are, in all material respects, in agreement with the audited standalone financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024, and that the calculation thereof is arithmetically accurate;
  - details included in Section II of the accompanying statement regarding compliance with financial covenants relating to consolidated net debt to enterprise value as stated in Paragraph (ix) of Clause (d) of schedule III of the DSTD of NCDs of the Trust outstanding as at 31 March 2024, is in compliance with aforesaid DSTD and the amounts used in computation of such financial covenants are in agreement with the audited consolidated financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024, and that the calculation thereof is arithmetically accurate; and
  - details included in Section III of the accompanying Statement with respect to financial covenant on 'Historical Debt Service Coverage Ratio' as stated in Paragraph (ix) of clause (d) of schedule III of DSTD of the NCDs outstanding at 31 March 2024 is in compliance with the terms of DSTD and is in all material respects, in agreement with the audited standalone and consolidated financial statement of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the year ended 31 March 2024, and that the calculation thereof is arithmetically accurate.

## Conclusion on Section IV of the Statement

Based on our examination and procedure performed in section 11 above, evidence obtained, and the information and explanation given to us, along with the representation provided by the Investment Manager of the Trust, nothing has come to our attention that cause us to believe that the details included in Section IV of the accompanying Statement with respect to compliance of all the covenants other than those covenants mentioned in Section I, II and Section III of the accompanying Statement of the NCDs of the Trust outstanding as at 31 March 2024, is in all material respects, not fairly stated.

## Other matter

13. The certificates referred to in paragraph 10(q) above, have been certified by Gianender & Associates for UEPL, SEPL, RAHPL, ANHPL and DBCPL, Luthra & Luthra LLP for NBPL and GEPL, RCV & CO. for UTPL, M.K. Dandeker & Co. LLP for STPL, S.L.Chhajed & Co. LLP for GSHPL and Mahesh C. Solanki & Co for JPEPL, who vide their certificates dated 15 May 2024, 16 May 2024, 16 May 2024, 15 May 2024, 15 May 2024 and 15 May 2024 respectively, have expressed an unmodified opinion, and whose certificate has been furnished to us by the Investment Manager of the Trust and which has been relied upon by us for the purpose of our examination. Our opinion is not modified in respect of this matter.

## Restriction on distribution or use

14. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as the statutory auditors of the Trust or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Trust.

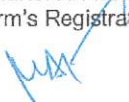


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15. The certificate is addressed to and provided to the Board of Directors of the Investment Manager of the Trust solely for the purpose of enabling it to comply with the requirements of the Regulations as mentioned in paragraph 2, which inter alia, require it to submit this certificate along with the Statement to the Debenture Trustee of the Trust, and for the purpose of submission to NSE and BSE, and therefore, this certificate should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
Manish Agrawal  
Partner  
Membership No: 507000  
UDIN: 24507000BKDHOM4681



Place: New Delhi  
Date: 16 May 2024



# Walker Chandiook & Co LLP

Independent Auditor's Certificate pursuant to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and Regulation 15(1)(t)(ii)(a) of SEBI (Debt Instruments) Regulations, 1993 (as amended) (collectively referred to as 'the Regulations') read with Chapter V of SEBI Operational Circular for Debt Instruments/HO/DDHS/P/CIR/2023/50 dated 31 March 2023 (cont'd)

## Annexure 1

### List of subsidiaries considered:

1. Shillong Expressway Private Limited ('SEPL')
2. Jodhpur Pali Expressway Private Limited ('JEPL')
3. Dewas Bhopal Corridor Private Limited ('DBCPL')
4. Nirmal BOT Private Limited ('NBPL') (formerly known as Nirmal BOT Limited)
5. Ulundurpet Expressways Private Limited ('UEPL')
6. Godhra Expressways Private Limited ('GEPL')
7. Gurgaon Sohna Highway Private Limited ('GSHPL') w.e.f 22 November 2023
8. Rewari Ateli Highway Private Limited ('RAHPL') (formerly known as H.G. Rewari Ateli Highway Private Limited) w.e.f 22 November 2023
9. Ateli Narnaul Highway Private Limited ('ANHPL') Ateli Narnaul Highway Private Limited ("ANHPL") w.e.f 22 November 2023
10. Udupi Tollway Private Limited ('UTPL') (formerly known as Navayuga Udupi Tollway Private Limited) w.e.f 02 November 2023
11. Swarna Tollway Private Limited ('STPL') w.e.f 25 January 2024



Section I - Computation of Security Cover Ratio of Highways Infrastructure Trust ('the Trust') as at 31 March 2024

(₹ in millions)

Statement of Security Cover Ratio

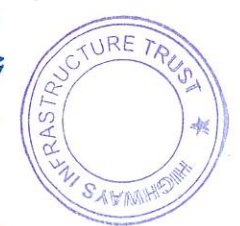
Column A Particulars	Column B Description of asset for which this certificate relate		Column C Exclusive Change		Column D Debt for which this certificate being issued		Column E Debt for which this certificate being issued		Column F Pari-Passu Charge		Column G Other assets on which there is pari-Passu charge (excluding items covered in column F)		Column H Assets not offered as Security (refer note 8)	Column I Elimination (amounting to debt considered more than once (due to exclusive plus pari passu charge	Column J TOTAL (C TO I)	Column K Market Value for Assets charged on Exclusive basis	Column L Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Column M Market Value for Pari passu charge Assets (refer note 9)	Column N Carrying value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Column O Total Value (=K+L+M+N)
	Book Value	Book Value	Book Value	Yes/No	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value	Book Value
<b>Assets</b>																				
Investments (refer note 2)		Investment in equity-shares of subsidiaries of Trust except for Gujarat Road and Infrastructure Company Limited (GRICL). Further, it also includes Investment in 6% preference share of Shillong Expressway Private Limited (SEPL). Investment in optionally convertible debentures (OCD) of subsidiaries of Trust and interest accrued on OCD.		Yes	47,183.39		47,183.39								47,183.39		84,312.00			84,312.00
Loans		Current and Non current portion of loans given to subsidiaries and interest accrued thereon.		Yes	37,897.99		37,897.99								37,897.99					
Cash and cash equivalents		Cash and cash equivalents		Yes	461.18		461.18								461.18				461.18	
Bank balance other than Cash and Cash equivalents		Bank balance other than cash and cash equivalents		Yes	953.02		953.02								953.02				953.02	
Other current and non-current assets		Other non current financial assets and other current assets		Yes	65.23		65.23								65.23				65.23	
<b>Total assets (i)</b>					86,560.81		86,560.81								86,560.81		84,312.00		1,479.43	85,791.43
<b>Liabilities</b>																				
Debt securities to which this certificate pertains (refer note 3)		Borrowings (including current and non current)		Yes	11,340.62		11,340.62								11,340.62					11,340.62
Other debt sharing pari-passu charge with above debt (refer note 4)		Borrowings (including current and non current)		No	21,650.23		21,650.23								21,650.23					21,650.23
Interest accrued but not due on non-convertible debentures (NCD)		Other financial liabilities		Yes	2.38		2.38								2.38					2.38
Interest accrued but not due on rupee term loan (RTL)		Other financial liabilities		No	3.64		3.64								3.64					3.64
Trade payables		Trade payables		No	-		-								-					-
Unsecured Debt		Rated, Listed, Unsecured Commercial Papers (CPS)		No	142.36		142.36								142.36					142.36
Others payables		Other current liabilities, other current financial liabilities and current tax liabilities		No	2,647.55		2,647.55								2,647.55					2,647.55
<b>Total liabilities (ii)</b>					32,996.87		32,996.87								36,399.16					32,996.87
<b>Cover on Book value (i)/(ii) (refer note 5)</b>					2.62		2.62													2.60
<b>Cover on Market value (i)/(ii) (refer note 6)</b>																				

*Sanjay Shah*

*Sanjay Chaudhary*

*Atul Kumar*

SIGNED FOR IDENTIFICATION PURPOSES







**Section II- Statement on Consolidated Net Debt to Enterprise value of Highways Infrastructure Trust ('the Trust') as at 31 March 2024:**

- i) The Trust has issued secured, taxable, rated, listed, redeemable, non-convertible debentures ("NCDs") securities having a face value of ₹1,000,000/- (Rupees Ten Lakhs only) each for Series I, Series II and Series III having a face value of ₹100,000/- (Rupees One Lakh only), aggregating up to ₹11,500.00 millions in three series of:
- Series I Debt Securities up to ₹4,000.00 millions;
  - Series II Debt Securities up to ₹2,500.00 millions; and
  - Series III Debt Securities up to ₹5,000.00 millions
- pursuant to the Debt Security Trust deed ("DSTD") dated 20 September 2022 (Series I and II) and 15 January 2024 (Series III) read with the common terms schedule executed inter alia amongst the Trust, acting through Catalyst Trusteeship Limited ("Trustee");

The Trust has prepared this statement of Consolidated Net Debt to Enterprise value of the Trust as at 31 March 2024 pursuant to the financial covenants stated in the DSTD as follows:

- The Trust shall be required to ensure that the aggregate Consolidated Net Debt to Enterprise value of the Trust and the Project SPVs, shall be less than 49% as per DSTD dated 20 September 2022; and
- The Trust shall be required to ensure that the aggregate Consolidated Net Debt shall be less than the aggregate of (i) 55% (fifty five percent) of the Enterprise Value of the toll based SPVs; and (ii) 70% (seventy percent) of the Enterprise Value of the annuity / hybrid annuity based SPVs as per DSTD dated 15 January 2024.

ii) Below are the calculations of the Consolidated Net Debt to Enterprises Value: (₹ in millions)

Particulars	As at 31 March 2024 (refer note 4)	Remarks
<b>Consolidated Net Debt:</b>		
Long term borrowings	33,760.30	Refer note 2
Short term borrowings	3,320.76	Refer note 2
Deferred purchase consideration	578.09	Refer note 3
<b>Total financial indebtedness</b>	<b>37,659.15</b>	Refer note 5
Less: cash and cash equivalents	(4,955.39)	Refer note 6
<b>TOTAL (A)</b>	<b>32,703.76</b>	
<b>Enterprise Value:</b>		
Enterprise value	91,305.22	Refer note 7
<b>TOTAL (B)</b>	<b>91,305.22</b>	
<b>Consolidated Net debt to Enterprise Value (A)/(B)</b>	<b>35.82%</b>	Refer note 8
55% of the Enterprise Value of the toll based SPVs	43,992.97	Refer note 9
70% of the Enterprise Value of the annuity / hybrid annuity based SPVs	7,922.60	Refer note 9
<b>TOTAL (C)</b>	<b>51,915.57</b>	Refer note 10

**Notes:**

- The Statement has been prepared based on the basis of audited Consolidated Financial Statements of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the period ended 31 March 2024 in accordance with Indian Accounting Standards ("Ind AS") as defined in the Rule 2(1)(a) of the companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India;
- Represents amounts outstanding against rupee term loans from banks, non convertible debentures ("NCDs") holders and commercial papers as at 31 March 2024, gross off unamortized processing fees/ Indian Accounting Standard (Ind AS) adjustment of ₹255.97 millions and reduced by share of Non-controlling interest ("NCI") in outstanding debt of GRICL amounting to ₹468.97 millions. Borrowing amount does not includes interest accrued on rupee term loan and NCDs amounting to ₹6.02 millions;
- Financial indebtedness also includes deferred purchase consideration (refer clause 1.1 of DSTD) amounting to ₹578.09 millions which shall be payable to the seller by the Trust in respect of acquisition of (i) RAHPL - Rewari Ateli Highway Private Limited (formerly known as 'H.G Rewari Ateli Highway Private Limited'), (ii) ANHPL - Ateli Narnaul Highway Private Limited (formerly known as 'H.G Ateli Narnaul Highway Private Limited'), (iii) GSHPL - Gurgaon Sohna Highway Private Limited;
- The calculations of the Consolidated Net Debt to Enterprises Value excludes portion of NCI i.e. 43.20% held in GRICL - Gujarat Road and Infrastructure Private Limited.
- It does not includes provisions, deferred tax liabilities, trade payables, current tax liabilities, other current liabilities and non-current financial liabilities;
- For the purpose of above calculations of ratios, it includes amounts classified as 'cash and cash equivalents', investments', and 'bank balances other than cash and cash equivalents' as per audited consolidated financial statements of the Trust, underlying books of account and other relevant records and documents of the Trust as at 31 March 2024, amounting to ₹1,254.38 millions, ₹5,027.36 millions, ₹8,231.56 millions, respectively. The amounts of cash and cash equivalents of ₹4,955.39 millions as disclosed in the ratio above, excludes cash balance earmarked for distribution of ₹7,005.22 millions, cash balance earmarked for Major maintenance reserve ("MMR")/Madhya Pradesh Road Development Corporation Limited ("MPRDC") amounting to ₹522.75 millions (includes share of the Trust i.e. 56.80% in MMR of GRICL) and share of NCI in GRICL of ₹131.19 millions in cash and cash equivalents, ₹158.82 millions in investments and ₹1,739.92 millions bank balances other than cash and cash equivalents.
- For the purpose of above calculations, enterprise value as at 31 March 2024 has been considered of the following subsidiaries of the Trust namely (i) DBCPL - Dewas Bhopal Corridor Private Limited, (ii) GEPL - Godhra Expressways Private Limited, (iii) NBPL - Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited) (iv) JPEPL - Jodhpur Pali Expressways Private Limited; (v) SEPL - Shillong Expressways Private Limited, (vi) UEPL - Ulundurpet Expressways Private Limited, (vii) UTPL - Udupi Tollway Private Limited (formerly known as Navayuga Udupi Tollway Private Limited), (viii) RAHPL, (ix) ANHPL, (x) GSHPL, (xi) STPL - Swarna Tollway Private Limited, and (xii) GRICL - Gujarat Road and Infrastructure Private Limited (limited to 56.80% stake of the Trust) conducted by SEBI registered valuer in accordance with the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended);
- The consolidated net debt to enterprise value as calculated above is in compliance with the Paragraph (ix) of Clause (d) of schedule III of the DSTD dated 20 September 2022;
- For the purpose of above calculations, 55% of enterprise value as at 31 March 2024 has been considered of toll based SPVs of the Trust namely (i) DBCPL, (ii) GEPL, (iii) JPEPL (iv) UEPL, (v) UTPL, (vi) STPL, (vii) GRICL, and 70% of enterprise value of the annuity / hybrid annuity based SPVs namely (i) NBPL, (ii) SEPL, (iii) RAHPL, (iv) ANHPL, and (v) GSHPL, conducted by SEBI registered valuer in accordance with the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended); and
- The consolidated net debt is less than the aggregate of enterprise value calculated above (refer Total C) is in compliance with the Paragraph (ix) of Clause (d) of schedule III of the DSTD dated 15 January 2024.

**For and on behalf of**

Highway Concessions One Private Limited  
(Acting as Investment Manager of Highways Infrastructure Trust)



Gaurav Chandna  
Executive Director and Joint CEO  
DIN: 10312924

Place: Mumbai  
Date: 16 May 2024



Dr. Zafar Khan  
Joint CEO  
DIN: 07641366

Place: Mumbai  
Date: 16 May 2024



Mr. Abhishek Chhajjer  
Chief Financial Officer

Place: Mumbai  
Date: 16 May 2024



**SIGNED FOR  
IDENTIFICATION  
PURPOSES**





**Section III - Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust :-**

- i) The Highways Infrastructure Trust ("Trust") availed rupee term-loan facilities (RLA1) from Axis Bank Limited, ICICI Bank Limited, and State Bank of India for an aggregate sanctioned amount of ₹ 8,000.00 millions pursuant to the rupee loan agreement ("RLA") dated 03 September 2022. Further, the Trust has also issued 6500 senior, secured, taxable, listed, redeemable, non-convertible debt securities pursuant to the Debt Security Trust Deed (DSTD) dated 20 September 2022 having a face value of ₹ 1,000,000/- (Rupees Ten Lakhs only) each, aggregating up to ₹ 6,500.00 millions (Rupees six thousand five hundred millions only) in two series of:
- (a) Series I Debt Securities up to ₹ 4,000.00 millions; and
- (b) Series II Debt Securities up to ₹ 2,500.00 millions;

Further, the Trust has also issued 50,000 senior, secured, taxable, listed, redeemable, non-convertible debt securities in Series III pursuant to the Debt Security Trust Deed (DSTD) dated 15 January 2024 having a face value of ₹ 100,000/- (Rupees One Lakh only) each, aggregating up to ₹ 5000.00 millions (Rupees five thousand millions only) in series III.

Further, the Trust has also availed another rupee term-loan facilities from Axis Bank Limited, ICICI Bank Limited and State Bank of India and India Infrastructure Finance Company Limited for an aggregate sanctioned amount of ₹ 19,000.00 millions pursuant to rupee loan agreement ("RLA2") dated 30 October 2023 out of which Trust has received disbursement of ₹ 1,424.83 millions from lenders on 02 November 2023, 21 November 2023, 22 November 2023, 4 January 2024, 18 March 2024, and 21 March 2024.

Refer calculation of Historical Debt Coverage ratio for the period from 01 April 2023 to 31 March 2024 below:

ii) Below are the calculations of the Historical Debt Coverage Service Ratio :

Particulars	For the year ended 31 March 2024 (refer note 1)										Trust	Total	Remarks				
	DBCPCL (refer note 15)	NBPCL (refer note 15)	GEPL (refer note 15)	JPEPL (refer note 15)	UEPL (refer note 15)	SEPL (refer note 15)	UTPL (refer note 15)	GSHPL (refer note 15)	ANHPL (refer note 15)	RAHPL (refer note 15)				STPL (refer note 15)			
Total Cash Available (A)*																	
Add: Cash Revenue	2,265.24	476.00	1,607.35	701.57	1,834.19	497.40	631.76	294.24	442.37	227.13	686.52	-	9,663.76	Refer note 4			
Add: Other Cash Income	29.55	20.39	16.11	20.57	24.86	17.25	6.51	7.16	9.03	6.02	51.44	159.99	368.88	Refer note 5			
Add: Funds from Investors and Non-Convertible debenture holders in the Trust for General Corporate Purpose utilised for Debt Service	-	-	-	-	-	-	-	-	-	-	-	311.36	311.36	Refer note 6			
Less: Premium paid (including current and deferred) to the Authority, if any, which was due during the trailing 12 months in accordance with the provisions of the Concession Agreement	-	-	(127.54)	(16.77)	-	-	-	-	-	-	-	-	(144.31)	Refer note 7			
Less: Cash operating expenditure	(321.61)	(306.44)	(188.91)	(205.11)	(224.31)	(136.01)	(211.34)	(50.00)	(45.76)	(73.01)	(107.75)	(507.41)	(2,377.66)	Refer note 8			
Less: Major maintenance expenses incurred during the period, which have not been met from the major maintenance reserve (MMR)	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 12			
Less: Cash taxes	(212.52)	-	-	-	(46.92)	(23.08)	-	-	-	-	-	(67.49)	(350.01)	Refer note 9			
Less: MMR created or to be created during the testing period as per Base Case Business Plan	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 10 and 11			
<b>Total (A)</b>	<b>1,700.66</b>	<b>189.95</b>	<b>1,307.01</b>	<b>500.26</b>	<b>1,587.82</b>	<b>355.56</b>	<b>426.93</b>	<b>251.40</b>	<b>405.64</b>	<b>160.14</b>	<b>630.21</b>	<b>(103.55)</b>	<b>7,472.02</b>				
External debt obligation (B)- (for the trailing 12 months, excluding any bullet payments, which have been refinanced during the period) (refer note 13)																	
Add: Interest/ coupon payments on external debt /	-	-	-	-	-	-	32.15	25.99	94.17	20.73	6.92	1,608.37	1,788.33				
Add: any fees paid on external debt	-	-	-	-	-	-	12.49	15.14	-	19.68	13.30	119.68	160.61				
Add: principal paid on external debt	-	-	-	-	-	-	-	-	-	59.84	377.66	377.66	437.50				
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.15</b>	<b>41.13</b>	<b>94.17</b>	<b>93.06</b>	<b>20.22</b>	<b>2,105.71</b>	<b>2,386.44</b>				
<b>DSCR : Total Cash Available (A) / External debt obligation (B)</b>																	<b>3.13</b>

\* total cash available represents cash available for servicing debt securities, additional debt, any debt under permitted indebtedness for the trailing 12 (twelve) months.

Notes:

1 The Statement has been prepared on the basis of:

- i) audited standalone and consolidated financial statements of the Highways Infrastructure Trust ("Trust") and financial statements of the subsidiaries, underlying books of accounts and other records maintained by the Trust for the year ended 31 March 2024 in case of DBCPL, NBPL, GEPL, SEPL, UEPL, JPEPL and
- ii) from date of acquisition of new subsidiaries i.e. 02 November 2023 to 31 March 2024 in case of UTPL, 22 November 2023 to 31 March 2024 in case of ANHPL, GSHPL and RAHPL and 25 January 2024 to 31 March 2024 in case of STPL.

Basis of preparation is listed below:

- i) The figures for the year ended 31 March 2024 of audited standalone and consolidated financial statement of the Trust and for the subsidiaries, the same are audited by their respective auditors.
- ii) The figures for the period 02 November 2023 to 31 March 2024 in case of UTPL, 22 November 2023 to 31 March 2024 in case of ANHPL, GSHPL and RAHPL and 25 January 2024 to 31 March 2024 in case of STPL are audited by their respective auditors.

The figures are computed as total of following:

- i) The above figures for the period from 02 November to 31 March 2024 in case of UTPL, from 22 November 2023 to 31 March 2024 in case of ANHPL, GSHPL and RAHPL and from 24 January 2024 to 31 March 2024 in case of STPL, are computed as balancing figures between the figures of financial statement of the subsidiaries for the year ended 31 March 2024 and figures of financial statement of the subsidiaries for the period ended 01 November 2023 in case of UTPL, 21 November 2023 in case of ANHPL, GSHPL and RAHPL and 24 January 2024 in case of STPL.
- ii) The above figures of the Trust, JPEPL, NBPL, GEPL, UEPL, and DBCPL for the period from 01 April 2023 to 31 March 2024 are computed from the audited financial statements of the Trust and respective subsidiaries.



**SIGNED FOR IDENTIFICATION PURPOSES**



*(Handwritten signature)*



**Section III - Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust (cont'd) :-**

- 2 As per the terms of Debt Security Trust Deed and Rupee Loan Agreement, DSCR calculation is based on the cash available for debt servicing and debt servicing obligations for the trailing 12 months period. Therefore, the numbers reported above are considered from 01 April 2023 till 31 March 2024 in case of DBCPIL, NBPL, GEPL, SEPL, UEPL, JPEPL and from date of acquisition of new subsidiaries i.e. 02 November 2023 to 31 March 2024 in case of UTPL, 22 November 2023 to 31 March 2024 in case of ANEPL, GSHPL and RAHPL and 25 January 2024 to 31 March 2024 in case of STPL.
- 3 The figures reported above are after considering the impacts of all eliminations of inter SPV / Trust transactions.
- 4 Cash Revenue represents revenue from operations from the statement of Profit and Loss of the Trust and its subsidiaries, actual amount of annuity received from Concession authority in case of (i) SEPL, (ii) NBPL, post acquisition actual amount of annuity received, interest income on reducing balance cost and operation and maintenance receipt from Concession authority in case of (i) ANEPL, (ii) GSHPL and (iii) RAHPL; and excludes interest income receivable on annuity from concession authority, modification gain on annuity, revenue from operations and maintenance of road and revenue from major maintenance for the period from 01 April 2023 to 31 March 2024 in case of SEPL and NBPL being notional in nature. Further, revenue from operations of standalone trust doesn't include income generated from inter SPV transactions, considering the numbers reported above are after eliminations.
- 5 Other cash income represents other income from the statement of Profit and Loss of the Trust and its subsidiaries excluding fair value gain of mutual fund (MTM gain), balance written-back being notional in nature and compensation of claim revenue for the period from 01 April 2023 to 31 March 2024 and for the period from 02 November 2023 to 31 March 2024 in case of UTPL, from 22 November 2023 to 31 March 2024 in case of ANEPL, GSHPL and RAHPL and from 25 January 2024 to 31 March 2024 in case of STPL.
- 6 The total cash available includes the amount raised from right issue of units from the unitholder's of the Trust as General Corporate purpose that are utilized for the purpose of repayment of Interest/ coupon payments, principal and fees paid on external debt.
- 7 Premium paid (including current and deferred) to the authority represents concession premium due to National Highway Authority of India ("NHAI") / Public Works Department ("PWD") for the period 01 April 2023 to 31 March 2024.
- 8 Cash operating expenses represents Employee Benefit expenses, Subcontracting Expenses and Operating Expenses from the statement of Profit and Loss of the Trust and its subsidiaries excluding Loss on investments carried at fair value through profit or loss (MTM loss), provision against major maintenance obligation, balance written-off being notional in nature, loss on reduction of investment in equity, loss on sale of fixed assets and compensation of claim expense for the period from 01 April 2023 to 31 March 2024. Further, finance cost has not been considered in order to calculate total cash available for debt servicing.
- 9 Cash Taxes represent current tax expense as per statement of Profit and Loss of the Trust and its subsidiaries.
- 10 MMR represented at NBPL, JPEPL, SEPL, UEPL, UTPL, and STPL are out of the additional NCD top-up funds infused by the Trust into the SPVs and out of earmarked committed undrawn debt facility vide RLA2 and not from the cash flow generated during the period of the SPVs/Trust, hence the same is not considered while calculating total cash available for calculation of historical debt service coverage ratios.
- 11 Major maintenance expenses for period from 01 April 2023 to 31 March 2024 were incurred from opening funds as at 01 April 2023 in case of DBCPIL and Unsecured loan given by the Trust from NCD debt fund (whose repayments are already considered in the External debt obligation for calculation of historical debt service coverage ratios) in case of JPEPL, SEPL and UEPL. Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations and hence not considered in the calculation of DSCR.
- 12 Major maintenance expenses for period from 02 November 2023 to 31 March 2024 in case of UTPL and from 25 January 2024 to 31 March 2024 in case of STPL were incurred from unsecured loan given by the Trust from NCD debt fund (whose repayments are already considered in the External debt obligation for calculation of historical debt service coverage ratios). Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations and hence not considered in the calculation of DSCR.
- 13 The external debt obligations considered in the DSCR working includes amounts paid by the Trust in relation to the RLA1, RLA2 and NCDs for the trailing 12 months, in terms of the RLA and DSTD and the amount paid for repayment of term loan, interest payable thereon and pre-payment charges by the subsidiaries before refinancing of their debt by the Trust. There is no debt servicing due for the said period under Rated, listed and Unsecured Commercial Papers (CP) issued by the Trust, hence the same has not been considered in the above working.
- 14 Interest/ coupon payments on external debt and principal paid on external debt represents interest accrued and principal paid on debt obtained from external parties for the period from 01 April 2023 to 31 March 2024. Further any fees paid on external debt represents processing fees on a avallment of RLA2 and NCDs. Series III by the trust and prepayment penalty on repayment of borrowings by the subsidiaries during the period ended 31 March 2024. Further any interest payment, principal payment or write - off of processing fees at the time of refinancing of borrowings have not been considered considering there is no impact on cash flows pursuant to the refinancing arrangement entered between the Trust and SPVs.
- 15 (i) DBCPIL - Dewas Bhopal Corridor Private Limited; (ii) GEPL - Godhra Expressways Private Limited; (iii) NBPL - Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited); (iv) JPEPL - Jodhpur Pal Expressways Private Limited; (v) SEPL - Shillong Expressways Private Limited; (vi) UEPL - Ulundupet Expressways Private Limited; (vii) UTPL - Udipi Tollway Private Limited (formerly known as Navayuga Udipi Tollway Private Limited); (viii) ANEPL - Anehi Narmal Highway Private Limited (formerly known as HG Anehi Narmal Highway Private Limited); (ix) GSHPL - Gurgzon Sohma Highway Private Limited; (x) RAHPL - Rewari Ateli Highway Private Limited (formerly known as HG Rewari Ateli Highway Private Limited); and (xi) Swarna Tollway Private Limited (herein referred to as "project SPVs" or "SPVs" or "subsidiaries").

For and on behalf of Board of Directors of  
Highway Concessions One Private Limited  
(Acting as the Investment Manager of Highways Infrastructure Trust)



Gaurav Chandna  
Executive Director and Joint CEO  
DIN: 10312924  
Place: Mumbai  
Date: 16 May 2024



Dr. Zafar Khan  
Joint CEO  
DIN: 07641366  
Place: Mumbai  
Date: 16 May 2024



Abhishek Chhafer  
Chief Financial Officer  
Place: Mumbai  
Date: 16 May 2024



SIGNED FOR  
IDENTIFICATION  
PURPOSES



Section IV- Compliance with all covenants other than those covenants mentioned in Section I, Section II and Section III

**Management Declaration**

We confirm that the Trust has complied with all the following covenants as included in Schedule III of the debt security trust deed dated 20 September 2022 (Series I and II) and 15 January 2024 (Series III):

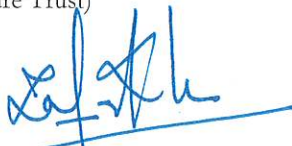
- Part 1: Affirmative Covenants
- Part 2: Information Covenants
- Part 3: Negative Covenants
- Part 4: General Covenants

**For and on behalf of Board of Directors of**  
Highway Concessions One Private Limited  
(as Investment Manager of Highways Infrastructure Trust)



**Gaurav Chandna**  
Executive Director and Joint CEO  
DIN: 10312924

**Place:** Mumbai  
**Date:** 16 May 2024



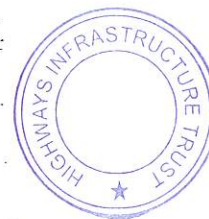
**Dr. Zafar Khan**  
Joint CEO  
DIN: 07641366

**Place:** Mumbai  
**Date:** 16 May 2024



**Abhishek Chhajjer**  
Chief Financial Officer

**Place:** Mumbai  
**Date:** 16 May 2024



**SIGNED FOR  
IDENTIFICATION  
PURPOSES**

**Prepared for:  
Highways Infrastructure Trust ("The Trust")**

**Highway Concessions One Private Limited  
("The Investment Manager")**

**Valuation as per SEBI (Infrastructure Investment Trusts) Regulations,  
2014 as amended**

**Fair Enterprise Valuation**

**Valuation Date: 31<sup>st</sup> March 2024**

**Report Date : 10<sup>th</sup> May 2024**

**Mr. S Sundararaman,  
Registered Valuer,  
IBBI Registration No - IBBI/RV/06/2018/10238**



RV/SSR/R/2025/04

Date: 10<sup>th</sup> May 2024**Highways Infrastructure Trust**

2<sup>nd</sup> Floor, Piramal Tower,  
Peninsula Corporate Park,  
Lower Parel, Mumbai – 400 013.

**Highway Concessions One Private Limited**

(acting as the Investment Manager to Highways Infrastructure Trust)

601-602, 6<sup>th</sup> Floor, Windsor House,  
Off CST Road, Kalina,  
Santacruz (East), Mumbai – 400 098

**Sub: Financial Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended**  
**(“the SEBI InvIT Regulations”)**

Dear Sir(s)/ Madam(s),

I, Mr. S. Sundararaman (“**Registered Valuer**” or “**RV**” or “**I**” or “**My**” or “**Me**”) bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 10<sup>th</sup> April 2024 as an independent valuer, as defined as per Regulation 2(zzf) of the SEBI InvIT Regulations, by **Highway Concessions One Private Limited** (“**HC One**” or “**the Investment Manager**”) acting as the Investment manager for **Highways Infrastructure Trust** (“**the Trust**” or “**Highways InvIT**”), an infrastructure investment trust, registered with the **Securities Exchange Board of India** (“**SEBI**”) with effect from 23<sup>rd</sup> December 2021, bearing registration number IN/InvIT/21-22/0019 and **Axis Trustee Services Limited** (“**the Trustee**”) acting on behalf of the Trust. For the purpose of determination of the financial valuation of the special purpose vehicles (defined below and hereinafter together referred as “**the SPVs**”) of InvIT Asset held by Highways Infrastructure Trust as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**SEBI InvIT Regulations**”). The SPVs are to be valued as per Regulation 21 of SEBI (Infrastructure Investment Trust) Regulations 2014 (“**SEBI InvIT Regulations**”) as amended from time to time, where HC One is acting as the Investment Manager.

I am enclosing the Report providing opinion on the fair enterprise value of the SPV as defined hereinafter on a going concern basis as at 31<sup>st</sup> March 2024. (“**Valuation Date**”).

Enterprise Value (“**EV**”) is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPV as at 31<sup>st</sup> March 2024, where the adjusted enterprise value (“**Adjusted EV**”) is derived as EV as defined above plus cash and cash equivalents of the SPV as at 31<sup>st</sup> March 2024.

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, those are not independently investigated or otherwise verified. My team and I have no present or planned future interest in the Trust, the SPV or the Investment Manager except to the extent of this appointment as an independent valuer and the fee for this Valuation Report (“**Report**”) which is not contingent upon the values reported herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

The analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this Report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Following Special Purpose Vehicle is proposed to be acquired by the Trust:

<b>Sr. No.</b>	<b>Name of the SPV</b>	<b>Abbreviation</b>	<b>Asset Type</b>	<b>COD</b>
1	Bangalore Elevated Tollway Private Limited	BETPL	Toll	1 <sup>st</sup> April 2011

(Hereinafter referred to as "the SPV")

The information provided to me by the Investment Manager in relation to the SPV included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.

By nature, valuation is based on estimates and it includes the risks and uncertainties relating to the events occurring in the future. Accordingly, the actual figures in future may differ from these estimates and may have a significant impact on the valuation of the SPV.

I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiry to satisfy myself that such information has been prepared on a reasonable basis.

Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

The valuation provided by RV and the valuation conclusion are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by the Securities and Exchange Board of India ("SEBI") thereunder as amended and circulars issued by SEBI from time to time.

Please note that all comments in the Report must be read in conjunction with the caveats to the Report, which are contained in Section 10 of this Report. This letter, the Report and the summary of valuation included herein can be provided to Trust's advisors and may be made available for the inspection to the public and with the SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

RV draws your attention to the limitation of liability clauses in Section 10 of this Report.

This letter should be read in conjunction with the attached Report.

Yours faithfully,

Digitally signed by  
SWAMINATHAN SWAMINATHAN  
SUNDARARAM SUNDARARAMAN  
AN Date: 2024.05.10  
22:17:57 +05'30'

**S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Asset Class: Securities or Financial Assets

Place: Chennai

**UDIN : 24028423BKGAAP8393**

## Definition, abbreviation & glossary of terms

Abbreviations	Meaning
BOT	Build, Operate and Transfer
BETPL	Bangalore Elevated Tollway Private Limited
Capex	Capital Expenditure
CCIL	Clearing Corporation of India Limited
CCM	Comparable Companies Multiples
COD	Commercial Operation Date
CTM	Comparable Transactions Multiples
DBFOT	Design, Build, Finance, Operate and Transfer
DCF	Discounted Cash Flow
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ERP	Equity Risk Premium
ETC	Electronic Toll Collection
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FY	Financial Year Ended 31 <sup>st</sup> March
GoG	Government of Gujarat
HAM	Hybrid Annuity Model
INR	Indian Rupees
Investment Manager/HC One	Highway Concessions One Private Limited
IVS	ICAI Valuation Standards 2018
Kms	Kilometers
MoRTH	Ministry of Road Transport and Highways
MMR	Major Maintenance and Repairs
Mn	Million
NAV	Net Asset Value Method
NCA	Net Current Assets Excluding Cash and Bank Balances
NH	National Highway
NHAI	National Highways Authority of India
O&M	Operation & Maintenance
PM	HC One Project Manager Private Limited
PPP	Public Private Partnership
RFID	Radio Frequency Identification
RV	Registered Valuer
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
Sponsor/Galaxy	Galaxy Investments II Pte. Limited
SPV	Special Purpose Vehicle
Trustee	Axis Trustee Services Limited
Trust	Highways Infrastructure Trust
WACC	Weighted Average Cost of capital

## Contents

Section	Particulars	Page No.
1	Executive Summary	6
2	Procedures adopted for current valuation exercise	12
3	Overview of the InvIT and the SPV	13
4	Overview of the Industry	17
5	Valuation Methodology and Approach	25
6	Valuation of the SPV	28
7	Valuation Conclusion	32
8	Additional procedures for compliance with InvIT Regulations	33
9	Sources of Information	35
10	Exclusions and Limitations	36
<b>Appendices</b>		
11	Appendix 1 : Valuation of SPV as on 31 <sup>st</sup> March 2024	39
12	Appendix 2 : Weighted Average Cost of Capital of the SPV	40
13	Appendix 3: Summary of Approvals and Licenses	41
14	Appendix 4: Summary of Ongoing Litigations	42



# 1. Executive Summary

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## 1.1. Background

### The Trust

- 1.1.1. Highways Infrastructure Trust ("the Trust" or "InvIT") was established on 3<sup>rd</sup> December 2021 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882. The Trust is registered as an Indian infrastructure investment trust with the Securities and Exchange Board of India ("SEBI") with effect from 23<sup>rd</sup> December 2021, bearing registration number IN/InvIT/21-22/0019, pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI InvIT Regulations").
- 1.1.2. The units of the Trust were listed on NSE in August 2022 by way of an initial offer of units consisting of a private placement. The object and purpose of the Trust, as described in the Trust Deed, is to carry on the activity of an infrastructure investment trust as permissible under the InvIT Regulations to raise funds through the Trust, to make investments in accordance with the InvIT Regulations and the investment strategy and to carry on the activities as may be required for operating the Trust, including incidental and ancillary matters thereto.
- 1.1.3. The InvIT currently involved in owning, operating and maintaining a portfolio of 12 road projects in the Indian states of Gujarat, Madhya Pradesh, Andhra Pradesh, Telangana, Meghalaya, Haryana, Karnataka, Tamil Nadu and Rajasthan pursuant to the concessions granted by the National Highways Authority of India ("NHAI"), Ministry of Road Transport and Highways, Madhya Pradesh Road Development Corporation Limited ("MPRDC"), Government of Gujarat ("GoG").
- 1.1.4. The unit holding of the Trust as on the report date is as follows:

Sr. No.	Particulars	No. of units	%
1	Galaxy Investments II Pte. Ltd.	37,39,00,000	50.06%
2	Nebula Asia Holdings II Pte. Ltd	18,06,06,060	24.18%
3	2452991 Ontario Limited	14,83,41,698	19.86%
4	Manipal Education Medical Group India Private Limited	3,03,03,030	4.06%
5	Others	1,37,35,046	1.84%
	<b>Total</b>	<b>74,68,85,834</b>	<b>100.00 %</b>

Source: Investment Manager

### The Sponsor

- 1.1.5. Galaxy Investments II Pte. Ltd., Singapore ("the Sponsor" or "Galaxy") has sponsored an infrastructure investment trust under the SEBI InvIT Regulations called "Highways Infrastructure Trust" ("Highways InvIT" or "the Trust"). Galaxy was incorporated on 11<sup>th</sup> June 2021 in Singapore. Galaxy is involved in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the infrastructure sector.
- 1.1.6. Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majorly owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd. ("KKR") Galaxy is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR.
- 1.1.7. Founded in 1976, KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions with approximately US\$ 510 billion of assets under management as of 30th June 2023 that offers alternative asset management as well as capital markets and insurance solutions.
- 1.1.8. Axis Trustee Services Limited ("the Trustee") has been appointed as the Trustee of the Highways InvIT. Highway Concessions One Private Limited ("HC One" or "the Investment Manager") has been appointed as the Investment Manager of the Trust by the Trustee and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations

### The Investment Manager and the Project Manager

- 1.1.9. Highway Concessions One Private Limited is the current Investment Manager of the Trust. Simultaneously, the Trustee appointed HC One Project Manager Private Limited as the project manager of the Trust.

1.1.10. Shareholding Pattern of the Investment Manager as at the report date is as follows:

Sr. No.	Particulars	No. of shares	%
1	Galaxy Investments II Pte. Ltd.	3,76,47,288	80.50 %
2	2743298 ONTARIO LIMITED	91,19,530	19.50%
3	Vidyadhar S. Dabholkar*	1	0.00 %
<b>Total</b>		<b>4,67,66,819</b>	<b>100.00 %</b>

\* as a nominee of Galaxy Investments II Pte. Ltd.

Source: Investment Manager

1.1.11. Shareholding Pattern of the Project Manager as at the report date is as follows:

Sr. No.	Particulars	No. of shares	%
1	Highway Concessions One Private Limited	99,999	100.00 %
2	Vidyadhar S. Dabholkar*	1	0.00 %
<b>Total</b>		<b>1,00,000</b>	<b>100.0 %</b>

\* as a nominee of Highway Concessions One Private Limited

Source: Investment Manager

1.1.12. I understand that the Investment Manager and the Trustee of the Trust is desirous of undertaking financial valuation of the SPV proposed to be acquired. In this regards, I have been mandated to determine the fair enterprise value of the SPV as defined in the Letter in accordance with the SEBI InvIT Regulations and in this context would like me to carry out valuation of SPV as on 31<sup>st</sup> March 2024.

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## Scope and Purpose of Valuation

### 1.2. Financial Asset to be Valued

The financial asset under consideration are valued at Enterprise Value of the following:

Sr. No.	Name of the SPV	Abbreviation
1	Bangalore Elevated Tollway Private Limited	BETPL

(Hereinafter referred to as “the SPV’s”)

### 1.3. Purpose of Valuation

As per Regulation 21(8)(a) of the SEBI InvIT Regulations, for any transaction of purchase or sale of infrastructure projects whether directly or through SPV, for publicly offered InvITs, a full valuation of the specific project shall be undertaken.

I understand that the Investment Manager is proposing to undertake a fair enterprise valuation of the SPV’s as on 31<sup>st</sup> March 2024 for the purpose of their internal evaluation only.

In this regard, the Investment Manager and the Trustee have appointed Mr. S. Sundararaman (“Registered Valuer” or “RV” or “I” or “My” or “Me”) bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake the fair valuation at the enterprise level of the SPV’s as per the SEBI InvIT Regulations as at 31<sup>st</sup> March 2024.

Registered Valuer declares that:

- The RV is competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
- The RV is independent and has prepared the Valuation Report (“the Report”) on a fair and unbiased basis;
- RV has valued the SPV’s in accordance with Valuation Standards issued by the Institute of Chartered Accountants of India;

1.4. This Report covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the SPV is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

### 1.5. Nature of the Asset to be Valued

The RV has been mandated by the Investment Manager to arrive at the Enterprise Value (“EV”) of the SPV’s. Enterprise Value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

### 1.6. Valuation Base

Valuation Base means the indication of the type of value being used in an engagement. In the present case, I have determined the fair value of the SPV’s at the enterprise level. Fair Value Bases defined as under:

#### Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. It is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Fair value or Market value is usually synonymous to each other except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.

### 1.7. Valuation Date

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The Valuation Date considered for the fair enterprise valuation of the SPV is 31<sup>st</sup> March 2024 (“Valuation Date”). The attached Report is drawn up by reference to accounting and financial information as on 31<sup>st</sup> March 2024. The RV is not aware of any other events having occurred since 31<sup>st</sup> March 2024 till date of this Report which he deems to be significant for his valuation analysis.

### 1.8. Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. In the present case, RV has determined the fair enterprise value of the SPV’s on a Going Concern Value defined as under:

## Going Concern Value

Going Concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc.

### 1.9. Summary of Valuation

I have assessed the fair enterprise value of the SPV's on a standalone basis by using the Discounted Cash Flow ("DCF") method under the income approach. Following table summarizes my explanation on the usage or non usage of different valuation methods:

Valuation Approach	Valuation Methodology	Used	Explanation
Cost Approach	Net Asset Value	No	NAV does not capture the future earning potential of the business. Hence NAV method is considered only for background reference.
Income Approach	Discounted Cash Flow	Yes	The revenue of the projects are defined for a certain period of years on the basis of traffic volumes as provided by Investment Manager corroborated with traffic volumes as provided by M/s Ramboll India Private Limited in its Traffic Study Report. As the SPV's under consideration has executed project under the BOT model, the ownership of the underlying assets shall be transferred after the expiry of the concession period. In case of the SPV, the Concession period is from 24 <sup>th</sup> July 2006 to 09 <sup>th</sup> September 2026.
Market Approach	Market Price	No	The equity shares of the SPV are not listed on any recognized stock exchange in India. Hence, I was unable to apply the market price method.
	Comparable Companies	No	In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPV, I am unable to consider this method for the current valuation.
	Comparable Transactions	No	In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.

Under the DCF Method, the Free Cash Flow to Firm ("FCFF") has been used for the purpose of valuation of the SPV. In order to arrive at the fair EV of the SPV under the DCF Method, I have relied on Provisional Financial Statements as at 31<sup>st</sup> March 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the SPV prepared by the Investment Manager as at the Valuation Date based on their best judgement.

The discount rate considered for the SPV for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital ("WACC") for the SPV. As the SPV under consideration has executed projects under the BOT model, the operating rights of the underlying assets shall be transferred back to the appointing authority after the expiry of the concession period. At the end of the agreed concession period, the operating rights in relation to the roads, the obligation to maintain the road reverts to the government entity that granted the concession by the SPV. Accordingly, terminal period value i.e. value on account of cash flows to be generated after the expiry of concession period has not been considered.



Based on the methodology and assumptions discussed further, RV has arrived at the fair enterprise value of the SPV as on the Valuation Date:

				INR Mn
Sr. No.	SPV	WACC	Enterprise Value	Adjusted Enterprise Value
1	BETPL	10.51%	3,013	5,593
<b>Total</b>			<b>3,013</b>	<b>5,593</b>

*(Refer Appendix 1 & 2 for the detailed workings)*

*\*The Investment Manager has informed me that the SPV received a prolongation claim related to a delay in granting the right of way, leading to increased construction costs, higher interest on borrowings, and loss of toll revenue. This claim pertains to a past period and will be distributed among the past shareholders/EPC contractors according to the inter-se agreement's defined method. Furthermore, the Investment Manager confirmed that delayed payment of this amount to the shareholders will not incur any interest payment or additional liability for the SPV. Consequently, I have adjusted the outstanding claim payable to the former shareholders when determining the adjusted enterprise value of the SPV*

*Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.*

*I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPV as at 31<sup>st</sup> March 2024, where the adjusted enterprise value ("Adjusted EV") is derived as EV as defined above plus cash and current investments of the SPV as at 31<sup>st</sup> March 2024.*

- 1.10. The fair EV of the SPV is estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 1.11. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 1.12. Accordingly, I have conducted sensitivity analysis on certain model inputs, the results of which are as indicated below:
  1. WACC by increasing / decreasing it by 0.5%
  2. WACC by increasing / decreasing it by 1.0%
  3. Revenue by increasing / decreasing it by 10%
  4. Expenses by increasing / decreasing it by 20%

### Sensitivity Analysis of Enterprise Value

#### 1. Fair Enterprise Valuation Range based on WACC parameter (0.5%)

INR Mn							
Sr. No.	SPV	WACC - 0.5%	EV	Base WACC	Base EV	WACC + 0.5%	EV
1	BETPL	10.01%	3,029	10.51%	3,013	11.01%	2,997

#### 2. Fair Enterprise Valuation Range based on WACC parameter (1.0%)

INR Mn							
Sr. No.	SPV	WACC - 1.0%	EV	Base WACC	Base EV	WACC + 1.0%	EV
1	BETPL	9.51%	3,045	10.51%	3,013	11.51%	2,982

#### 3. Fair Enterprise Valuation Range based on Revenue parameter (10%)

INR Mn				
Sr. No.	SPV	EV at Revenue - 10%	EV at Base Revenue	EV at Revenue + 10%
1	STPL	2,589	3,013	3,437

#### 4. Fair Enterprise Valuation Range based on Expenses parameter (20%)

INR Mn				
Sr. No.	SPV	EV at Expenses - 20%	EV at Base Expenses	EV at Expenses + 20%
1	STPL	3,142	3,013	2,885

The above represents reasonable range of Fair Enterprise Valuation.

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## 2. Procedures adopted for current valuation exercise

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- 2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Valuation Standards 2018 (“**IVS**”) issued by the Institute of Chartered Accountants of India.
- 2.2. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:
- 2.2.1. Requested and received financial and qualitative information relating to the SPV;
  - 2.2.2. Obtained and analyzed data available in public domain, as considered relevant by me;
  - 2.2.3. Discussions with the Investment Manager on:
    - Understanding of the business of the SPV – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;
  - 2.2.4. Undertook industry analysis:
    - Research publicly available market data including economic factors and industry trends that may impact the valuation;
    - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by me;
  - 2.2.5. Analysis of other publicly available information;
  - 2.2.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by me;
  - 2.2.7. Conducted physical site visit of the road stretch of the SPV;
  - 2.2.8. Determination of fair EV and Fair Adjusted EV of the SPV on a going concern basis at the Valuation Date.

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### 3. Overview of InvIT and SPV

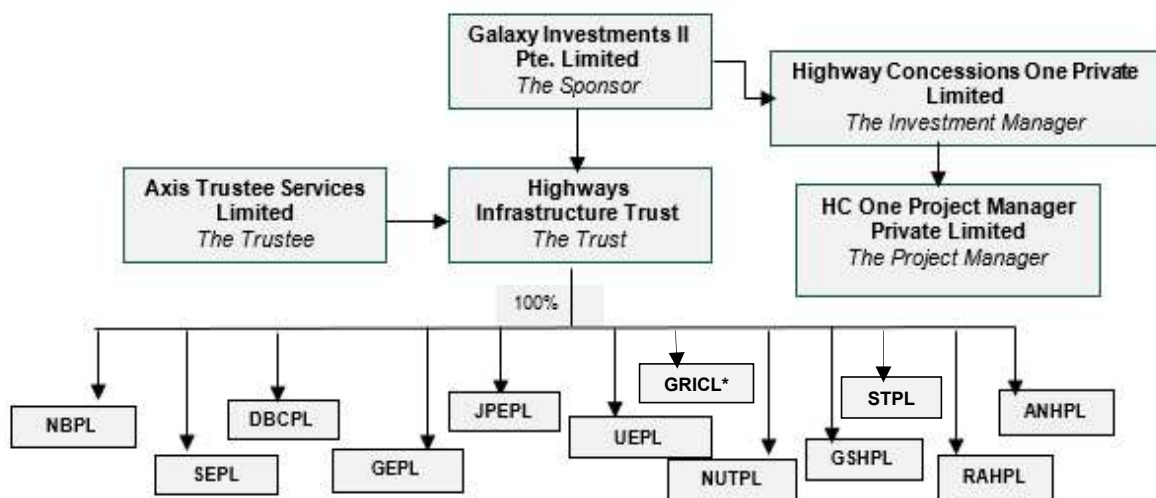
#### The Trust

- 3.1. Galaxy Investments II Pte. Ltd. is the Sponsor of the Trust. The Sponsor was incorporated on 11<sup>th</sup> June 2021 in Singapore. Galaxy is involved in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the “infrastructure” sector.
- 3.2. Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd. Galaxy is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR.
- 3.3. Founded in 1976, KKR is a leading global investment firm, with US\$510 billion in assets under management as of 30<sup>th</sup> June 2023 that offers alternative asset management as well as capital markets and insurance solutions.
- 3.4. Following is the summary of the SPV, held under the trust including the date and cost of acquisition :

Sr. No.	SPV	Name	Acquisition Date	Acquisition Cost (INR Mn)
1	NBPL	Nirmal Private BOT Limited	22 <sup>nd</sup> Aug, 2022	354
2	SEPL	Shillong Expressway Private Limited	22 <sup>nd</sup> Aug, 2022	356
3	DBCPL	Dewas Bhopal Corridor Private Limited	22 <sup>nd</sup> Aug, 2022	12,969
4	GEPL	Godhra Expressways Private Limited	22 <sup>nd</sup> Aug, 2022	11,167
5	JPEPL	Jodhpur Pali Expressway Private Limited	22 <sup>nd</sup> Aug, 2022	3,863
6	UEPL	Ulundurpet Expressways Private Limited	22 <sup>nd</sup> Aug, 2022	3,005
7	UTPL	Udupi Tollway Private Limited	02 <sup>nd</sup> Nov 2023	196
8	GRICL	Gujarat Road Infrastructure Company Limited	24 <sup>th</sup> Jan, 2024	5,651*
9	STPL	Swarna Tollway Private Limited	24 <sup>th</sup> Jan, 2024	20,727
10	GSHPL	Gurgaon Sohna Highway Private Limited	21 <sup>st</sup> Nov 2023	844
11	RAHPL	Rewari Ateli Highway Private Limited	21 <sup>st</sup> Nov 2023	758
12	ANHPL	Ateli Narnaul Highway Private Limited	21 <sup>st</sup> Nov 2023	1,511

\*This represents purchase consideration paid for 56.8% equity stake in GRICL.

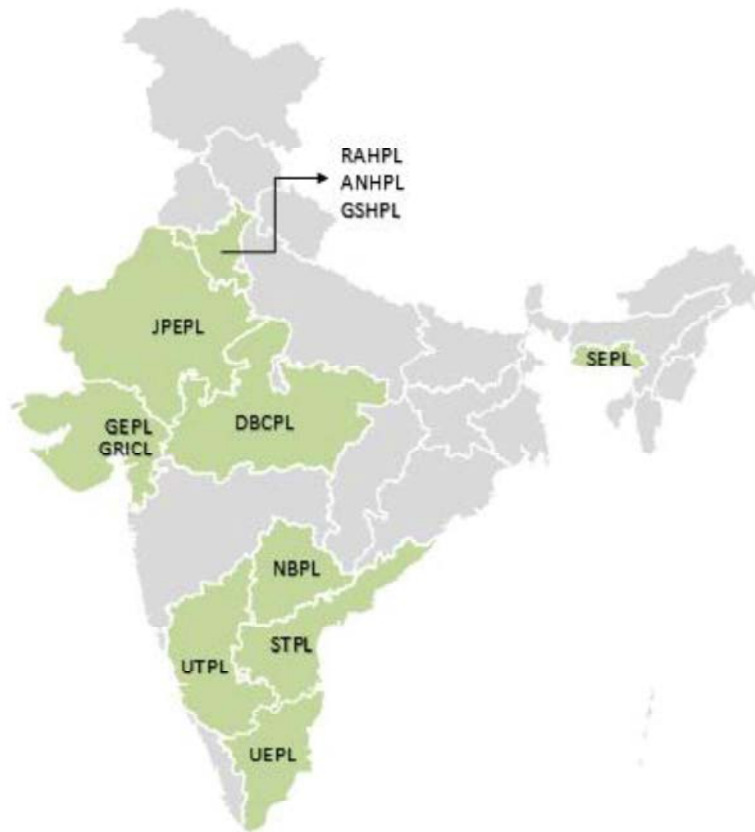
- 3.5. Following is the Structure of the Trust as on the report date.



\*The trust holds 56.8% equity stake in GRICL



3.6. A map depicting the respective location of the existing project SPV of the Trust is provided below:



## Background of the SPV

### Bangalore Elevated Tollway Private Limited (“BETPL”)

- 3.7. Bangalore Elevated Tollway Private Limited (BETPL) was incorporated on 26th December 2005. The SPV entered into the concession agreement dated 25th January, 2006 with NHAI. The project was awarded to the consortium comprising of Soma Enterprise Limited, Nagarjuna Construction Company Limited and Maytas infra Private Limited by NHAI for 20 years of operation & maintenance period from the Appointed Date i.e. 24<sup>th</sup> July, 2006. The project has successfully achieved its COD on 1<sup>st</sup> April, 2011.
- 3.8. The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- 3.9. Summary of Project details of BETPL are as follows:

Parameters	Details
Total Length	33.31 Kms (24.36 Kms + 8.95 Kms)
Nos. of Lanes	4
NH / SH	NH-7
State Covered	Karnataka
Area (Start and End)	Silk Board Junction to Hosur
Project Cost	INR 9,747 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	NHAI
COD Date	1 <sup>st</sup> April 2011
Original Concession Period	20 years from Appointed Date
Extension (If any)	48 days (23 days on account of demonetization and 25 days in lieu of toll suspension due to COVID-19)
Likely End of Concession Period	09 <sup>th</sup> September 2026

Source: Investment Manager

- 3.10. Project Road includes (i) construction of Elevated Highway Project of Bangalore-Hosur section of NH-7 from Silk Board Junction to Electronic City between 9/5 km and 18/750 km, (ii) improvement of the grade section between 8/765 km and 18/750, (iii) expansion of section between 18/750 km and 33/130 km to six lanes. The Project Road has a length of 33.31 km

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Flexible Pavement	9.25
2	Total Length of Main Carriageway 6 Lane with Flexible Pavement	24.365
3	Total length of Service Roads	46.796
4	Toll Plaza	1 at Attibelle and 4 Loop plazas at Electronic city
5	Bus Shelters	32
6	Bus Bays with Shelters	32
7	Truck Lay Bays	2
8	No of Rest Areas	-
9	Major Junction	6
10	Minor Junctions	7
11	No of Vehicular underpasses	3
12	No of Vehicular overpasses	-
13	No of Flyovers	-
14	Pedestrian/Cattle Underpass	8
15	Railway Over Bridge	1
16	Major Bridges	-
17	Minor Bridges	1
18	Box/Slab Culverts	27
19	Pipe Culverts	13

Source: Investment Manager

- 3.11. The shareholding of BETPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Galaxy Investments II Pte Ltd.	2,15,91,279	100.00%
	<b>Total</b>	<b>2,15,91,279</b>	

Source: Investment Manager

I have been represented by the Investment Manager that there is no change in shareholding pattern from the Valuation Date till the date of this Report.

- 3.12. My team had conducted physical site visit for BETPL on 08<sup>th</sup> May 2024. Following are the pictures of the plant site :



## 4. Overview of the Industry

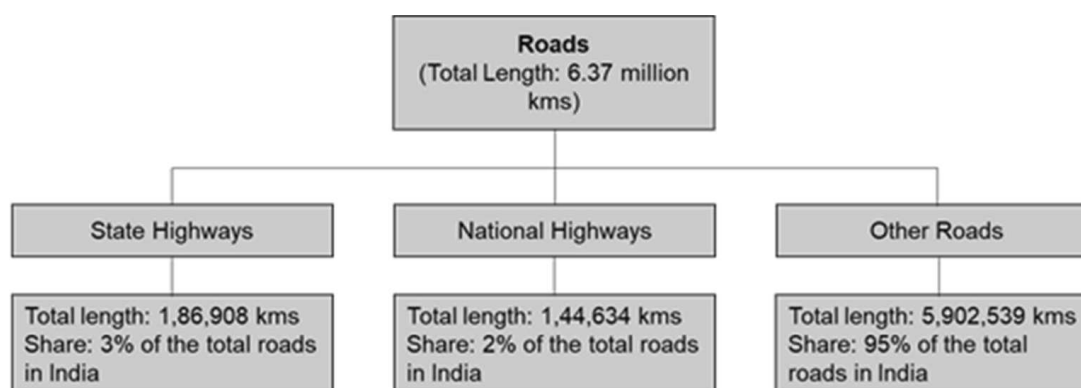
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### 4.1 Introduction

- 4.1.1 The road infrastructure is an important determinant of economic growth in India and it plays a significant role in the economy's overall development process.
- 4.1.2 India has the second-largest road network in the world, spanning over 6.3 million kms. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute.
- 4.1.3 Creation and operation of quality road infrastructure continue to be major requirements for enabling overall growth and development of India in a sustained manner.
- 4.1.4 Bridging of existing infrastructure gaps and creating additional facilities to cater to the increasing population are equally important. Apart from providing connectivity in terms of enabling movement of passengers and freight, roads act as force multipliers in the economy.
- 4.1.5 Further, roads play a significant role in times of natural calamities, wars and other such events in terms of timely evacuation of the impacted population, carriage of relief material and other associated movements. Government takes cognisance of this requirement and road infrastructure remains to be a focus area.

### 4.2 Road Network in India

- 4.2.1 India has the second largest road network in the world, spanning over 6.37 million kms. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute.



Source: IBEF Roads Report, February 2023

- 4.2.2 Out of this around 1.41 lakh km are National Highways (“NHs”). Significantly, NHs constitute around 2 per cent of the total road network in the country but carry about 40% of the road traffic. The density of India’s highway network at 1.89 km of roads per square kilometre of land – is similar to that of the France (1.98) and much greater than China’s (0.49) or USA’s (0.68).

### 4.3 Government Agencies for Road Development

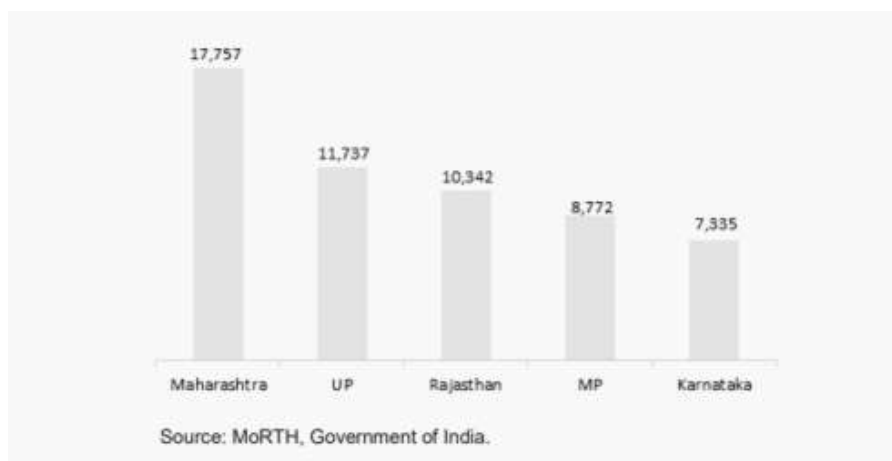
- 4.3.1 The Ministry of Road Transport & Highway (“**MoRTH**”) is responsible for development of Road Transport and Highways in general and construction & maintenance of National Highways.
- 4.3.2 The National Highways Authority of India (“**NHAI**”) is an autonomous agency of the Government of India, set up in 1988 and is responsible for implementation of National Highways Development Project (“**NHDP**”).
- 4.3.3 The NHDP in the context of NHs is nearing completion- in seven phases. Later, the other highway development programmes like Special Accelerated Road Development Programme for Development of Road Network in North Eastern States (SARDP- NE) and National Highways Interconnectivity Improvement Project (NHIP) were also taken up by MoRTH. Further, Bharatmala Pariyojana is ongoing. For majority of the projects under NHDP and Bharatmala Pariyojana, NHAI is the implementation agency. Other NH related programmes/works are being implemented through agencies like National Highways Infrastructure Development Corporation Limited



(NHIDCL), State Public Works Departments (PWDs), State Road Development Corporations and the Border Road Organization.

- 4.3.4 NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetize its highway assets through Infrastructure Investment Trust (InvIT).
- 4.3.5 In December 2022, NHAI raised Rs. 10,200 crore (US\$ 1.23 billion) from foreign and Indian institutional investors to meet ever-growing budgetary support. Indian Government and Asian Development Bank signed US\$ 500 million loan agreement to build the longest bridge across river Ganga, in Bihar. The bridge is expected to be ready by December 2021.
- 4.3.6 NHAI is planning to award 1,000-1,500 km of projects under the BOT model in 2023-24. In FY21, there were 125 PPP projects worth US\$ 23.25 billion in India.
- 4.3.7 The government has successfully rolled out over 60 road projects in India worth over US\$ 10 billion based on the Hybrid Annuity Model (HAM). HAM has balanced risk appropriately between private and public partners and boosted PPP activity in the sector.
- 4.3.8 In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivizing timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.
- 4.3.9 Roads in the jurisdiction of state governments are under different categories like State Highways (“SHs”) and Major District Roads. They are being developed/ upgraded through State PWDs and State Road Development Corporations. Pradhan Mantri Gram Sadak Yojana is being implemented for rural roads through the Ministry of Rural Affairs with active participation by state governments. Further, roads within urban areas are maintained/ developed mostly with PWDs and Urban Local Bodies. .
- 4.3.10 State Governments have a significant role to play in developing the SHs, Major District Roads, Other District Roads to ensure the last mile connectivity. States have varying levels of maturity in terms of road infrastructure development due to issues such as inadequate identification and prioritization of projects, funding shortfall, limited institutional capacity to implement projects, etc.

#### Top 5 states by length of NHs in India (in Km)



#### 4.4 Trend of Road and Highways Construction

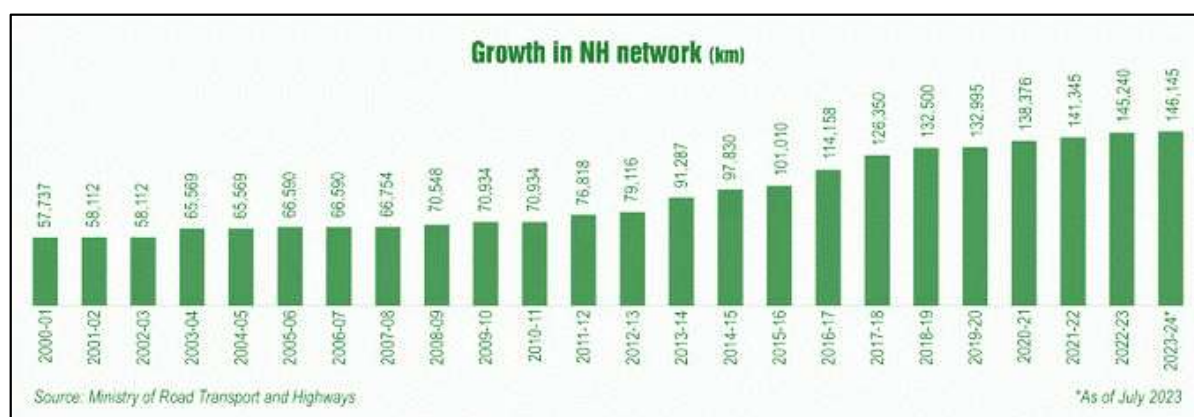
- 4.4.1 The length of National Highways awarded has almost doubled in the years FY15 to FY18 compared to FY11 to FY14.
- 4.4.2 The current rate of road construction is almost three times that in 2007-08.
- 4.4.3 The launch of the Bharatmala Pariyojana in 2017 provided a big fillip to construction activity, with the pace of construction doubling from 12 km per day in 2014-15 to 30 km per day in 2022-23, and peaking at 37 km per day in 2020-21.
- 4.4.4 The government aims to take this up to 100 km per day in the next few years.

### Details of National Highway network:



- 4.4.5 The road transport and highways ministry (MoRTH) has received a push with the Union Budget raising the allocation by 36 percent to around Rs 2.7 lakh crore for 2023-24. This is nearly 10 percent jump over the Budgetary allocation of Rs 1.99 lakh crore made in the Budget for 2022-23.
- 4.4.6 The GST on construction equipment has been reduced to 18% from 28%, which is expected to give a boost to infrastructure development in the country.
- 4.4.7 The NHDP is a program to upgrade, rehabilitate and widen major highways in India to a higher standard. The project was started in 1998 to be implemented in 7 phases.
- 4.4.8 With the launch of Bharatmala project, 10,000 km of highway construction left under NHDP was merged with Phase I of the Bharatmala project.
- 4.4.9 The Indian government launched Gati Shakti-National Master Plan, which has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres).
- 4.4.10 The main aim of this program is a faster approval process by digitizing the process through a dedicated Gati shakti portal.
- 4.4.11 In December 2021, the government set a highway monetization target of Rs. 2 trillion (US\$ 26.20 billion) for the next 3 years.
- 4.4.12 The Government of India has allocated Rs. 111 lakh crore (US\$ 13.14 billion) under the National Infrastructure Pipeline for FY 2019-25. The Roads sector is expected to account for 18% capital expenditure over FY 2019-25.
- 4.4.13 NHA is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT). The InvIT of NHA, National Highways Infra Trust, has raised more than Rs 8,000 crore from foreign and Indian institutional investors till October 2022.
- 4.4.14 The development of market for roads and highways is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country.

## Details of national highways awarded (by NHAI) and constructed in India (KMs):



## 4.5 Implementation of important projects and expressways:

### 4.5.1 Bharatmala Pariyojna

Bharatmala Pariyojana is a new umbrella program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressway.

The Bharatmala Pariyojana envisages development of about 24,800 km length of Economic Corridors, which along with Golden Quadrilateral (GQ) and North-South and East-West (NS-EW) Corridors are expected to carry majority of the Freight Traffic on roads.

A total length of 34,800 km in road projects have been proposed to be constructed with an estimated outlay of Rs 5.35 trillion under Bharatmala Pariyojana Phase-I over a five year period (2017-18 to 2021-22).

Components under Bharatmala Pariyojana Phase-I are as given below:

Component	Length (Km)	Cost (INR Cr)
Economic corridors development	9,000	1,20,000
Inter-corridor & feeder roads	6,000	80,000
National Corridors Efficiency	5,000	1,00,000
Border & International connectivity	2,000	25,000
Coastal & port connectivity roads	2,000	20,000
Expressways	800	40,000
<b>Sub Total</b>	<b>24,800</b>	<b>3,85,000</b>
Other works - under NHDP	10,000	1,50,000
<b>Total</b>	<b>34,800</b>	<b>5,35,000</b>

Source: Ministry of Road Transport and Highways, Government of India

The completion cost of Phase-I is now estimated 10.63 trillion (US\$ 130 billion) after factoring in cost escalations up to December 2021 and is 99% higher than the initial estimates owing to substantial rise in land acquisition cost, and steep increase in input costs. It is expected to be completed in FY2028, a delay of six years from the initial envisaged completion date of FY2022. During the last seven years, around 60% (20,632 km vs 34,800 km) of highway length has been awarded as of December 2021, and ~23% of the total length completed till March 2022

#### 4.5.2 Char Dham Vikas Mahamarg Pariyojna:

This project envisages development of easy access to the four dhams in India – Gangotri, Yamunotri, Kedarnath and Badrinath. Development of this route of 889 km route is expected at an estimated cost of INR 12,000 Crores.

#### 4.5.3 Eastern peripheral and western peripheral expressway

These two projects will connect NH-1 and NH-2 from western and eastern side of Delhi.

#### 4.5.4 Setu Bharatam:

This project aims to replace crossings on NHs with Road Over Bridges and Road Under Bridges. It is projected to construct 174 such structures.

#### 4.5.5 To further augment road infrastructure, more economic corridors are also being planned by Government of India as revealed in Budget 2021-22.

- a. 3,500 km of National Highway works in the state of Tamil Nadu at an investment of INR 1.03 lakh Crores. These include Madurai-Kollam corridor, Chittoor-Thatchur corridor. Construction will start next year.
- b. 1,100 km of National Highway works in the State of Kerala at an investment of INR 65,000 Crores including 600 km section of Mumbai Kanyakumari corridor in Kerala.
- c. 675 km of highway works in the state of West Bengal at a cost of INR 25,000 Crores including upgradation of existing road-Kolkata –Siliguri.
- d. National Highway works of around INR 19,000 Crores are currently in progress in the State of Assam. Further works of more than INR 34,000 Crores covering more than 1300 kms of National Highways will be undertaken in the State in the coming three years.
- e. In the Union Budget of 2022-23, the increase in Budget was a whopping 68% compared to the last year and the government plans to complete 25,000 kilometers of National highways.

#### **4.6 Opportunities in road development & maintenance in India**

- a. India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies
- b. The Government aims to construct 65,000 kms of national highways at a cost of Rs. 5.35 lakh crore (US\$ 741.51 billion).
- c. The government also aims to construct 23 new national highways by 2025.
- d. Road building in India is second least expensive in Asia.
- e. Andhra Pradesh will spend US\$ 296.05 million to build 8,970 Kms of roads.
- f. In February 2022, NHAI rolled out a plan to construct 5,795 kilometres of highways that will connect 117 districts. The plan was worth Rs. 1 trillion (US\$ 13.09 billion).

#### **4.7 Public Private Partnership (“PPP”) Models of road development and maintenance in India**

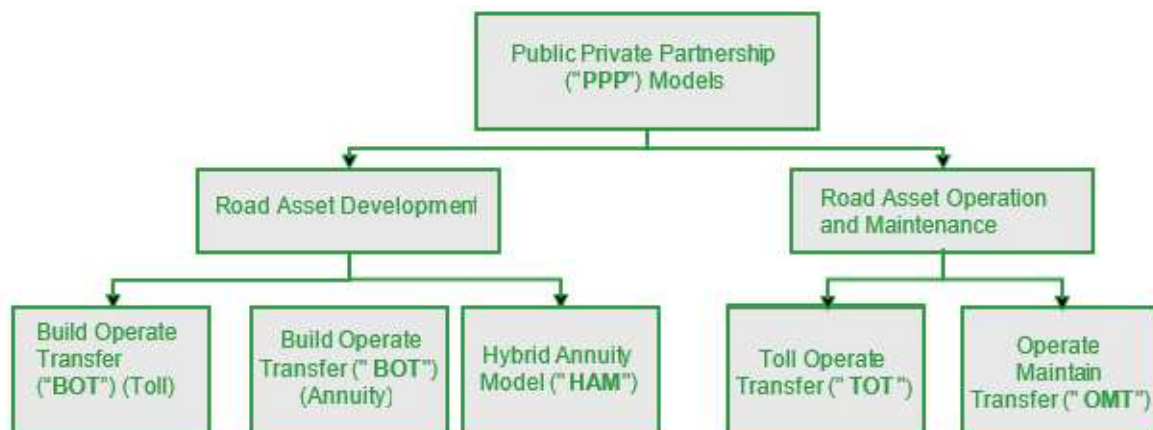
4.7.1. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. PPP has been a major contributor to the success story of the roads and highway sector in India. With the emergence of private players over the last decade, the road construction market has become fragmented and competitive. Players bidding for projects also vary in terms of size. PPP modes have been used in India for both development and operation & maintenance of road assets.

NHAI is planning to award 500 km of the 6,500 km target for FY23 through BOT mode. It may give minimum toll revenue guarantee to make it easier for contractors to bid for BOT projects.

4.7.2. In FY21, there were 125 PPP projects worth US\$ 23.25 billion in India.

4.7.3. In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players





#### 4.7.4. **Road Asset Development Models**

- **BOT Toll**
  - In a BOT toll project, the concessionaire is responsible for designing, building, financing, operating, maintaining, tolling and transferring the project to the relevant authority at the end of the concession period. The concession period is project specific but is usually for 20-25 years. In BOT Toll model, the concessionaire earns revenue primarily in the form of toll revenue which in turns depends on the traffic on the road stretch. Toll rates are regulated by the government through rules.
- **BOT Annuity**
  - Similar to a BOT Toll projects, in BOT Annuity project, the concessionaire is responsible for designing, building, financing, operating, maintaining, tolling and transferring the project to the relevant authority at the end of the concession period. However, in these projects, the right to collect toll on road stretch lies with the government. The concessionaire earns revenue in the form of pre-determined semi-annual annuity payments.
- **HAM**
  - Similar to a BOT projects, in HAM project, the concessionaire is responsible for designing, building, financing, operating, maintaining, tolling and transferring the project to the relevant authority at the end of the concession period. However, in these projects, the right to collect toll on road stretch lies with the government. The construction period for HAM projects is project specific and a fixed operation period of 15 years.

#### 4.8 **Government Investment in the Sector**

- 4.8.1 Under Union Budget 2023-24, the Government of India has allocated Rs. 270,435 crore to the Ministry of Road Transport and Highways.
- 4.8.2 The Government aims to increase the toll revenue to INR 1.3 Trillion by 2030. In 2014, the waiting time at the toll plazas was 734 seconds, whereas in the 2023 this has reduced to 47 seconds. We are hopeful that we will bring it down to 30 second soon
- 4.8.3 NHAI is in the process to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetize its highway assets through Infrastructure Investment Trust (InvIT).

#### 4.9 **Recent Initiatives by Government**

##### 4.9.1 **Bhoomi Rashi – Land Acquisition Portal**

The ministry has corroborated with the National Informatics Centre, to create Bhoomirashi, a web portal which digitises the cumbersome land acquisition process, and also helps in processing notifications relating to land

acquisition online. Processing time, which was earlier two to three months has come down to one to two weeks now.

#### 4.9.2 FASTag – Electronic Toll Collection

National Electronic Toll Collection (NETC) system, has been implemented on pan India basis in order to remove bottlenecks and ensure seamless movement of traffic and collection of user fee as per the notified rates, using passive Radio Frequency Identification (RFID) technology.

#### 4.9.3 Revival of languishing projects

Projects which were languishing for a number of years have been attempted to be revived, with the help of a number of policy measures taken by the government. Some of the policy measures like Premium deferment in stressed projects, extension of concession period for languishing projects to the extent of delay not attributable to concessionaires, One Time Capital Support for physical completion of languishing projects that have achieved at least 50 per cent physical progress, through one time fund infusion by NHAI, subject to adequate due diligence on a case to case basis.

#### 4.9.4 Rural development

Under the Union Budget 2023-24, the Government of India allocated Rs. 19,000 (US\$ 2.37 billion) for Pradhan Mantri Gram Sadak Yojana (PMGSY).

#### 4.9.5 Portfolios in roads & highways sector

In October 2020, the National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infra-projects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field.

#### 4.9.6 International Tie-ups

In December 2020, the Ministry of Road Transport and Highways signed an MoU with the Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology of the Republic of Austria on technology cooperation in the road infrastructure sector.

#### 4.9.7 Encourage private funding to reduce finance constraints

- Cumulative FDI inflows in construction development stood at US\$ 26.21 billion between April 2000-March 2022. MAIF 2 Investments India Pvt. Ltd. became the first-largest foreign investment in Indian roads sector under toll-operate-transfer (TOT) mode worth Rs. 9,681.5 crore (US\$ 1.50 billion).
- In October 2020, the Asian Development Bank (ADB) and the Government of India signed a US\$ 177 million loan to upgrade 450 kms of state highways and major district roads in Maharashtra.
- In January 2021, the Government of India and New Development Bank (NDB) signed two loan agreements for US\$ 646 million for upgrading the state highway and district road networks in Andhra Pradesh.
- In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires.
- According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.

### 4.10 **Outlook**

4.10.1 India's infrastructure sector is rapidly evolving and the key trends demonstrate positivity and optimism. The market for roads and highways in India is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing Government initiatives to improve transportation infrastructure in the country. For the period of 2016-17 to 2021-22, the CAGR stands at 20%.

4.10.2 Development and maintenance of road infrastructure is a key Government priority, the sector has received strong budgetary support over the years. During the past years, the standardized processes for Public Private Partnership & public funded projects and a clear policy framework relating to bidding and tolling have also been developed.

- 4.10.3 The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth and sustainable development.
- 4.10.4 The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometres by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector.
- 4.10.5 The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector.

*Sources: IBEF Roads Report, November 2022; KPMG Report - Roads and Highway Sector; ICRA reports, website of Ministry of Road Transport and Highways, Government of India.*

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## 5. Valuation Methodology and Approach

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- 5.1. The present valuation exercise is being undertaken in order to derive the fair EV and fair adjusted EV of the SPV.
- 5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 5.3. There are three generally accepted approaches to valuation:
  - a) "Cost" approach
  - b) "Market" approach
  - c) "Income" approach

### Cost Approach

- 5.4. The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, cost value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

### Net Asset Value ("NAV") Method

- 5.5. The NAV Method under Cost Approach considers the assets and liabilities, including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the preference shareholders, if any, represent the value of a company.

The NAV Method is appropriate in a case where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. This valuation approach is also used in cases where the firm is to be liquidated, i.e. it does not meet the "Going Concern" criteria.

As an indicator of the total value of the entity, the NAV method has the disadvantage of only considering the status of the business at one point in time.

Additionally, NAV does not properly take into account the earning capacity of the business or any intangible assets that have no historical cost. In many aspects, NAV represents the minimum benchmark value of an operating business.

### Market Approach

- 5.6. Under the Market approach, the valuation is based on the market value of the company in case of listed companies, and comparable companies' trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

### Comparable Companies Multiples ("CCM") Method

- 5.7. The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

### Comparable Transactions Multiples ("CTM") Method

- 5.8. Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/Earnings before Interest, Taxes, Depreciation & Amortization ("EBITDA") multiple and EV/Revenue multiple.

### Market Price Method

- 5.9. Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

### Income Approach

- 5.10. The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.



### DCF Method

- 5.11. Under DCF Method value of a company can be assessed using the Free Cash Flow to Firm Method (“FCFF”) or Free Cash Flow to Equity Method (“FCFE”). Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the WACC. The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

The perpetuity (terminal) value is calculated based on the business’ potential for further growth beyond the explicit forecast period. The “Constant Growth Model” is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business’ future operations. The EV (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

### Conclusion on Cost Approach

- 5.12. The existing book value of EV of the SPV comprising of the value of its Net fixed assets, Net intangible assets and working capital based on the Provisional Financial Statements as at 31<sup>st</sup> March 2024 prepared as per Indian Accounting Standards (Ind AS) are as under :

SPV	Book EV (INR Mn)
BETPL	1,827

- 5.13. In the present case, the SPV operate and maintain the project facilities in accordance with the terms and conditions under the relevant concession agreement. During the concession period, the SPV operate and maintain the road asset and earns revenue through Charges and collection of user fee in the form of Toll revenue. The charges, fees or tolls that may be collected are notified by relevant government authority, which are usually revised annually as specified in the relevant concessions and toll notifications. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the cost of the project. Accordingly, I have not considered the cost approach for the current valuation exercise.

### Conclusion on Market Approach

- 5.14. The present valuation exercise is to undertake fair EV of the SPV engaged in the road infrastructure projects for a predetermined tenure. Further, the tariff revenue and expenses are very specific to the SPV depending on the nature of their geographical location, stage of project, terms of profitability. In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPV, I have not considered CCM method in the present case. In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method. Currently, the equity shares of the SPV are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

### Conclusion on Income Approach

- 5.15. The SPV operates under a BOT or DBFOT based concession agreement with the relevant regulatory authorities. Government authorities in India typically award highway infrastructure development projects under BOT concessions, which are characterized by three distinct phases:

1. Build: upon successfully securing a project concession through a competitive bid, a concessionaire secures financing for, and completes construction, of a road;
2. Operate: during the agreed concession period, the concessionaire operates, manages and maintains the road at its own expense and earns revenues by collecting tolls from vehicles using the road; and
3. Transfer: at the end of the agreed concession period, the ownership of the road (rights over the road under the concession), the obligation to maintain the road and the right to collect tolls from the vehicles using the road revert to the government entity that granted the concession.

- 5.16. A DBFOT project involves, in addition to the activities required under a BOT project, the provision of engineering and design for such project.

- 5.17. Currently, the SPV are completed and revenue generating. The revenue of the Toll SPV is based on tenure, traffic volumes, operations, macro-economic factors like GDP growth, WPI, and other factors that are unique to the SPV. The SPV derive almost all of the revenue from its toll-road operations (toll collections) over the operation period.

Traffic plying through the toll road is primarily dependent on sustained economic development in the regions that they operate in and government policies relating to infrastructure development. The Toll SPV are substantially dependent on the accuracy of their respective traffic volume forecasts. The rights in relation to the underlying assets of the SPV shall be transferred after the expiry of the Concession Period. Accordingly, since the SPV is generating income based on pre-determined agreement mechanism and since the Investment Manager has provided me with the financial projections of the SPV for the balance tenor of the concession agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.

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## 6. Valuation of the SPV

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- 6.1. In the present exercise, my objective is to determine the Fair Enterprise Value of the SPV as per the DCF Method. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. Accordingly, in the present case, I have considered it appropriate to consider cash flows at FCFF (Free Cash Flow to Firm) level i.e., cash flows that are available to all the providers of capital (equity shareholders, preference shareholders and lenders). Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund raising are not considered in the calculation of FCFF.
- 6.2. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPV as provided by the Investment Manager. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information. However, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.
- 6.3. Following are the major steps I have considered in order to arrive at the EV of the SPV as per the DCF Method:
1. Determination of Free Cash Flows to Firm which included:
    - a) Obtaining the financial projections to determine the cash flows expected to be generated by the SPV from the Investment Manager;
    - b) Analyzed the projections and its underlying assumptions to assess the reasonableness of the cash flows;
  2. Determination of the discount rate for the explicit forecast period; and
  3. Applying the discount rate to arrive at the present value of the explicit period cash flows and for arriving at the terminal value.
- 6.4. The key assumptions of the projections provided to me by the Investment Manager are:

### Key Assumptions:

#### 6.5. Revenue cash flows for the SPV:

The SPV are responsible for designing, building, financing, operating, maintaining and transferring the project to the authority at the end of the concession period. The right and responsibility for tolling is with the SPV. The SPV earn revenue primarily in the form of toll revenue.

#### 6.6. Toll Revenue:

As per the concession agreement of the SPV, the Concessionaire is allowed to levy, demand, collect and appropriate the fees (called as toll fees) from vehicles and persons liable to payment of fees for using their road stretch or any part thereof and refuse entry of any vehicle to the road asset if the due fee is not paid. Toll revenues depend on toll receipts, which in turn depend on traffic volumes and toll fees on the toll roads.

The Investment Manager has provided with the cash flow projections relating to the toll revenue in case of BETPL from 1<sup>st</sup> April 2024 to 09<sup>th</sup> September 2026.

#### 6.7. Concession Period

##### BETPL :

The Concession Period refers to the period where the Concessionaire has the responsibility to construct the road asset and post-construction is granted with the exclusive rights, license and authority to demand, collect and appropriate fee, operate, manage and maintain the project highway subject to the terms and conditions mention in their respective concession agreement.

The cash flow projections are prepared by the Investment Manager for the balance concession period remaining from the Valuation Date. The Concession Period for STPL will end on 09<sup>th</sup> September 2026.

#### 6.8. Traffic Volumes

Traffic volumes are directly or indirectly affected by a number of factors, many of which are outside of the control of the SPV, including: fuel prices in India; the frequency of traveler use; the quality, convenience and travel efficiency of alternative routes outside the SPV's network of toll roads; the convenience and extent of a toll road's connections

with other parts of the local, state and national highway networks; the availability and cost of alternative means of transportation, including rail networks and air transport; the level of commercial, industrial and residential development in areas served by the SPV's projects; adverse weather conditions; and seasonal holidays.

#### **6.9. Toll Rates**

During the concession period, the SPV operate and maintain the road assets and earn revenues through charges, fees or tolls generated from the assets. The amount of charges, fees or tolls that they may collect are notified by the relevant government authorities, which are usually revised annually as specified in the relevant concession agreement considering Tariff Rate Determination Rules, 2008, published by NHAI in toll notification for the SPV on annual basis.

The toll rates for the projected period have been derived in the manner stipulated in the concession agreement of the SPV.

In the present case, the Investment Manager has appointed M/s Ramboll India Private Limited an independent third-party research agency to forecast the traffic volumes and toll revenues for the SPV. As confirmed by the Investment Manager, the traffic volumes and toll revenues for the SPV have been estimated by the traffic consultant after considering overall structure and condition of the projects including analysis of demand and supply and strategic geographical locations of the individual road projects. This was one of the most important input in projecting the toll revenues.

#### **6.10. Operating and Maintenance Expenses:**

Since the SPV are operational on the Valuation Date, following are the major costs incurred by the SPV:

#### **6.11. Operation and Maintenance Costs (Routine) ("O&M Costs")**

These are routine costs incurred every year. These costs are related to the normal wear and tear of the road and hence involve repairing the patches damaged mainly due to heavy traffic movement. O&M Costs also includes staff salaries, project management fees, professional fees, insurance, security expenses, electricity, etc. The primary purpose of these expenses is to maintain the road as per the specifications mentioned in the respective concession agreement. SPV are responsible for carrying out operation and maintenance activities at the road during their concession period. Within the scope of such operation and maintenance obligations, the SPV may be required to undertake routine maintenance of project roads, maintain and comply with safety standards to ensure safe traffic movement, deploy adequate human resources for incident management, maintain proper medical and sanitary arrangements for personnel deployed at the site, prevent any unauthorized entry to and exit from the projects as may be required.

I understand from the Investment Manager that after acquisition of the SPV, the Project Manager of the Trust will be supervising and managing the operations & maintenance of the Project Road, which will be undertaken through the O&M contractors at the SPV level.

#### **6.12. Major Maintenance and Repairs Costs ("MMR Costs")**

##### **Estimating the MMR Costs**

Major maintenance expenses will be incurred on periodic basis. These are the costs incurred to bring the road assets back to its earlier condition or keep the road assets in its normal condition as per the concession agreement terms. These expenses are primarily related to the construction or re-laying of the top layer of the road. Accordingly, such costs include considerable amounts of materials and labour.

I have relied on the major maintenance expenses as provided by the Investment Manager.

6.13. **Depreciation and Amortization:** The toll collection rights or the financial rights (intangible assets) of the SPV are being amortized over the period of concession using the revenue based amortization method prescribed under Schedule II of the Companies Act, 2013.

6.14. **Capital Expenditure ("Capex"):** As represented by the Investment Manager, regarding the maintenance Capex, the same has already been considered in the Operation & Maintenance expenditure and Major Maintenance and Repairs expenditure for the projected period.

6.15. **Direct Taxes:** As per the discussions with the Investment Manager, the old provisions of Income Tax Act have been considered for the SPV till the same is beneficial in the form of reduced tax out flow on account of benefits of MAT under section 115JB. After the MAT credit is exhausted, these SPV would shift to the new tax regime under section 115BAA (with a base rate of tax of 22%, surcharge of 10%).



#### 6.16. Working Capital:

The Investment Manager has provided projected Working Capital information for the SPV. I have relied on the same.

#### 6.17. Impact of Ongoing Litigation on Valuation

As on 31<sup>st</sup> March 2024, there are ongoing litigations as shown in Appendix 4. Further, Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPV.

### Calculation of Weighted Average Cost of Capital for the SPV

#### 6.18. Cost of Equity:

Cost of Equity (CoE) is a discounting factor to calculate the returns expected by the equity holders depending on the perceived level of risk associated with the business and the industry in which the business operates.

For this purpose, I have used the Capital Asset Pricing Model (CAPM), which is a commonly used model to determine the appropriate cost of equity for the SPV.

$$K(e) = R_f + [ERP * \text{Beta}] + \text{CSRP}$$

Wherein:

K(e) = cost of equity

R<sub>f</sub> = risk free rate

ERP = Equity Risk Premium

Beta = a measure of the sensitivity of assets to returns of the overall market

CSRP = Company Specific Risk Premium (In general, an additional company-specific risk premium will be added to the cost of equity calculated pursuant to CAPM).

For valuation exercise, I have arrived at adjusted cost of equity of the SPV based on the above calculation (Refer Appendix 2).

#### 6.19. Risk Free Rate:

I have applied a risk free rate of return of 6.97% on the basis of the zero coupon yield curve as on 31<sup>st</sup> March 2024 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited.

#### 6.20. Equity Risk Premium ("ERP"):

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. Based on the aforementioned, a 7% equity risk premium for India is considered appropriate.

#### 6.21. Beta:

Beta is a measure of the sensitivity of a company's stock price to the movements of the overall market index. In the present case, I find it appropriate to consider the beta of companies in similar business/ industry to that of the SPV for an appropriate period.

For the valuation of the SPV, I find it appropriate to consider the beta of Ashoka Buildcon Limited and IRB Infrastructure Developers Limited for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPV like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty, etc. to arrive at the adjusted unlevered beta appropriate to the SPV.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 50:50 based on the industry Debt: Equity ratio of DBFOT/BOT based projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the SPV. (Refer Appendix 2)

**6.22. Company Specific Risk Premium (“CSRP”):**

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, considering the counter-party risk for the SPV, considering the length of the explicit period for the SPV, and basis my discussion with Investment Manager, I found it appropriate to consider 0% CSRP.

**6.23. Cost of Debt:**

The calculation of Cost of Debt post-tax can be defined as follows:

$$K(d) = K(d) \text{ pre-tax} * (1 - T)$$

Wherein:

$$K(d) = \text{Cost of debt}$$

$$T = \text{tax rate as applicable}$$

For valuation exercise, pre-tax cost of debt has been considered as 10.45% for the SPV, as represented by the Investment Manager based on the weighted average Cost of Debt of the SPV.

**6.24. Weighted Average Cost of Capital (WACC):**

The discount rate, or the WACC, is the weighted average of the expected return on equity and the cost of debt. The weight of each factor is determined based on the company's optimal capital structure.

Formula for calculation of WACC:

$$WACC = [K(d) * \text{Debt} / (\text{Debt} + \text{Equity})] + [K(e) * (1 - \text{Debt} / (\text{Debt} + \text{Equity}))]$$

Accordingly, as per above, I have arrived the WACC for the explicit period of the SPV.

*(Refer Appendix 2 for detailed workings).*

**6.25. Cash Accrual Factor (CAF) and Discounting Factor:**

Discounted cash flow require to forecast cash flows in future and discount them to the present in order to arrive at present value of the assets as on Valuation Date. To discount back the projections we use the Cash Accrual Factor (“CAF”). The Cash Accrual Factor refers to the duration between the Valuation date and the point at which each cash flow is expected to accrue.

In case of Toll Projects, since the cash inflows and outflows occur continuously year-round, it is assumed that the Cash Flows are received in the middle of the annual period, i.e., Mid-point factor. Accordingly, the cash flows during each year of the projected period are discounted back from the mid-year to Valuation Date.

Discounted cash flow is equal to sum of the cash flow in each period divided by present value factor, where the present value factor is determined by raising one plus discount rate (WACC) raised to the power of the CAF.

$$DCF = [CF1 / (1+r)^{CAF1}] + [CF2 / (1+r)^{CAF2}] + \dots + [CFn / (1+r)^{CAFn}]$$

Where,

$$CF = \text{Cash Flows,}$$

$$CAF = \text{Cash accrual factor for particular period}$$

$$R = \text{Discount Rate (i.e. WACC)}$$

6.26. At the end of the agreed concession period, the rights in relation to the underlying assets, its operations, the obligation to maintain the road and the right to collect tolls from the vehicles using the road revert to the government authority that granted the concession. Hence, SPV are not expected to generate cash flow after the expiry of their respective concession agreements. Accordingly, I found it appropriate not to consider terminal period value, which represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the assets or into perpetuity if the assets have an indefinite life, in this valuation exercise.

## 7. Valuation Conclusion

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- 7.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 7.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at fair EV of the SPV.
- 7.3. Based on the above analysis, the fair EV as on the Valuation Date of the SPV is as mentioned below:

SPV	End of Projected Period	Projection Period (Balance Concession Period)	Enterprise Value	INR Mn
				Adjusted Enterprise Value
BETPL	09 <sup>th</sup> September 2026	~2 Years 6 Months	3,013	5,593

*(Refer Appendix 1 for detailed workings)*

- 7.4. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.
- 7.5. Adjusted Enterprise Value ("Adj. EV") is described as the Enterprise Value plus any closing cash or cash equivalents as at the date of valuation.
- 7.6. The fair EV of the SPV are estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 7.7. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

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## 8. Additional Procedures to be complied with in accordance with InvIT regulations

### 8.1. Scope of Work

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT.

The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of the SPV are as follows:

- List of one-time sanctions/approvals which are obtained or pending;
- List of up to date/overdue periodic clearances;
- Statement of assets;
- Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
- Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
- On-going material litigations including tax disputes in relation to the assets, if any;
- Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

### 8.2. Limitations

This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.

I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.

I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.

I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

### 8.3. Analysis of Additional Set of Disclosures for the SPV

#### A. List of one-time sanctions/approvals which are obtained or pending:

The list of sanctions/ approvals obtained by the SPV till the date of this Report is provided in Appendix 3.1. As informed by the Investment Manager, there are no applications for government sanctions/ licenses by the SPV for which approval is pending as on 31<sup>st</sup> March 2024. Further, I have been informed by the Investment Manager that any applicable approvals required for any works to be undertaken during the operation phase are obtained as and when necessary based on the nature or extent of such works.

#### B. List of up to date/ overdue periodic clearances:

The Investment Manager has confirmed that the SPV are not required to take any periodic clearances and hence there are no up to date/ overdue periodic clearances as on 31<sup>st</sup> March 2024.

#### C. Statement of assets included:

The details of assets in INR Mn of the SPV as at 31<sup>st</sup> March 2024 are as mentioned below:

					INR Mn
Sr. No.	SPV	Net Fixed Assets	Net Intangible Asset	Non-Current Assets	Current Assets
1	BETPL	37	2,723	3,464	4,370
<b>Total</b>		<b>37</b>	<b>2,723</b>	<b>3,464</b>	<b>4,370</b>



D. **Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion:**

I have been informed that maintenance is regularly carried out by SPV in order to maintain the working condition of the assets.

**Historical major repairs**

<b>BETPL</b>							
<b>Particulars</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Amt. (in Mn)	24	144	126	179	-	345	53

**Forecasted major repairs**

<b>SPV</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>
BETPL	608	-	446

*Source: Investment Manager*

E. **Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any:**

Investment Manager has informed me that there are no material dues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities with respect to the SPV (InvIT assets).

F. **On-going material litigations including tax disputes in relation to the assets, if any:**

As informed by the Investment Manager, the status of arbitration matters and status of tax assessments are updated in Appendix 4.

Investment Manager has informed us that majority of the cases are having low to medium risk and accordingly no material outflow is expected against the litigations.

Hence, I have relied on the Investment Manager with respect to the current status of the above mentioned cases.

G. **Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control:**

Investment Manager has confirmed to me that there are no such natural or induced hazards which have not been considered in town planning/ building control.

## 9. Sources of Information

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- 9.1. For the Purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:
- i. Audited Financial Statements of the SPV for Financial Year ("FY") ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2023;
  - ii. Provisional Financial Statements of the SPV for the period ended 31<sup>st</sup> March 2024;
  - iii. Projected financial information for the remaining project life for the SPV;
  - iv. Details of projected Major Maintenance & Repairs (MMR) Expenditure and Capital Expenditure (Capex);
  - v. Traffic Study Report dated October 2023 prepared by M/s Ramboll for the SPV;
  - vi. Details of Written Down Value (WDV) (as per Income Tax Act) of assets as at 31<sup>st</sup> March 2024;
  - vii. Concession Agreement of the SPV with the respective authority including the supplementary agreement;
  - viii. List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPV;
  - ix. Shareholding pattern as on the report date of the SPV and other entities mentioned in this Report;
  - x. Management Representation Letter by the Investment Manager dated 09<sup>th</sup> May 2024;
  - xi. Relevant data and information about the SPV provided to us by the Investment Manager either in written or oral form or in the form of soft copy;
- 9.2. Information provided by leading database sources, market research reports and other published data.
- 9.3. The information provided to me by the Investment Manager in relation to the SPV included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.
- 9.4. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.
- 9.5. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

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## 10. Exclusions and Limitations

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- 10.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 10.2. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 31<sup>st</sup> March 2024 (“Valuation Date”) mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 10.3. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPV till 31<sup>st</sup> March 2024. The Investment Manager has represented that the business activities of the SPV have been carried out in normal and ordinary course between 31<sup>st</sup> March 2024 and the Report Date and that no material changes have occurred in the operations and financial position between 31<sup>st</sup> March 2024 and the Report date.
- 10.4. The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPV or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPV in their regulatory filings or in submissions, oral or written, made to me.
- 10.5. In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out here in which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- 10.6. I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPV or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 10.7. This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- 10.8. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party’s own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- 10.9. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.
- 10.10. This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- 10.11. Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.
- 10.12. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- 10.13. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

- 10.14. I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.
- 10.15. My conclusion assumes that the assets and liabilities of the SPV, reflected in their respective latest balance sheets remain intact as of the Report date.
- 10.16. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- 10.17. The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- 10.18. For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.
- 10.19. In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- 10.20. In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- 10.21. This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 10.22. I am not an advisor with respect to legal, tax and regulatory matters for the proposed transaction. No investigation of the SPV's claim to title of assets has been made for the purpose of this Report and the SPV claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 10.23. I have no present or planned future interest in the Trustee, Investment Manager or the SPV and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPV.
- 10.24. I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of the factual data used in my analysis and to prevent any error or inaccuracy in this Report.

#### **Limitation of Liabilities**

- 10.25. It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.
- 10.26. In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).
- 10.27. It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- 10.28. RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.



10.29. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

Yours faithfully,

Digitally signed by  
SWAMINATHAN  
SUNDARARAMAN  
AN  
Date: 2024.05.10  
22:18:54 +05'30'

**S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 24028423BKGAAP8393

**Appendix 1 – Valuation as on 31<sup>st</sup> March 2024 under the DCF Method**

Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	INR Mn
											PV FCFF
											A
FY 25	2,420	2,071	(608)	-	(61)	(171)	1,231	0.50	10.5%	0.95	1,171
FY 26	2,344	1,985	-	-	-	(130)	1,855	1.50	10.5%	0.86	1,596
FY 27*	1,021	851	(446)	-	-	(27)	378	2.22	10.5%	0.80	303
<b>Present Value of Explicit Period</b>											<b>3,070</b>
(+ Present Value of Working Capital release											(57)
<b>Enterprise Value</b>											<b>3,013</b>
(+ Closing Cash or Cash Equivalents as at the Valuation date											4,908
(-) Payable to Erstw hile Shareholders for Prolongation Claim Received											(2,329)
<b>Adjusted Enterprise Value</b>											<b>5,593</b>

\*09th September 2026

\* The Investment Manager has informed me that the SPV received a prolongation claim related to a delay in granting the right of way, leading to increased construction costs, higher interest on borrowings, and loss of toll revenue. This claim pertains to a past period and will be distributed among the past shareholders/EPC contractors according to the inter-se agreement's defined method. Furthermore, the Investment Manager confirmed that delayed payment of this amount to the shareholders will not incur any interest payment or additional liability for the SPV. Consequently, I have adjusted the outstanding claim payable to the former shareholders when determining the adjusted enterprise value of the SPV

**Appendix 2 – Weighted Average Cost of Capital of the Toll SPV as on 31<sup>st</sup> march 2024**

Particulars	BETPL	Remarks
Risk free return (Rf)	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2024 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.78	Beta has been considered based on the beta of companies operating in the similar kind of business in India
<b>Cost of Equity (Ke)</b>	<b>12.40%</b>	<b>Base Ke = Rf + (β x ERP)</b>
Company Specific Risk Premium (CSRPs)	0.00%	Based on SPV specific risk(s)
<b>Revised Cost of Equity (Ke)</b>	<b>12.40%</b>	<b>Adjusted Ke = Rf + (β x ERP) + CSRPs</b>
Pre-tax Cost of Debt (Kd)	10.45%	As represented by the Investment Manager
Tax rate of SPV	17.47%	Tax Rate Applicable to SPVs is considered
<b>Post-tax Cost of Debt (Kd)</b>	<b>8.62%</b>	<b>Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)</b>
Debt/(Debt+Equity)	50.00%	Debt : Equity ratio computed as D/(D+E)]
<b>WACC</b>	<b>10.51%</b>	<b>WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]</b>

### Appendix 3 – Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Validity	Issuing Authority
1	CRS Sanction for the construction and launching of Limited Height Subway between stations	NA	NA	NA
2	Grant of consent to operate to BETPL	06-04-2010	23-07-2026	NHAI
3	Application for consent to operate under section 21 of Air (Prevention and Control of Pollution) Act, 1981.	23-08-2006	30-06-2007	Karnataka State Pollution Control Board
4	NOC for town Planning department.	NA	NA	NA
5	Permission of Environment Ministry for cutting of trees	20/10/2005	NA	Deputy Conservator of Forests, Bangalore
6	Regarding lifting of ordinary soil	NA	NA	NA
7	Permission of State government for drawing water from river/reservoir	NA	NA	NA
8	Inspection Certificate for Static Weight Bridge at various Toll Plazas (Legal Metrology)	27-11-2020	05-12-2023	Department of Legal Metrology
9	Inspection Certificate for WIM installed at various Toll Plazas	27-11-2020	05-12-2023	Department of Legal Metrology
	62.5 KVA at Main base camp	27-07-2021	NA	Electrical Inspector, BESCOM
	62.5 KVA at electronic city phase-1	27-07-2021	NA	
	15KVA at electronic city phase-2	27-07-2021	NA	
	15KVA at Bommasandra Base camp	05-08-2021	NA	
	125KVA	16-07-2021	NA	
10	Permission for setting up of Plant, installation of crushers, camp, stockyard, etc.	NA	NA	NA
11	Commissioning approval of the electrical installation for availing temporary power supply for Construction purpose	NA	NA	NA
12	License for Use of Explosives	NA	NA	NA
13	Main Carriageway Blasting Licence	NA	NA	NA
14	Fire Prevention and Fire Safety act	NA	NA	NA
15	Air Analysis Report	NA	NA	NA
16	Liquid sample Ananlysis Report(Waste Water)	NA	NA	NA
17	Noise Monitoring Report	NA	NA	NA
18	Authorisation of Sale of Hazardous Waste Material	NA	NA	NA
19	Employee State Insurance Code number	02-06-2010	NA	ESIC- Bangalore South (Bommasandra)
20	Huskur Village Panchayat approval for batching plant	04-11-2006		Huskur village Panchayat
21	Kudlugate Panchayat approval for operation (Stock Yard and diesel Bunk)	13-09-2006		Kudlugate Panchayat
22	Mayasandra village Panchayat approval for casting yard	03-05-2006		Mayasandra Village Panchayat
23	Certificate of registration under Building and other construction workers Act to Maytas	10-07-2006		Ministry of labour
24	Permit for Boiler	30-11-2006		Department of Factories, boilers, Industrial Safety and health
25	Permit for boreholes	06-12-2019		District Groundwater Office
26	Permit for casting yard	03-05-2006		
27	Permit for crusher	29-08-2006		Bangalore Zilla Panchayat
28	Permit for storing diesel	07-11-2006	07-11-2007	Petroleum and explosives safety organisation(PESO)
29	Certificate of registration under Building and other construction workers Act to Soma Enterprises	06-07-2006		Ministry of labour
30	Employees Provident fund Code Number	26-10-2009		Office of the Regional PF commissioner-AP Hyderabad
31	Professional Tax	17-06-2010		Govt.Of Karnataka -Commercial Tax Dept.
32	Labour licenses (issued by local Labour Commissioner)	20-12-2022	23-12-2023	Ministry of Labour & Employment

Source: Investment Manager



#### Appendix 4.1 – Summary of ongoing litigation

BETPL					
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	Claim under State Support Agreement for toll revenue loss due to refusal of Toll Fee by Locals at Attibelle toll plaza	1	Delhi High Court	<p>Arbitral Tribunal (AT) on 12 February 2021 has awarded claim of INR 54.60 Cr. in BETPL favour. This amount is pertaining to revenue loss from May 2010 i.e. from COD to December 2018. For further period i.e. from January 2019 onwards, BETPL is entitled to approach NHAI to determine and certify the revenue loss and forward the same to GOK. Alternatively the BETPL may adopt any other mode of redressal for this period in accordance with Law.</p> <p>GOK has filed an application under Section 34 of the Arbitration and Conciliations Act, 1996 (A&amp;C Act) for setting aside aforesaid award. During last hearing on 11 May 2023, GOK has informed that it has filed the rejoinder in response to BETPL defense. Next hearing in this matter is scheduled on 15 July 2024.</p>	546
2	Case/ complaint has been filled by BETPL on 13 July 2017 under section 138 of Negotiable Instruments Act, 1881 and under Section 200 of The Code Of Criminal Procedure, 1973 for bouncing of cheque provided by the contractor as security against advance payment made.	1	Court of Civil Judge and JMFC at Anekal, Kamataka	<p>Case/ complaint has been filled by BETPL on 13 July 2017 under section 138 of Negotiable Instruments Act, 1881 for bouncing of cheque provided by the contractor as security against advance payment made.</p> <p>Next hearing in this matter has been adjourned to 05 June 2024.</p>	2,5

<< End of Report >>