

February 04, 2025

To

National Stock Exchange of India Limited Listing Compliance Department Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E), Mumbai-400005 Symbol- HIGHWAYS	BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001 Scrip Code: 974227, 974228, 975333 ("Non-Convertible Debentures"), and 728473 ("Commercial Paper")
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Sub: Outcome of the meeting of Board of Directors of Highway Concessions One Private Limited (the "Investment Manager of Highways Infrastructure Trust") held on February 04, 2025

Dear Sir/Madam,

Further to our intimation dated January 29, 2025 and in compliance with the applicable provisions of the Securities and Exchange Board of India (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 ("**Board**") of Highway Concessions One Private Limited ("**Investment Manager**"), acting in its capacity as the investment manager of Highways Infrastructure Trust ("**HIT**"), at its meeting held on Tuesday, February 4, 2025, have considered and approved, *inter-alia*, the following matters:

1. Approval of Unaudited standalone and consolidated financial information/results of HIT for the quarter and nine months ended on December 31, 2024:

Unaudited standalone and consolidated financial information/results of HIT for the quarter and nine months ended on December 31, 2024. The unaudited standalone and consolidated financial information/results along with the limited review reports issued thereon by the Statutory Auditors, M/s. Walker Chandiok and Co. LLP, are enclosed herewith as **Annexure A**. The security cover certificate required in terms of Regulation 54 of the SEBI LODR Regulations with respect to the listed non-convertible debentures is also annexed as **Annexure B**.

2. Declaration of distribution to the unitholders of HIT:

Declaration of distribution of INR 1.1945 per unit to the unitholders of HIT ("**Unitholders**") as per the details set out below:

Particulars	Details
Total distribution	INR 1,80,36,75,885
No. of units	1,50,99,83,998
Distribution per unit	
Distribution as interest	INR 0.4172
Distribution as return of capital	INR 0.5173
Distribution as dividend (old regime)	INR 0.2465
Distribution as dividend (new regime)	INR 0.0068
Distribution as other income	INR 0.0067
Total distribution per unit	INR 1.1945

Please note that **Friday, February 7, 2025**, has been fixed as the record date for the purpose of identification of the Unitholders for payment of the declared distribution and the payment will be made on or before **Friday, February 14, 2025**.

3. Valuation Report of Rewari Bypass Private Limited (“RBPL”), being an asset under acquisition by HIT

Valuation Report on the fair enterprise valuation of RBPL, as on December 31, 2024, prepared and issued by an independent valuer, Mr. S Sundararaman having IBBI Registration Number IBBI/RV/06/2018/10238. The valuation report dated January 25, 2025, as received is enclosed herewith as **Annexure C**.

The meeting of the Board of the Investment Manager commenced at 12.15 p.m. (IST) and concluded at 03.15 p.m. (IST).

The said information is also being uploaded on the website of HIT at www.highwaystrust.com

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully

For Highways Infrastructure Trust
(acting through its Investment Manager of Highway Concessions One Private Limited)

Gajendra Mewara
Company Secretary & Compliance officer
M. No. – ACS 22941

Place: Mumbai

Encl: as above

CC:

Axis Trustee Services Limited ("Unit Trustee") Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025	Catalyst Trusteeship Limited ("Debenture Trustee") 901, 9 th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai – 400013	ICICI Bank Limited ("Issuing & Paying Agent") ICICI Bank Towers, Bandra Kurla Complex, Bandra, (East), Mumbai – 400051
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Walker Chandiok & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to date Financial Results of the Highways Infrastructure Trust ('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)

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Highways Infrastructure Trust for the quarter ended 31 December 2024 and the year to date results for the period 01 April 2024 to 31 December 2024, being submitted by 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. The Statement, which is the responsibility of the Investment Manager of the Trust and approved by the Board of Directors of Investment Manager of the Trust, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ("the ICAI"). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing issued by the ICAI, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Walker Chandiok & Co LLP

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

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

MA



Manish Agrawal

Partner

Membership No. 507000

UDIN: 25507000BMMKOD4908

Place: New Delhi

Date: 04 February 2025

Highways Infrastructure Trust
 Statement of standalone unaudited financial results for the quarter and nine-months period ended 31 December 2024
 (All amounts in £ millions unless otherwise stated)

Particulars	Quarter ended			Year to date		Year ended
	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 October 2023 to 31 December 2023	01 April 2024 to 31 December 2024	01 April 2023 to 31 December 2023	01 April 2023 to 31 March 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Incomes and gains						
Revenue from operations						
Dividend income from subsidiaries	1,439.54	565.80	289.16	9,136.70	915.91	1,576.22
Interest income on loans from subsidiaries	1,375.86	1,383.72	907.36	4,089.30	2,283.85	3,187.69
Other income						
Interest on bank deposits	17.14	17.54	50.26	58.89	83.21	151.53
Profit on sale of investments	29.74	44.02	0.17	101.80	1.22	5.90
Others	57.65		0.03	60.85	2.43	2.56
Total income and gains	2,919.93	2,011.08	1,246.98	13,447.54	3,286.62	5,223.90
Expenses and losses						
Finance costs						
Interest on term loan, non convertible debentures and others	733.79	756.16	430.71	2,239.11	1,014.18	1,725.43
Finance and bank charges	0.63	0.61	0.36	1.30	0.88	1.22
Valuation expenses	-	1.30	1.20	1.48	1.63	3.12
Audit fees	3.46	8.44	1.85	16.62	12.31	25.21
Insurance expense	2.39	2.39	-	7.14	-	1.82
Investment manager fees	12.93	17.17	13.64	46.76	46.36	74.64
Rating fees	2.84	8.23	2.24	11.62	6.69	18.97
Trustee fees	0.77	0.48	1.62	2.30	2.54	3.81
Legal and professional	34.14	5.75	30.59	63.01	191.24	368.54
Other expenses	6.45	4.37	1.58	15.92	12.29	19.75
Total expenses and losses	797.40	804.90	483.79	2,405.26	1,288.12	2,242.51
Profit before exceptional items and tax for the period/year	2,122.53	1,206.18	763.19	11,042.28	1,998.50	2,981.39
Exceptional items (refer note 5 and 7)	-	4,696.81	-	-4,696.81	1,417.91	4,964.79
Profit/(loss) before tax for the period/year	2,122.53	(3,490.63)	763.19	6,345.47	580.59	(1,983.40)
Tax expense:						
Current tax (including earlier years)	(11.70)	12.70	21.87	21.18	36.11	67.49
Deferred tax	6.67	-	-	6.67	-	-
Total tax (reversal)/ expense	(5.03)	12.70	21.87	27.85	36.11	67.49
Profit/(loss) after tax for the period/year	2,127.56	(3,503.33)	741.32	6,317.62	544.48	(2,050.89)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss) for the period/year	2,127.56	(3,503.33)	741.32	6,317.62	544.48	(2,050.89)
Earning per unit (not annualised, except for year end)						
Basic (£)	2.64	(4.35)	1.57	7.99	1.25	(4.10)
Diluted (£)	2.64	(4.35)	1.57	7.99	1.25	(4.10)

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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 standalone unaudited financial results for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions, except ratios)

Sl.No.	Particulars	Quarter ended			Year to date		Year ended
		01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 October 2023 to 31 December 2023	01 April 2024 to 31 December 2024	01 April 2023 to 31 December 2023	01 April 2023 to 31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(a)	Debt equity ratio (in times) [(Non-current borrowings + Current borrowings) / total equity]	0.64	0.65	0.64	0.64	0.64	0.64
(b)	Debt service coverage ratio (in times) [Profit/(loss) before tax, finance costs, exceptional items / (Finance costs + Principal repayment for borrowings)]	0.62	2.21	2.45	1.46	2.55	2.24
(c)	Interest service coverage ratio (in times) [Profit/(loss) before tax, finance costs, exceptional items / Finance costs]	3.89	2.59	2.77	5.93	2.97	2.73
(d)	Outstanding redeemable preference shares	-	-	-	-	-	-
(e)	Capital redemption reserve/debenture redemption reserve	-	-	-	-	-	-
(f)	Net worth [Total Capital + Other equity]	53,782.23	54,170.05	39,255.38	53,782.23	39,255.38	55,818.82
(g)	Net profit/(loss) after tax	2,127.56	(3,503.33)	741.32	6,317.62	544.48	(2,050.89)
(h)	Earnings per unit capital [Profit/(loss) after tax/ Total number of units]	2.64	(4.35)	1.57	7.99	1.25	(4.10)
(i)	Current ratio (in times) [Current assets / Current liabilities]	0.97	1.79	1.96	0.97	1.96	0.98
(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)]	5.00	5.45	3.82	5.00	3.82	11.45
(k)	Bad debts to account receivable ratio (in %) [Bad debts / Average trade receivables]	-	-	-	-	-	-
(l)	Current liability ratio (in %) [Current liabilities / Total liabilities]	8.11%	11.13%	14.35%	8.11%	14.35%	10.82%
(m)	Total debts to total assets ratio (in %) [(Non-current borrowings + Current borrowings) / Total assets]	38.84%	39.25%	38.78%	38.84%	38.78%	38.65%
(n)	Debtors turnover ratio (in times)* [Revenue from operations/ Average Trade Receivables]	N.A.	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.	N.A.
(p)	Operating margin (in %) [(Profit before tax, finance cost, exceptional items and other income) / Revenue from operations]	97.76%	97.53%	95.59%	98.75%	91.47%	89.96%
(q)	Net profit margin (in %) [Profit/(loss) after tax / Revenue from operations]	75.57%	-179.70%	61.96%	-47.77%	17.02%	-40.50%

* The Trust does not have any trade receivables, therefore, trade receivable 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 December 2024 amounting to ₹ 11,309.96 millions (31 March 2024, ₹ 11,340.61 millions, 31 December 2023: ₹ 6,378.63 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 December 2024.

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

- (i) 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 Holding companies ("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, 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 Loans;
- (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 HoldCos to the Issuer / HoldCo ("Pledged Securities");

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Highways Infrastructure Trust

Notes to standalone unaudited financial results for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

- 1 The standalone unaudited financial results of Highways Infrastructure Trust ("the Trust") for quarter and nine-months period ended 31 December 2024 have been reviewed by the Audit Committee of Highway Concessions One Private Limited (Investment Manager) at their meeting held on 04 February 2025 and approved by the Board of Directors of the Investment Manager at their meeting held on 04 February 2025. The statutory auditors have issued an unmodified review report on these standalone unaudited financial results.
- 2 The standalone unaudited financial results comprises the statement of standalone unaudited profit and loss, and other explanatory notes/disclosures pursuant to requirements of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('standalone unaudited financial results'). The standalone unaudited financial results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 34, Interim Financial Reporting ('Ind AS 34') and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 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 2023-2024:**
The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9.3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4.7637 (rounded off) per unit amounting to ₹ 3,837.58 millions and ₹ 3.1210 (rounded off) per unit amounting to ₹ 2,514.24 millions in their meeting held on 08 August 2024 and 08 November 2024 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024 and 19 November 2024 respectively. Subsequent to quarter ended 31 December 2024, the Board of Directors of the Investment Manager have declared distribution of ₹ 1.1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 04 February 2025.

- 5 As per Ind AS 36 'Impairment of assets', management carried out the impairment assessment of investments in subsidiaries and loans given to them and provided for impairment loss for quarter ended 31 December 2024: ₹ 1,808.85 millions (Quarter ended 30 September 2024: ₹ 4,696.81 millions, Quarter ended 31 December 2023: ₹ Nil, nine-months period ended 31 December 2024: ₹ 6,505.66 millions, nine-months period ended 31 December 2023: ₹ 1,417.91 millions and for the year ended 31 March 2024: ₹ 4,964.79 millions) basis the fair valuation conducted as per the future projected cash flows of the assets (after performing sensitivity analysis). Also refer note 7.

6 Reduction of equity share capital of subsidiaries:

The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2024 from Registrar of Company ("ROC"). Necessary impacts will be considered in the audited standalone financial results of the Trust for the quarter and year ended 31 March 2025.

During the previous year ended 31 March 2024, three of the project SPVs, namely Ateli Naraul Highway Private Limited ("ANHPL"), Rewari Ateli Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024. Necessary impacts have been considered in the standalone unaudited financial results of the Trust for the nine-months period ended 31 December 2024. In case of RAHPL last hearings which was scheduled on 29 October 2024 that has been adjourned to 21 January 2025. The matter was heard on 21 January 2025 and no objection were raised during the hearing. Management is awaiting next hearing date for order announcement.

- 7 During the nine-months period ended 31 December 2024, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approving the capital reduction scheme in STPL on 21 November 2024. Consequent to the capital reduction approval order received from NCLT, the Trust has recognised unsecured rupee term loan and de-recognised Investment in Equity Shares of STPL. The said reduction of equity share capital has lead to a gain of ₹ 1,808.85 millions which has been disclosed as an exceptional items in the standalone unaudited financial results of the Trust for the quarter and nine-months period ended 31 December 2024.
- 8 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). During the half year ended 30 September 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 (acquisition date) against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,210 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions. Accordingly, necessary impacts have been considered in the standalone unaudited financial results for the quarter and nine-months period ended 31 December 2024.
- 9 During the previous 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 special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ("RBPL"). Approval for change in ownership was received on 18 March 2024 from National Highways Authorities of India ("NHAI"). Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.

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Highways Infrastructure Trust
Notes to standalone unaudited financial results for the quarter and nine-months period ended 31 December 2024
(All amounts in ₹ millions unless otherwise stated)

- 10 During the previous 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 Investment Manager till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandra as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.
- 11 During the previous 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 ("PRJIPPL");
 - (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 ("PMHPL");
 - (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 ("PBNNHPL," or the "Toll Asset").

During the nine-months period ended 31 December 2024, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principle approval for change in ownership were received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of In-principle approval from NHAI:

Name of entity	Date of In-principal approval
PKHPL	16 January 2025
PBHPL	16 January 2025
PRJIPPL	31 December 2024
PCHPL	26 December 2024
PTSHPL	11 December 2024
PAHPL	19 November 2024
PBKHPL	19 November 2024
PGHPL	19 November 2024

- 12 During the quarter ended 31 December 2024, pursuant to Regulation 23(6) of the SEBI InvIT Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the 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. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.
- 13 During the quarter ended 30 September 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024.
 Further, during the current quarter ended 31 December 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.
- 14 During the quarter and nine-months period ended 31 December 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:
 - (i) Appointment of Mr. Soma Sankara Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
 - (ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024, and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015
- 15 During the nine-months period ended 31 December 2024, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of Four lane MII/Ts Border to Armur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NII - 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024. The completion of the acquisition remains subject to fulfilling of contractual obligations

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Highways Infrastructure Trust

Notes to standalone unaudited financial results for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

16 Scheme of arrangement by subsidiary company:

During the nine-months period ended 31 December 2024, BETPL filed a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The matter was heard on 02 December 2024 and subsequently on 20 January 2025, and no objections were raised during the hearing proceedings. Management is currently awaiting next hearing date for order announcement.

17 Preferential allotment of units by the Trust:

During the quarter ended 30 June 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount up to approximate ₹ 5,007.34 millions on a preferential basis in accordance with 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 InvIT's' of Master Circular SIEBI/HO/DDIIS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvIT's) dated 15 May 2024 and amendments thereof (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024.

Subsequent to the quarter ended 31 December 2024, Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount up to approximate ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025.

18 During the nine-month period ended 31 December 2024, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:

- (i) Availing additional fund-based credit facilities up to ₹ 36,000 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and
- (ii) Availing additional fund-based credit facilities up to ₹ 49,500 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.

Subsequently on 13 January 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited.

19 Previous period figures have been reclassified/regrouped wherever necessary to conform to current period classification. The impact of the same is not material on these standalone unaudited financial results.

20 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)

Gajendra Mewara
Compliance Officer

Membership number: ACS 22941

Dr. Zafar Khan
Executive director and Joint CEO

DIN: 07641366

Place: Mumbai
Date: 04 February 2025

Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 04 February 2025

Gaurav Chandra
Executive director and Joint CEO

IDIN: 10312924

Place: Mumbai
Date: 04 February 2025



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Independent Auditor's Review Report on Special Purpose Unaudited Consolidated Interim Financial Information of the Highways Infrastructure Trust ('Trust') for the quarter and nine-months period ended 31 December 2024

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

Introduction

1. We have reviewed the accompanying Special Purpose Unaudited Consolidated Interim Financial Information of Highways Infrastructure Trust and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Special Purpose Unaudited Consolidated Interim Financial Information), which comprises of special purpose unaudited consolidated interim statement of profit and loss (including Other Comprehensive Income) for the quarter and nine-months period ended 31 December 2024 and other explanatory information (together hereinafter referred to as the "Special Purpose Unaudited Consolidated Interim Financial Information"). The preparation and presentation of the Special Purpose Unaudited Consolidated Interim Financial Information is the responsibility of Highways Concessions One Private Limited ('the Investment Manager of the Trust') and has been approved by the Board of Directors of the Investment Manager of the Trust. Our responsibility is to express a conclusion on the Special Purpose Unaudited Consolidated Interim Financial Information based on our review.

Scope of Review

2. We conducted our review of the Special Purpose Unaudited Consolidated Interim Financial Information in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India (the 'ICAI'). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing issued by the ICAI, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Special Purpose Unaudited Consolidated Interim Financial Information is not prepared, in all material respects, in accordance with the basis of preparation set forth in Note 2 to the special purpose unaudited consolidated interim financial information.



Walker Chandiok & Co LLP

Independent Auditor's Review Report on Special Purpose Unaudited Consolidated Interim Financial Information of the Highways Infrastructure Trust ('Trust') for the quarter and nine-months period ended 31 December 2024 (Cont'd)

Other Matters

4. We did not review the unaudited financial information of 8 subsidiaries included in the Special Purpose Unaudited Consolidated Interim Financial Information, whose financial information reflects total revenues of ₹ 1,625.59 millions and ₹ 6,526.65 millions, total net profit after tax of ₹ 307.42 millions and ₹ 1,127.38 millions and total comprehensive income of ₹ 306.66 millions and ₹ 1,125.04 millions for the quarter and nine-months period ended 31 December 2024 respectively, as considered in the Special Purpose Unaudited Consolidated Interim Financial Information. These unaudited financial information have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors. Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the review reports of the other auditors.
5. The Special Purpose Unaudited Consolidated Interim Financial Information includes the interim financial information of 1 subsidiary, which have not been reviewed by their auditors, whose interim financial information reflects total revenues of ₹ Nil and ₹ Nil, net loss after tax of ₹ 0.03 millions and ₹ 0.03 millions, total comprehensive loss of ₹ 0.03 millions and ₹ 0.03 millions for the quarter and nine-months period ended 31 December 2024 respectively. Our conclusion on the Special Purpose Unaudited Consolidated Interim Financial Information, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the Investment Manager of the Trust, this interim financial information is not material to the Group. Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors of the Investment Manager of the Trust.

Emphasis of matter- Basis of Preparation and Restriction on use

6. We draw attention to Note 2 to the Special Purpose Unaudited Consolidated Interim Financial Information, which describes the basis of its preparation used by the Investment Manager of the Trust. The accompanying Special Purpose Unaudited Consolidated Interim Financial Information have been prepared in accordance with special purpose framework, solely for voluntary submission to be made by the Investment Manager with the National Stock Exchange of India Limited, BSE Limited and Securities and Exchange Board of India as an additional information for the unit holders of the Trust and to the lenders of the Trust to provide them the necessary information under the financing arrangement. This review report is issued solely for the aforementioned purpose and accordingly should not be used or referred to for any other purpose without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which this review report is shown without our prior consent in writing. Our conclusion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Manish Agrawal

Partner

Membership No. 507000



UDIN: 25507000BMMKOE7407

Place: New Delhi

Date: 04 February 2025

Walker Chandiok & Co LLP

Independent Auditor's Review Report on Special Purpose Unaudited Consolidated Interim Financial Information of the Highways Infrastructure Trust ('Trust') for the quarter and nine-months period ended 31 December 2024 (Cont'd)

Annexure 1

List of subsidiaries included in the Special Purpose Unaudited Consolidated Interim Financial Information

1. Ulundurpet Expressways Private Limited ("UEPL")
2. Nirmal BOT Private Limited ("NBPL") (formerly known as "Nirmal BOT Limited")
3. Godhra Expressways Private Limited ("GEPL")
4. Dewas Bhopal Corridor Private Limited ("DBCPL")
5. Shillong Expressway Private Limited ("SEPL")
6. Jodhpur Pali Expressway Private Limited ("JPEPL")
7. Udupi Tollway Private Limited ("UTPL") (formerly known as "Navyuga Udupi Tollway Private Limited")
8. Ateli Narnaul Highway Private Limited ("ANHPL") (formerly known as "HG Ateli Narnaul Highway Private Limited")
9. Rewari Ateli Highway Private Limited ("RAHPL") (formerly known as "HG Rewari Ateli Highway Private Limited")
10. Gurgaon Sohna Highway Private Limited ("GSHPL")
11. Gujarat Road and Infrastructure Company Limited ("GRICL")
12. Swarna Tollway Private Limited ("STPL")
13. Bangalore Elevated Tollway Private Limited ("BETPL") w.e.f. 12 June 2024
14. North Telangana Expressways Private Limited ("NTEPL") w.e.f. 15 October 2024



Particulars	Quarter ended			Year to date		Year ended (Refer note 7)
	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 October 2023 to 31 December 2023	01 April 2024 to 31 December 2024	01 April 2023 to 31 December 2023	
	(Unaudited) (Refer note 7)	(Unaudited) (Refer note 7)	(Unaudited) (Refer note 7)	(Unaudited) (Refer note 7)	(Unaudited) (Refer note 7)	
Income and gains						
Revenue from operations	4,865.71	4,971.70	2,791.02	14,820.96	7,301.76	19,991.50
Interest income from bank deposits	62.96	61.41	84.25	219.38	142.45	354.70
Profit on sale of assets/investments	85.38	86.14	66.98	330.32	139.46	255.12
Other income	263.34	119.50	9.38	519.02	22.63	118.43
Total income and gains	5,277.39	5,238.75	2,951.63	15,889.68	7,606.30	20,719.75
Expenses and losses						
Valuation expenses		1.30	1.20	1.48	1.63	3.12
Audit fees (Statutory auditor of Trust)	3.47	8.44	1.85	16.62	12.31	25.21
Audit fees (Auditor of subsidiaries)	1.81	2.13	1.16	6.74	3.59	6.54
Insurance and security expenses	25.30	20.22	10.95	68.03	32.62	52.20
Employee benefits expense	71.99	71.63	34.83	229.82	105.69	173.13
Project management fees (refer note b(i))	75.45	54.45	46.36	174.55	121.92	171.05
Investment manager fees (refer note b(ii))	62.69	83.21	58.00	226.47	221.60	367.20
Management support services fee	-	-	2.25	1.91	6.76	9.02
Trustee fees	0.77	0.93	1.69	2.39	2.70	4.18
Depreciation on property, plant and equipment	30.45	24.51	10.12	77.79	29.76	50.52
Amortization of intangible assets	1,554.23	1,480.27	655.39	4,564.79	1,699.83	3,172.61
Finance costs						
Interest on term loan, non convertible debentures and others	748.67	788.13	677.94	2,413.29	1,548.52	2,799.31
Finance and bank charges	170.26	35.03	96.89	395.16	265.90	439.48
Rating fee	2.84	7.73	2.20	11.62	6.69	18.97
Operation and maintenance expense	402.37	559.54	240.02	1,332.76	556.44	1,034.64
Corporate social responsibility	48.07	22.51	3.57	90.39	12.32	32.96
Provision for major maintenance obligation	533.60	244.95	386.65	1,535.97	818.54	1,461.28
Operating expenses	4.68	20.30	(0.71)	28.27	7.13	7,874.72
Independent consultancy and project monitoring fees	23.95	33.31	20.81	86.22	61.80	88.06
Legal and professional expenses	38.18	26.95	42.88	99.67	220.16	432.11
Other expenses	25.40	27.11	22.95	87.02	62.81	81.37
Total expenses and losses	3,824.18	3,512.65	2,316.80	11,450.96	5,798.72	18,297.68
Profit before exceptional items and tax for the period/year	1,453.21	1,726.10	634.83	4,438.72	1,807.58	2,422.07
Exceptional items (refer note 15 and 16)	-	-	-	-	-	(3,689.54)
Profit/(loss) before tax for the period/year	1,453.21	1,726.10	634.83	4,438.72	1,807.58	(1,267.47)
Tax expense:						
Current tax (including earlier year)	312.79	365.64	130.43	996.79	510.28	505.87
Deferred tax	(26.97)	(194.22)	98.59	(274.57)	(6.57)	(243.02)
Total tax expense	285.82	171.42	229.02	722.22	303.71	262.85
Profit/(loss) after tax for the period/year	1,167.39	1,554.68	405.81	3,716.50	1,503.87	(1,530.32)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurement gain on defined benefit obligations	(0.75)	(0.45)	-	(2.25)	(0.15)	(0.65)
Income tax relating to these items	-	-	-	-	-	(0.40)
Total other comprehensive loss for the period/year	(0.75)	(0.45)	-	(2.25)	(0.15)	(1.05)
Total comprehensive income/(loss) for the period/year	1,166.64	1,554.23	405.81	3,714.25	1,503.72	(1,531.37)
Profit/(loss) for the period/year attributable to						
Unit holders	964.44	1,374.92	405.81	3,148.70	1,503.87	(1,606.11)
Non-controlling interests	202.95	179.76	-	567.80	-	75.79
Other comprehensive (loss)/ income for the period/year attributable to						
Unit holders	(0.43)	(0.13)	-	(1.28)	(0.15)	0.14
Non-controlling interests	(0.32)	(0.32)	-	(0.97)	-	(1.19)
Total comprehensive income/(loss) for the period/year attributable to	964.01	1,374.79	405.81	3,147.42	1,503.72	(1,605.97)
Unit holders	202.63	179.44	-	566.83	-	74.60
Earning per unit capital (not annualised, except for year end)	1.20	1.71	0.86	3.98	3.47	(3.22)
Basic (₹)	1.20	1.71	0.86	3.98	3.47	(3.22)
Diluted (₹)						

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Highways Infrastructure Trust

Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

(i) Highways Infrastructure Trust

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(refer note 7)
1	Cashflows from operating activities of the Trust (A)	(105.50)	(113.48)	(345.94)	(527.61)
2	Add: Cash flows received from SPVs/Investment entities which represent distributions of NDCF computed as per relevant framework	2,972.74	3461.72	11,428.53	13,722.29
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)	30.35	56.08	133.64	110.34
4	Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per profit and loss account of the Trust	(766.56)	(869.81)	(2,294.40)	(1,823.54)
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)	(127.45)	(132.53)	(294.64)	(377.66)
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;	-	112.22	112.22	(42.88)
	Total adjustments at the Trust level (B)	2,109.08	2,627.68	9,085.35	11,588.55
	Net distributable cash flows before amount retained by Trust as per SEBI guidelines (C = A+B)	2,003.58	2,514.20	8,739.41	11,060.94
	Amount (retained)/released by the Trust (D)	(199.91)	0.05	(583.91)	196.58
	Net distributable cash flows (E)=(C+D)	1,803.68	2,514.25	8,155.50	11,257.52

Notes:

- 1 Finance cost on borrowings includes interest paid on unsecured commercial papers ₹ 242.67 millions, interest paid on term loan and non convertible debentures ₹ 2,047.19 millions and issue expenses relating to preferential allotment of units ₹ 4.54 millions, these issue related expenses which are disclosed under other equity.
- 2 During the current period ended 31 December 2024, proceeds from right issue of units by the Trust to the extent of ₹ 97.86 millions were used for repayment of external debt. Such utilisation is in the nature of refinancing from funds raised through issuance of units and ₹ 994.70 millions received as repayment of unsecured loan from the SPV which was given for Major maintenance related work and has been excluded in above computation of NDCF, thus the repayment of external debt is represented as ₹ 294.64 millions which is ₹ 1,387.20 millions less ₹ 97.86 millions, and less ₹ 994.70 millions.

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Highways Infrastructure Trust

Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

- 3 As per calculation of NDCF of Ulundurpet Expressways Private Limited ("UEPL") for period ended 31 December 2024, there should be distribution of ₹ 582.67 million. However, due to lack of avenues for distribution such as free reserve under the Companies Act, 2013 and Debt from the Trust, Company was not able to meet requirement of minimum 90% distribution and due to which, cash available for distribution remain unutilised and is shown as reserves of ₹ 581.68 million. Further, Company has commenced the capital reduction process for distribution, the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") has set aside the order passed by the NCLT on 06 January 2025 and approved the scheme of reduction of equity share capital. Further, Certificate of Registration of order confirming reduction of capital is awaited from Registrar of Company ("ROC").
- 4 For the calculation of debt repayment at the Trust level, Trust has not considered the repayment of commercial papers amounting to ₹ 5,500.00 millions which got refinanced through issue of unsecured commercial papers (refer note 12) for an amount of ₹ 5,257.33 millions.
- 5 During the current period ended 31 December 2024, Trust has release fund from Debt Service Reserve Account ("DSRA") ₹ 112.22 million, and the same has been reflected in Reserve.
- 6 The distribution has been computed for the nine-months period ended 31 December 2024, it includes the opening cash and bank balances available for distribution and does not include any amount from the loans raised by the Trust/Company during the period.
- 7 The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- 8 The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- 9 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Highways Infrastructure Trust

Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024 <i>(Unaudited)</i>	01 July 2024 to 30 September 2024 <i>(Unaudited)</i>	01 April 2024 to 31 December 2024 <i>(Unaudited)</i>	01 April 2023 to 31 March 2024 <i>(refer note 7)</i>
1	Cash flow from operating activities as per Cash Flow Statement (A)	494.20	385.22	1,341.13	1,702.18
2	Add: Opening cash and bank balance	-	-	143.17	143.30
3	Add: Treasury income/income from investing activities	4.17	9.84	18.07	27.03
4	Less: Finance cost on Borrowings, excluding amortization of any transaction costs as per profit and loss Account and any shareholder debt/loan from Trust	(0.23)	(0.37)	(0.85)	-2.02
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;	(2.14)	(2.29)	(148.98)	(142.21)
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	4.79	(14.53)	(31.82)	(7.56)
Total adjustments at the SPV level (B)		6.59	(7.35)	(20.41)	18.54
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		500.79	377.87	1,320.72	1,720.72
Amount kept aside as per SEBI guideline (D)		-	-	-	(0.96)
Net distributable cash flows (E)=(C+D)		500.79	377.87	1,320.72	1,719.76

Notes:

- Amount reflected in opening cash and bank balance as on 01 April 2024 represent reserves created amounting to ₹ 142.21 millions and amount kept aside amounting to ₹ 0.96 Millions as per SEBI guideline as on 31 March 2024.
- Reserves created for the current period ended 31 December 2024 include amount kept in fixed deposits with bank as lien for bank guarantee issued to Madhya Pradesh Road Development Corporation Limited (Concession Authority) as per Concessions agreement.
- The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Highways Infrastructure Trust

Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

(iii) Nirmal BOT Private Limited ("NBPL")

S. No.	Particulars	01 October 2024 to 31 December 2024 <i>(Unaudited)</i>	01 July 2024 to 30 September 2024 <i>(Unaudited)</i>	01 April 2024 to 31 December 2024 <i>(Unaudited)</i>	01 April 2023 to 31 March 2024 <i>(refer note 7)</i>
1	Cash flow from operating activities as per Cash Flow Statement (A)	194.16	(64.17)	143.78	266.00
2	Add: Opening cash and bank balance	-	-	-	54.13
3	Add: Treasury income/income from investing activities	2.67	3.85	7.85	17.18
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	(0.00)	(0.00)	(0.00)	(0.00)
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	(0.29)	-	(2.50)	(0.14)
Total adjustments at the SPV level (B)		2.38	3.85	5.35	71.17
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		196.54	(60.32)	149.13	337.17
Amount kept aside as per SEBI guideline (D)		(14.91)	-	(14.91)	-
Net distributable cash flows (E)=(C+D)		181.63	(60.32)	134.22	337.17

Notes:

- 1 During the nine month ended 31 December 2024, the Company has repaid ₹ 84.61 millions out of the above loan of ₹ 245.79 million which has been excluded in above computation of NDCF¹.
- 2 The Statement of NDCF¹ includes the NDCF¹ for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF¹ for the half-year ended 30 September 2024, which were subject to limited review by us.
- 3 The Statement of NDCF includes the NDCF¹ for the quarter ended 30 September 2024, being the balancing figures between the NDCF¹ for the half-year ended 30 September 2024 and NDCF¹ for the quarter ended 30 June 2024, which were subject to limited review by us.
- 4 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Highways Infrastructure Trust

Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024 <i>(Unaudited)</i>	01 July 2024 to 30 September 2024 <i>(Unaudited)</i>	01 April 2024 to 31 December 2024 <i>(Unaudited)</i>	01 April 2023 to 31 March 2024 <i>(refer note 7)</i>
1	Cash flow from operating activities as per Cash Flow Statement (A)	146.50	85.34	340.92	444.57
2	Add: Opening cash and bank balance	-	-	-	5.85
3	Add: Treasury income/income from investing activities	1.20	6.54	8.48	19.57
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)
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	-	-	-	(20.74)
Total adjustments at the SPV level (B)		1.20	6.54	8.48	4.09
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		147.70	91.88	349.40	448.66
Amount kept aside as per SEBI guideline (D)		-	-	-	-
Net distributable cash flows (E) = (C+D)		147.70	91.88	349.40	448.66

Note:

- The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCI^r for nine-months period ended 31 December 2024 and NDCI^r for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCI^r for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
1	Cash flow from operating activities as per Cash Flow Statement (A)	(Unaudited) 431.69	(Unaudited) 368.50	(Unaudited) 1,159.24	(refer note 7) 1,427.40
2	Add: Opening cash and bank balance	-	-	-	52.43
3	Add: Treasury income/income from investing activities	0.19	5.14	7.58	14.21
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	(0.00)	0.06	(0.00)	(0.73)
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	(33.48)	(37.07)	(103.65)	(128.13)
	Total adjustments at the SPV level (B)	(33.29)	(31.87)	(96.07)	(62.22)
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C =A+B)	398.40	336.63	1,063.17	1,365.18
	Amount kept aside as per SEBI guideline (D)	-	-	-	-
	Net distributable cash flows (E)=(C+D)	398.40	336.63	1,063.17	1,365.18

Notes:

- 1 Capital expenditure includes premium in the form of additional concession fees paid to National Highways Authority of India ('NHAI').
- 2 The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- 3 The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- 4 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(refer note 7)
1	Cash flow from operating activities as per Cash Flow Statement (A)	315.53	203.00	670.62	1,434.49
2	Add: Opening cash and bank balance	-	-	194.41	20.26
3	Add: Treasury income/income from investing activities	18.46	23.92	53.90	27.48
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	-	(0.01)	(0.01)	(0.51)
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;	(333.99)	(225.20)	(915.67)	(194.42)
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	-	(1.71)	(2.26)	(1.90)
	Total adjustments at the SPV level (B)	(315.53)	(203.00)	(669.63)	(149.09)
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)	-	-	0.99	1,285.40
	Amount kept aside as per SEBI guideline (D)	-	-	-	-
	Net distributable cash flows (E) = (C+D)	-	-	0.99	1,285.40

Notes:

- As per calculation of NDCI¹ for period ended 31 December 2024, there should be distribution of ₹ 916.66 million. However, due to lack of avenues for distribution such as free reserve under the Companies Act and debt from the Trust, SPV was not be able to meet requirement of minimum 90% distribution. On Account of this, cash available for distribution remain trapped and is shown as reserves of ₹ 915.67 million above. Please note that Company has commenced the capital reduction process for distribution, and the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") has set aside the order passed by the NCLT on 06 January 2025 and approved the scheme of reduction of equity share capital. Further, Certificate of Registration of order confirming reduction of capital is received from Registrar of Company ("ROC") on 24 January 2024.
- The Statement of NDCF includes the NDCI¹ for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCI¹ for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCI¹ for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCI¹ for the quarter ended 30 June 2024, which were subject to limited review by us.
- The above informations for quarter and nine-months period ended 31 December 2023 have not been given as they are not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

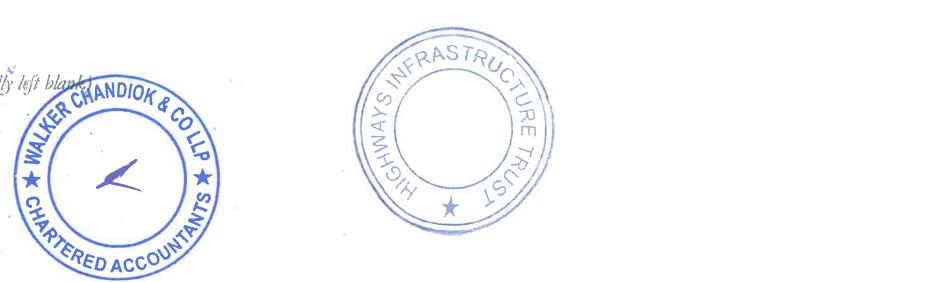
S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
1	Cash flow from operating activities as per Cash Flow Statement (A)	(Unaudited) (26.51)	(Unaudited) 216.81	(Unaudited) 124.66	(refer note 7) 76.73
2	Add: Opening cash and bank balance	-	-	-	186.03
3	Add: Treasury income/income from investing activities	1.07	12.84	15.48	14.78
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	(0.04)	0.00	(0.04)	(0.49)
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	-	-	-	(0.19)
Total adjustments at the SPV level (B)		1.03	12.84	15.44	200.13
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		(25.48)	229.65	140.10	276.86
Amount kept aside as per SEBI guideline (D)		-	-	-	-
Net distributable cash flows (E)=(C+D)		(25.48)	229.65	140.10	276.86
Net distributable cash flows		-	229.65	140.10	276.86

Notes:

- During the nine month ended 31 December 2024, the Company has repaid ₹ 222.47 millions out of the above loan of ₹ 400.66 million which has been excluded in above computation of NDCF.
- The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
1	Cash flow from operating activities as per Cash Flow Statement (A)	(Unaudited) 630.53	(Unaudited) 577.64	(Unaudited) 1,502.88	(refer note 7) 113.36
2	Add: Opening cash and bank balance	-	-	307.23	4,281.02
3	Add: Treasury income/income from investing activities	10.49	41.20	153.00	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	(0.00)	0.01	(0.00)	(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	(0.71)	(0.49)	(1.21)	(0.67)
Total adjustments at the SPV level (B)		9.78	40.72	459.02	4,355.17
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		640.31	618.36	1,961.90	4,468.53
Amount kept aside as per SEBI guideline (D)		-	-	-	(307.23)
Net distributable cash flows (E)=(C+D)		640.31	618.36	1,961.90	4,161.30

Notes:

- 1 Amount reflected in opening cash and bank balance represent the amount retained by the SPV as on 01 April 2024 of current financial year.
- 2 During the current quarter ended 31 December 2024, the Company has repaid ₹ 520.00 millions which was given for major maintenance related work during the previous year ended 31 March 2024 which has been excluded in above computation of NDCF.
- 3 As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.
- 4 The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- 5 The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- 6 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024 (Unaudited)	01 July 2024 to 30 September 2024 (Unaudited)	01 April 2024 to 31 December 2024 (Unaudited)	01 April 2023 to 31 March 2024 (refer note 7)
1	Cash flow from operating activities as per Cash Flow Statement (A)	(16.87)	480.90	448.22	439.88
2	Add: Opening cash and bank balance	-	-	60.00	554.60
3	Add: Treasury income/income from investing activities	3.24	0.97	13.50	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	(0.40)	(0.01)	(0.42)	(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	-	(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	3.89	0.17	(3.63)	(0.66)
	Total adjustments at the SPV level (B)	6.73	3.36	69.45	463.34
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)	(10.14)	484.26	517.67	903.22
	Amount utilised/ (kept aside) as per SEBI guideline (D)	10.14	(48.42)	(42.64)	(57.77)
	Net distributable cash flows (E)=(C+D)	-	435.84	475.03	845.46

Notes:

- Amount reflected in opening cash and bank balance for the period ended 31 December 2024 represents the amount retained by SPV amounting to ₹ 57.77 Mn as per SEBI guidelines and reserves created for unspent Corporate social Responsibility ('CSR') for the previous year amounting to ₹ 2.23 million. During the current period ended 31 December 2024, the same has been utilised by the SPV against actual CSR expenditure.
- As per revised NDCF framework, minimum 90% of the NDCFⁱ should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.
- The Statement of NDCFⁱ includes the NDCFⁱ for the quarter ended 31 December 2024, being the balancing figures between the NDCFⁱ for nine-months period ended 31 December 2024 and NDCFⁱ for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCFⁱ for the quarter ended 30 September 2024, being the balancing figures between the NDCFⁱ for the half-year ended 30 September 2024 and NDCFⁱ for the quarter ended 30 June 2024, which were subject to limited review by us.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

5 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
1	Cash flow from operating activities as per Cash Flow Statement (A)	(Unaudited) 351.93	(Unaudited) (23.53)	(Unaudited) 628.82	(refer note 7) 212.08
2	Add: Opening cash and bank balance	-	-	46.01	336.68
3	Add: Treasury income/income from investing activities	2.42	2.86	6.04	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 EMIs 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;	(21.19)	0.71	(21.19)	(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	(0.59)	(0.04)	(7.46)	(0.16)
	Total adjustments at the SPV level (B)	(19.36)	3.53	23.40	251.72
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)	332.57	(20.00)	652.22	463.80
	Amount (kept aside)/utilised as per SEBI guideline (D)	(51.26)	20.00	(65.22)	(45.30)
	Net distributable cash flows (E)=(C+D)	281.31	-	587.00	418.50

Notes:

- 1 Amount reflected in opening cash and bank balance for the period ended 31 December 2024 represents the amount retained by SPV amounting to ₹ 45.30 million as per SEBI guidelines as specified under framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 and reserves created towards unspent Corporate Social Responsibility ('CSR') liability amounting to ₹ 0.71 million for the previous year.
- 2 Reserves for year ended 31 March 2024 includes the amount for unspent CSR balance for the year deposited in a separate account as per the requirement of the Companies Act which will be utilized in subsequent years. This is as per revised framework for computation of NDCF (circular number SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024). During the current period ended 31 December 2024, the same has been utilised by the SPV against actual CSR expenditure.
- 3 As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for upto 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.
- 4 Reserves created for nine-months period ended 31 December 2024 and the quarter ended 31 December 2024, include amount of mobilisation advance received from NHAI against change of scope order COS -3 net off GST Liability. The same amount will be paid to the contractor once the contract is awarded in subsequent quarter.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

- 5 The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCI^r for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- 6 The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCI^r for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- 7 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

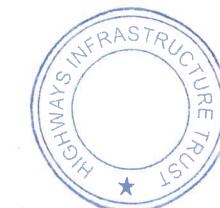
(xi) Gurgaon Sohna Highway Private Limited ("GSHPL") (subsidiary w.e.f 22 November 2023)

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(refer note 7)
1	Cash flow from operating activities as per Cash Flow Statement (A)	21.94	291.72	297.42	279.79
2	Add: Opening cash and bank balance	-	-	58.48	342.20
3	Add: Treasury income/income from investing activities	3.94	7.41	13.74	2.12
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	(0.40)	-	(0.40)	(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	-	(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	(0.59)	(0.11)	(7.56)	(0.32)
Total adjustments at the SPV level (B)		2.95	9.23	64.26	300.80
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		24.89	300.95	361.68	580.59
Amount kept aside utilised as per SEBI guideline (D)		(2.49)	(30.10)	(36.17)	(56.55)
Net distributable cash flows (E)=(C+D)		22.40	270.85	325.51	524.04

Notes:

- Amount reflected in opening cash and bank balance for the period ended 31 December 2024 represent amount retained by SPV amounting to ₹ 56.55 millions as per SEBI guidelines as specified under framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 and reserves created towards unspent Corporate social Responsibility ('CSR') of ₹ 1.93 million for the previous year.
- Reserves for financial year 2023-2024, 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. During the current period ended 30 September 2024, the same has been utilised by the SPV against actual CSR expenditure.
- As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for up to 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.
- The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

- 6 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 April 2024 to 31 December 2024	01 April 2023 to 31 March 2024
1	Cash flow from operating activities as per Cash Flow Statement (A)	(Unaudited) 820.79	(Unaudited) 363.37	(Unaudited) 1,900.86	(refer note 7) 627.60
2	Add: Opening cash and cash balance	266.95	(743.93)	266.95	4,233.20
3	Add: Treasury income/income from investing activities	25.10	9.82	229.02	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	(24.26)	(26.70)	(77.44)	(28.86)
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)	-	(125.00)	(125.00)	(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;	(812.09)	418.17	(803.12)	(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.	(9.54)	(4.21)	(20.53)	(23.26)
	Total adjustments at the SPV level (B)	(553.84)	(471.85)	(530.12)	3,656.40
	Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)	266.95	(108.48)	1,370.74	4,284.00
	Amount utilised/(kept aside) as per SEBI guideline (D)	262.71	940.42	(9.14)	(333.98)
	Net distributable cash flows (E=C+D)	529.66	831.94	1,361.60	3,950.02
	Net distributable cash flows pertaining to Non controlling interests	228.83	359.42	588.25	1,706.53
	Net distributable cash flows to the Trust	300.83	472.52	773.35	2,243.49

Notes:

- Treasury Income includes realised gain on redemption of investments in mutual funds amounting to ₹ 74.83 millions which is calculated as gross proceeds from redemption of units amounting to ₹ 370.42 millions less acquisition cost of investment amounting to ₹ 295.59 millions and ₹ 154.19 millions towards interest income on fixed deposits for the period ended 31 December 2024.
- Reserves for financial year ended 31 March 2024, 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 NDCI¹. During the current period ended 31 December 2024 reserves released represents ₹ 9.93 millions which has been utilised by the SPV against actual CSR expenditure.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

- 3 Pursuant to the Debenture Trust Deed (DTD) dated 06 May 2016, cash flows not transferred to the distribution account semi-annually are reserved in the Master Escrow Account and can only be distributed after the next semi-annual testing. Thus, no operational cash flows from the quarter ended December 31, 2024, are included in the Net Distributable Cash Flows (NDCF). However, past operational cash flows previously transferred to the distribution account are now proposed to be distributed as the 2nd interim dividend for the financial year ending 31 March 2025. These amounts are voluntarily added to the NDCF calculation for the quarter, per Note (5) of the Framework for NDCF calculation in paragraph 3.18 of the Master Circular for Infrastructure Investment Trust (InvIT) dated 15 May 2024. These amounts are not from any debt and represent past undistributed operational cash flows.
- 4 As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for upto 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.
- 5 Dividend distribution in the Company requires consensus among board of directors and shareholders, including Government of Gujarat, one of the shareholder. GRICI board currently proposes meet distribution of at least 90% of the NDCF on an annual basis, post audit/review.
- 6 The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- 7 The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- 8 Out of the opening reserve of ₹ 743.91 millions, amount of ₹ 266.95 millions have been utilised for payment of NDCF of nine-months period ended 31 December 2024, and remaining amount is kept in cash and cash equivalents and other bank balances other than cash and cash equivalents.
- 9 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

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

S. No.	Particulars	01 October 2024 to 31 December 2024 (Unaudited)	01 July 2024 to 30 September 2024 (Unaudited)	01 April 2024 to 31 December 2024 (Unaudited)	01 April 2023 to 31 March 2024 (refer note 7)
1	Cash flow from operating activities as per Cash Flow Statement (A)	162.00	209.23	304.13	182.18
2	Add: Opening cash and bank balance	-	-	131.57	299.55
3	Add: Treasury income/income from investing activities	1.00	5.53	7.43	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	(0.16)	0.88	(128.78)	(213.79)
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)	(0.00)	0.00	(0.50)	-
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 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)
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	(1.92)	(3.89)	(6.66)	(47.44)
Total adjustments at the SPV level (B)		(1.08)	2.52	3.06	(85.69)
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		160.92	211.75	307.19	96.49
Amount utilised/(kept aside) as per SEBI guideline (D)		1.05	(1.05)	-	-
Net distributable cash flows (E)=(C+D)		161.97	210.70	307.19	96.49
Net distributable cash flows		161.97	210.70	307.19	96.49

Notes:

- Opening balance for the period ended 31 December 2024 represents reserves created during the previous year ended 31 March 2024.
- As per revised NDCF framework, minimum 90% of the NDCF should be distributed by the SPV to the Trust. Accordingly, amount set aside by SPV for upto 10% of NDCF is inline with the framework notified under SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024.
- During the current quarter ended 31 December 2024, the Company has repaid ₹ 85.46 millions which was given for major maintenance related work during the previous year ended 31 March 2024 which has been excluded in above computation of NDCF.
- The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

- 5 The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- 6 The above informations for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

(xiv) Bangalore Elevated Tollway Private Limited ('BETPL')(subsidiary w.e.f 12 June 2024)

S. No.	Particulars	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	13 June 2024 to 31 December 2024	01 April 2023 to 31 March 2024
1	Cash flow from operating activities as per Cash Flow Statement (A)	(Unaudited) 383.21	(Unaudited) 404.13	(Unaudited) 245.35	(refer note 7) -
2	Add: Opening cash and bank balance	-	(56.80)	3,766.64	-
3	Add: Treasury income/income from investing activities	13.99	86.61	104.18	-
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	0.05	(0.23)	(7.88)	-
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;	0.27	114.45	(142.45)	-
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	(0.09)	(1.44)	(1.73)	-
Total adjustments at the SPV level (B)		14.22	142.59	3,718.76	-
Net distributable cash flows before amount retained by SPV as per SEBI guidelines (C = A+B)		397.43	546.72	3,964.11	-
Amount utilised/(kept aside) as per SEBI guideline (D)		-	0.15	-	-
Net distributable cash flows (E)=(C+D)		397.43	546.87	3,964.11	-

Notes:

- Opening balance as on 13 June 2024 includes balance of cash and bank balances along with investments in mutual fund and fixed deposits amounting to ₹ 3,831.82 millions reduced by unrealised gain on mutual fund amounting to ₹ 8.38 millions and unpaid prolongation claim of ₹ 56.80 millions.
- Reserves includes holdback on account of prolongation claim payable to erstwhile shareholders amount to ₹ 129.53 million and interest of ₹ 12.92 million. Unpaid amount of prolongation claim was included in opening balance.
- The Statement of NDCF includes the NDCF for the quarter ended 31 December 2024, being the balancing figures between the NDCF for nine-months period ended 31 December 2024 and NDCF for the half-year ended 30 September 2024, which were subject to limited review by us.
- The Statement of NDCF includes the NDCF for the quarter ended 30 September 2024, being the balancing figures between the NDCF for the half-year ended 30 September 2024 and NDCF for the quarter ended 30 June 2024, which were subject to limited review by us.
- The above information for quarter and nine-months period ended 31 December 2023 have not been given as the same is not required for the purpose of these Special Purpose Unaudited Consolidated Interim Financial Information.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

a. Statement of Net Distributable Cash Flows (NDCF) - pursuant to Circular no SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated 15 May 2024 a revised format for NDCF have been prescribed, which is effective from 01 April 2024, accordingly the NDCF as per revised format for the year ended March 2024, quarter ended 31 December 2024, quarter ended 30 September 2024 and nine-months period ended 31 December 2024 have been presented below:

(xv) North Telangana Expressway Private Limited ('NTEPL')(subsidiary w.e.f 15 October 2024)

The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024. NTEPL has executed the Concession Agreement with NHAI on 18 October 2024. Since, NTEPL has not received the certificate of operation from the NHAI for tolling rights and the Company does not have any revenue from operations during the period from date of incorporation to 31 December 2024, no NDCF has been distributed by the NTEPL for the period ended 31 December 2024.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

b. Project manager and Investment manager fees

(i) Project management fees

Pursuant to the Project Management Agreement with the 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. Special purpose unaudited consolidated interim statement of profit and loss for the quarter and nine-months period ended 31 December 2024 includes amount of ₹ 75.45 millions for quarter ended 31 December 2024 (quarter ended 30 September 2024 : ₹ 54.45 million, for the quarter ended 31 December 2023: ₹ 46.36 million) and ₹ 174.55 million for the nine-months period ended 31 December 2024 (for the nine-months period 31 December 2023 : ₹ 121.92 million and year ended 31 March 2024: ₹ 171.05 million) toward Project Management Fees paid to HC One Project Manager Private Limited who is appointed as Project Manager. There are no changes during the period in the methodology for computation of fees paid to Project Manager.

(ii) Investment Management Fees

Pursuant to the Investment Management Agreement with the Investment Manager i.e. Highway Concessions 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 Trust 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. Special purpose unaudited consolidated interim statement of profit and loss for the quarter and nine - months period ended 31 December 2024 includes amount of ₹ 62.69 millions for quarter ended 31 December 2024 (quarter ended 30 September 2024 : ₹ 85.21 million, for the quarter ended 31 December 2023: ₹ 58.00 million) and ₹ 226.47 million for the nine-months period ended 31 December 2024 (for the nine months period 31 December 2023 : ₹ 221.60 million and year ended 31 March 2024: ₹ 367.20 million) towards Investment Management Fees to Highway Concessions One Private Limited who is appointed as Investment Manager. There are no changes during the period in the methodology for computation of fees paid to Investment Manager.

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Highways Infrastructure Trust

Notes to the Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

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

Subsidiaries

Ulundupet Expressways Private Limited ("UEPL")

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

Godhra Expressways Private Limited ("GEPPL")

Dewas Bhopal Corridor Private Limited ("DBCPPL")

Shilong Expressway Private Limited ("SHEPL")

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

Rewari Atch Highway Private Limited ("RAHPL") (formerly known as "IG 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

Bangalore Elevated Tollway Private Limited ("BEETPL") w.e.f. 12 June 2024

North Telangana Expressway Private Limited ("NTEPL") w.e.f. 15 October 2024 (refer note 14)

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.A.r.l.

Fellow subsidiaries*

Highway Concessions One Private Limited

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 H.C. (xix) for details of KMP of Highway Concessions One Private Limited who is acting as an investment manager on behalf of the Trust.

II. List of additional related parties as per Regulation 2(1)(zv) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("SEBI Regulations")

A. Parties to Highways Infrastructure Trust

Sponsor Group:

The following entities form part of the 'Sponsor Group' in accordance with Regulation 2(1)(zxc) of the SEBI Regulations with the proviso to Regulation(4)(2)(d)(i) of the SEBI 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.A.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.A.r.l. (w.e.f. 19 January 2024)

Highway Concessions One Private Limited - Investment Manager of Trust

HC One Project Manager Private Limited - Project Manager of the Trust

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

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

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

Galaxy Investments II Pte. Ltd -Promoter of Highway Concessions One Private Limited

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

Madhuri Narawane

(ii) Directors of Galaxy Investments Pte. Ltd

Tang Jin Rong

Madhura Narawane

Goh Ping Hao (w.e.f. 05 July 2024)

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

Tang Jin Rong

Goh Wei Chong

(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.A.r.l.

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Highways Infrastructure Trust
 Notes to the Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024
 (All amounts in ₹ millions unless otherwise stated)

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

Mr. Jason Carss (Class A)
 Mr. Joanne Casey (Class A) (w.e.f. 27 November 2024)
 Mr. Steven Codispoti (Class A) (till 31 December 2024)
 Mr. Thomas Weber (Class B)
 Mr. Stefan Lambert (Class B)

(vii) **Directors of Nebula Asia Holdings II Pte. Ltd.**

Tang Jin Rong
 Madhura Narawane
 Goh Ping Hao (w.e.f. 05 July 2024)

(viii) **Directors of Nebula I Investments Pte. Ltd.**

Tang Jin Rong
 Madhura Narawane
 Goh Ping Hao (w.e.f. 05 July 2024)

(ix) **Directors of KKR Asia Pacific Infrastructure Holdings II Pte. Ltd.**

Tang Jin Rong
 Banerjea Projesh

(x) **General Partner of KKR Asia Pacific Infrastructure Investors II SCSP**

KKR Associates AP Infrastructure II SCSP

(xi) **General Partner of KKR Associates AP Infrastructure II SCSP**

KKR AP Infrastructure II S.à r.l.

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

Mr. Jason Carss (Class A)
 Mr. Joanne Casey (Class A) (w.e.f. 27 November 2024)
 Mr. Steven Codispoti (Class A) (till 31 December 2024)
 Mr. Thomas Weber (Class B)
 Mr. Stefan Lambert (Class B)

(xiii) **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. Sunnit Bali (Non-executive Director) (w.e.f. 16 January 2024 to 16 August 2024)
 Mr. Prashant Joshi (Non-executive Director) (w.e.f. 16 January 2024)

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

Mr. Gaurav Chandra (KMP), Executive Director and Joint CEO (w.e.f 01 April 2024)
 Dr. Zafar Khan, (KMP), Joint CEO (w.e.f 01 April 2024 to 07 August 2024) and Executive director and Joint CEO (w.e.f 08 August 2024)
 Mr. Neeraj Sanghi, CEO (KMP) and Whole time Director (till 31 March 2024)
 Mr. Hardik Bhadrak Shah, Non-executive Director
 Ms. Ami Vinoo Momaya, Non-executive Director
 Ms. Sudha Krishnan, Independent Director
 Mr. Subramanian Janakiraman, Independent Director
 Mr. Manish Agarwal, Independent Director
 Mr. Rajesh Kumar Pandey, Independent Director (w.e.f. 16 May 2024)
 Mr. Steffano Ghezzi, Nominee Director (w.e.f 16 May 2024 to 14 November 2024)
 Mr. Soma Sankara Prasad, Independent Director (w.e.f 08 August 2024)
 Mr. Bruce Ross Crane, Nominee Director (w.e.f 13 December 2024)
 Mr. Narayanan Doraiswamy, Chief Financial Officer (till 31 December 2023)
 Mr. Abhishek Chhajer, Chief Financial Officer (w.e.f. 01 January 2024)
 Ms. Meghana Singh, Compliance Officer (w.e.f 09 August 2024 to 07 November 2024)
 Ms. Kunjal Shah, Company Secretary and Compliance Officer (till 08 August 2024)
 Mr. Gajendra Mewara, Company Secretary and Compliance Officer (w.e.f. 08 November 2024)

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

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

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Highways Infrastructure Trust
 Notes to the Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024
 (All amounts in ₹ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	Quarter ended			Year to date		Year ended
	01 October 2024 to 31 December 2024	01 July 2024 to 30 September 2024	01 October 2023 to 31 December 2023	01 April 2024 to 31 December 2024	01 April 2023 to 31 December 2023	01 April 2023 to 31 March 2024
	(Unaudited)	(Unaudited)	(Refer note 7)	(Unaudited)	(Refer note 7)	(Refer note 7)
Galaxy Investment II Pte Ltd.						
Transaction during the period/year						
Issue of unit capital	-	-	-	3,982.34	-	-
Interest expense on compulsorily convertible debentures ('CCD's)	-	-	113.33	88.93	304.54	416.63
Issuance of compulsorily convertible debentures ('CCD's)	-	-	-	-	-	621.01
Issuance of optionally convertible preference shares	-	-	-	-	-	24.42
Distribution to unit-holders [^]	1,312.65	2,013.55	326.23	6,823.08	1,947.31	3,315.00
Balance outstanding at the end of the period/year	41,372.34	41,372.34	37,390.00	41,372.34	37,390.00	37,390.00
Unit capital	-	-	3,220.29	-	3,220.29	3,220.29
Compulsorily convertible debentures ('CCD's)	-	-	312.52	-	312.52	424.61
Interest payable on compulsorily convertible debentures ('CCD's)	-	-	129.42	-	129.42	129.42
Optionally convertible preference shares	-	-	-	-	-	-
Nebula Asia Holdings II Pte. Ltd.						
Transaction during the period/year						
Issue of unit capital	-	-	-	-	-	14,900.00
Distribution to unit-holders [^]	563.67	860.35	-	3,117.96	-	660.65
Balance outstanding at the end of the period/year	14,900.00	14,900.00	-	14,900.00	-	14,900.00
Unit capital	-	-	-	-	-	-
Highway Concessions One Private Limited						
Transaction during the period/year						
Reimbursement of expenses	-	-	-	0.26	5.49	5.49
Investment manager fees	62.69	83.21	58.00	226.47	221.60	367.20
Balance outstanding at the end of the period/year	67.93	106.54	157.49	67.93	157.49	118.84
Trade and other payables	-	-	-	-	-	-
HC One Project Manager Private Limited						
Transaction during the period/year						
Project manager fees	75.45	54.45	46.36	174.55	121.92	171.05
Management support service fees	-	-	2.25	1.91	6.76	9.02
Advance payment of Project Manager Fees	7.27	58.15	-	140.50	108.32	146.56
Transfer out obligation as per actuarial for employee benefit	-	-	-	-	-	0.07
Balance outstanding at the end of the period/year	24.91	-	15.60	24.91	13.60	7.95
Project manager fees payable (net of advance)	-	33.82	-	-	-	-
Advance payment of Project Manager Fees	-	-	-	-	-	-

[^] Pertains to the distributions made in 31 December 2024 along with the distribution of the last quarter of FY 2023-24 and does not include the distribution relating to the current quarter ended 31 December 2024 which will be paid after 31 December 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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Notes to the Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in £ millions unless otherwise stated)

III. Transactions and outstanding balances with related party

Particulars	Quarter ended			Year to date		Year ended (refer note ²)
	01 October 2024 to 31 December 2024 (Unaudited)	01 July 2024 to 30 September 2024 (Unaudited)	01 October 2023 to 31 December 2023 (refer note ²)	01 April 2024 to 31 December 2024 (Unaudited)	01 April 2023 to 31 December 2023 (refer note ²)	
Axis Trustee Services Limited						
Transaction during the period/year						
Trustee fees	0.24	-	0.35	0.71	1.06	1.42
Initial acceptance fees	-	-	-	-	-	0.71
Balance outstanding at the end of the period/year						
Prepaid expenses - Trustee fees	0.23	0.47	-	0.23	-	-
Axis Bank Limited						
Transaction during the period/year						
Loan taken	-	-	1,111.00	-	1,111.00	1,150.00
Processing fees	-	-	5.24	-	5.24	5.43
Repayment of loan taken	8.25	8.25	1,057.51	24.75	1,062.51	2,325.54
Interest on loan given	33.70	33.88	39.47	101.26	59.33	93.50
Interest on bank deposits	24.59	28.07	5.73	90.57	7.58	108.41
Bank charges	0.44	0.14	0.00	0.77	0.01	12.50
Investment in bank deposits	3,541.90	2,325.40	1,166.31	15,740.58	1,347.82	12,527.67
Redemption of term deposits	3,556.20	2,098.00	897.98	18,392.14	1,069.23	12,333.60
Balance outstanding at the end of the period/year						
Loan payable	1,593.12	1,601.37	2,841.89	1,593.12	2,841.89	1,617.87
Interest accrued on bank deposits	25.06	25.56	4.01	25.06	4.01	88.82
Outstanding bank deposits	1,722.10	1,736.40	664.27	1,722.10	664.27	4,373.66
Closing balance of current account	41.97	57.88	21.20	41.97	21.20	98.35

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

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

- 1 The special purpose unaudited consolidated interim financial information of Highways Infrastructure Trust ("Trust") for quarter and nine-months period ended 31 December 2024 have been reviewed by the Audit Committee of Highway Concessions One Private Limited ("Investment Manager") at their meeting held on 04 February 2025 and approved by the Board of Directors of the Investment Manager at their meeting held on 04 February 2025. The statutory auditors have issued an unmodified review report on these special purpose unaudited consolidated interim financial information.
- 2 The special purpose unaudited consolidated interim financial information comprises the special purpose unaudited consolidated interim statement of profit and loss for the quarter and nine-months period ended 31 December 2024 and other explanatory notes thereto of the Trust and its subsidiaries (the Trust and its subsidiaries together referred to as 'the Group') ('the Statement'). The Statement has been prepared in accordance with the recognition and measurement principles laid down Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2 (1) (a) of the Companies (Indian Accounting Standards) Rules, 2015 including Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) and other accounting principles generally accepted in India. However, it is not a complete or condensed set of financial statements under Ind AS 34 since it omits various disclosures required by Ind AS 34. The special purpose unaudited consolidated interim financial information has been prepared solely for voluntary submission to be made by the Investment Manager with National Stock Exchange of India Limited, BSE Limited and Securities and Exchange Board of India as an additional information for the unit holders of the Trust and to the lenders of Highways Infrastructure Trust to provide them the necessary information under the financing arrangement.

- 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 2023-2024:

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 9,3792 (rounded off) per unit, amounting to ₹ 7,005.19 million, in their meeting held on 16 May 2024 and the aforesaid distribution was paid to eligible unitholders on 28 May 2024 and 29 May 2024.

Distribution related to FY 2024-2025:

The Board of Directors of the Investment Manager of the Trust have declared a distribution of ₹ 4,7637 (rounded off) per unit amounting to ₹ 3,837.58 millions and ₹ 3,1210 (rounded off) per unit amounting to ₹ 2,514.24 millions in their meeting held on 08 August 2024 and 08 November 2024 respectively and the aforesaid distribution was paid to eligible unitholders on 20 August 2024 and 19 November 2024 respectively. Subsequent to quarter ended 31 December 2024, the Board of Directors of the Investment Manager have declared distribution of ₹ 1,1945 (rounded off) per unit amounting to ₹ 1,803.68 millions in their meeting held on 04 February 2025.

5 Reduction of equity share capital of subsidiaries:

The application for equity share capital reduction under Section 66 and other provisions of the Companies Act, 2013, submitted by Ulundurpet Expressways Private Limited ("UEPL"), was declined by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") via its order dated 10 January 2024. UEPL filed an appeal under Section 421 of the Companies Act, 2013, with the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi ("NCLAT") on 02 February 2024, and the matters were heard on 02 May 2024 and 12 December 2024. The NCLAT on 06 January 2025 has set aside the order passed by the NCLT. Further, Certificate of Registration of order confirming reduction of capital is received on 24 January 2024 from Registrar of Company ("ROC"). Necessary impacts will be considered in the audited consolidated financial results of the Trust for the quarter and year ended 31 March 2025.

During the previous year ended 31 March 2024, three of the project SPVs, namely Arelia Narmaul Highway Private Limited ("ANHPL"), Rewari Arelia Highway Private Limited ("RAHPL"), and Gurgaon Sohna Highway Private Limited ("GSHPL"), submitted petitions to the NCLT for equity share capital reduction in accordance with Section 66 and other provisions of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the respective Company and its shareholders. The Company has filed the petitions, which were admitted by the NCLT. The Company has received final order for approving the capital reduction scheme in ANHPL and GSHPL on 14 August 2024. Necessary impacts have been considered in the Special purpose unaudited consolidated interim statement of profit and loss of the Trust for the nine-months period ended 31 December 2024. In case of RAHPL, last hearings which was scheduled on 29 October 2024 that has been adjourned to 21 January 2025. The matter was heard on 21 January 2025 and no objection were raised during the hearing. Management is awaiting next hearing date for order announcement.

- 6 During the nine-months period ended 31 December 2024, Swarna Tollway Private Limited ("STPL") filed a petition with the NCLT for equity share capital reduction under Section 66 of the Companies Act, 2013. Subsequent to the approval of the capital reduction scheme, the consideration for the reduction of capital shall stand outstanding, and the terms for such repayment shall be mutually agreed upon by the Company and its shareholders. The petitions were filed on 29 June 2024 and were admitted by the NCLT on 10 July 2024. The Company has received final order for approving the capital reduction scheme in STPL on 21 November 2024. Necessary impacts have been considered in the Special purpose unaudited consolidated interim statement of profit and loss of the Trust for the quarter and nine-months period ended 31 December 2024.

- 7 During the previous year ended 31 March 2024, the Trust has entered into a Share Purchase Agreement on 30 August 2023 for acquisition of 100% (one hundred percent) shareholding in one or more tranches and management control in one special purpose vehicles owned by Galaxy Investments Pte. II Ltd (Sponsor of the Trust) i.e. Bangalore Elevated Tollway Private Limited ("BETPL"). Approval for change in ownership was received on 11 March 2024 from National Highways Authorities of India ("NHAI"). Galaxy Investments Pte. II Ltd had earlier acquired 76% stake on 29 March 2023 and balance 24% stake on 24 August 2023. During the quarter ended 30 June 2024, the Trust has acquired 100% (one hundred percent) stake effective from 12 June 2024 ('acquisition date') against issue of 1,396,071 units of the Trust at Net Asset Value (NAV) of ₹ 85.30 each, for consideration of ₹ 119.08 millions. Further, the Trust has acquired compulsorily convertible debentures (CCDs) of BETPL by issue of 43,773,008 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 3,733.84 millions and has also acquired compulsorily convertible preference shares (CCPS) of BETPL by issue of 1,517,216 units of the Trust at NAV of ₹ 85.30 each, against the consideration of ₹ 129.42 millions.

Pursuant to Ind AS 103- Business combinations, Common control business combination, means a business combination involving entities in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Both the Trust and BETPL are ultimately controlled by Galaxy Investments Pte. II Ltd both before and after the acquisition. Accordingly Business combination has been accounted for using the pooling of interests method in accordance with Ind AS 103.

The pooling of interest method is considered to involve the following:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

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Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024

(All amounts in ₹ millions unless otherwise stated)

Thus, the Trust has restated comparative audited/unaudited financial information for period 01 April 2023 to 31 March 2024, 01 April 2023 to 31 December 2023 and 01 October 2023 to 31 December 2023 as if the acquisition had occurred from beginning of the preceding period i.e 01 April 2023, irrespective of the actual date of the combination which is 12 June 2024 and the difference between the purchase consideration and the value of net identifiable assets acquired has been disclosed as "Capital Reserve" amounting to ₹ 96.83 millions in other equity.

- 8 During the previous 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 special purpose vehicle owned by H.G Infra Engineering Limited namely H.G. Rewari Bypass Private Limited ("RBPL"). Approval for change in ownership was received on 18 March 2024 from National Highways Authorities of India ("NHAI"). Further, completion of acquisition of RBPL would depend upon receipt of relevant approvals and completion of contractual obligations.
- 9 During the previous 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 Investment Manager till 31 March 2024 (end of business hours) and appointment of Mr. Gaurav Chandra as Joint Chief Executive Officers and Executive Director and Mr. Zafar Khan as Joint Chief Executive Officers effective from 01 April 2024.
- 10 During the previous 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 Birbir Karpur 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").

During the nine-months period ended 31 December 2024, the Competition Commission of India (CCI) has approved the acquisition of 100% equity stake, along with management and control on 06 August 2024. Further, In-principle approval for change in ownership were received from NHAI as per details below. The completion of the acquisition remains subject to obtaining the necessary approvals and fulfilling of contractual obligations.

Details of In-principle approval from NHAI:

Name of entity	Date of In-principle approval
PKHPL	16 January 2025
PBHPL	16 January 2025
PRHPL	31 December 2024
PCHPL	26 December 2024
PTSHPL	11 December 2024
PAHPL	19 November 2024
PBKHPL	19 November 2024
PGHPL	19 November 2024

- 11 During the the quarter ended 31 December 2024, pursuant to Regulation 23(6) of the SEBI InvIT Regulations, read with circulars and guidelines issued thereunder from time to time and Regulation 51(2) of the 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. Stefano Ghezzi, unitholder nominee director on account of cessation of his engagement with 2452991 Ontario Limited, an unitholder of the Trust ("Nominating Unitholder") vide it's letter dated 14 November 2024 and appointment of Mr. Bruce Ross Crane in place of Mr. Stefano Ghezzi effective from 13 December 2024.
- 12 During the quarter ended 30 September 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 19 September 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 490,582.00 only for each CP aggregating to ₹ 2,698.20 millions on private placement basis having tenure of 91 days with maturity date of 19 December 2024. The CPs were listed with Bombay Stock Exchange Limited on 20 September 2024. Further, during the current quarter ended 31 December 2024, Board of directors of Investment Manager of the Trust has approved the allotment of 5,500 rated, listed, unsecured commercial papers ("CP") on 17 December 2024 having maturity of ₹ 500,000/- for each CP and aggregate maturity value of ₹ 2,750.00 millions at issue price of ₹ 463,485.00 only for each CP aggregating to ₹ 2,549.17 millions on private placement basis having tenure of 364 days with maturity date of 16 December 2025. The CPs were listed with Bombay Stock Exchange Limited on 18 December 2024.
- 13 During the quarter and nine-months period ended 31 December 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:
- (i) Appointment of Mr. Soma Sankar Prasad as an Additional Independent Director and Dr. Zafar Khan as an Additional Executive Director effective from 08 August 2024; and
 - (ii) Ms. Meghana Singh, general counsel of Investment Manager of the Trust, was additionally appointed as compliance officer of the Trust on 09 August 2024, and she tendered her resignation from the position of compliance officer of the Trust w.e.f. 08 November 2024 , and in her place, based on recommendation of the nomination and remuneration committee, the Board of Directors of Investment Manager of the Trust has appointed Mr. Gajendra Mewara, as the compliance officer of the Trust w.e.f. 08 November 2024, in accordance with Regulation 10(25) of SEBI Regulations, and Regulation 6 (l) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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PURPOSES**



Highways Infrastructure Trust

Notes to Special Purpose Unaudited Consolidated Interim Financial Information of the Trust for the quarter and nine-months period ended 31 December 2024
(All amounts in ₹ millions unless otherwise stated)

- 14 During the nine-months period ended 31 December 2024, the Trust has received Letter of Award (LOA) from NHAI for Tolling, Operation, Maintenance and Transfer of four lane M11/TS Border to Amur (from Existing Km 175+000 to Existing Km 313+507) & Adloor Yellareddy to Bowenpally (from Existing Km 373+762 to Existing Km 486+838) of NH11 – 44 in the state of Telangana (TOT Bundle 16) on Toll Operate Transfer (TOT) Mode basis on request for proposal issued by the NHAI for concession period of 20 years commencing from appointed date against payment of upfront concession fees of ₹ 66,610.00 millions. The Trust has incorporated a SPV/ Subsidiary entity namely North Telangana Expressway Private Limited (NTEPL) on 14 October 2024 for the said project. Further, NTEPL has executed the Concession Agreement with NHAI on 18 October 2024. The completion of the acquisition remains subject to fulfilling of contractual obligations.
- 15 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 ₹ Nil for quarter ended 31 December 2024 (quarter ended 30 September 2024 : ₹ Nil, for the quarter ended 31 December 2023: ₹ Nil) and ₹ Nil for the nine-months period ended 31 December 2024 (for the nine month period 31 December 2023 : ₹ Nil and year ended 31 March 2024: ₹ 587.81 million) 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.
- 16 During the previous year the Trust has acquired one SPV namely Swarna Tollway Private Limited ("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 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 previous year.
- 17 **Scheme of arrangement by subsidiary company:**
During the nine-months period ended 31 December 2024, BETPL filed a scheme of arrangement with NCLT Bench, Mumbai in accordance with section 230 read with section 52 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for restructuring and reorganisation of reserves of the Company. The restructuring shall lead to utilisation of balance in the securities premium and general reserve account in an effective manner for the benefit of the BETPL. The scheme was filed on 12 August 2024 and the company submitted an application for an urgent hearing on 20 September 2024. The matter was heard on 02 December 2024 and subsequently on 20 January 2025, and no objections were raised during the hearing proceedings. Management is currently awaiting next hearing date for order announcement.
- 18 **Preferential allotment of units by the Trust:**
During the quarter ended 30 June 2024, the Board of Directors of the Investment Manager of the Trust has approved the allotment of 58,702,708 units of the Trust at an issue price of ₹ 85.30 per unit for an aggregate amount up to approximate ₹ 5,007.34 millions on a preferential basis in accordance with 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 SEBI/HO/DDIIS-PoD-2/P/CIR/2024/44 for Infrastructure Investment Trusts (InvITs) dated 15 May 2024 and amendments thereto (herein referred as the 'SEBI Regulations'). The units were listed with National Stock Exchange Limited on 14 June 2024.
Subsequent to the quarter ended 31 December 2024, Preferential Issue Allotment Committee ("PIAC") constituted by the Board of Directors of Investment Manager of the Trust has approved the allotment of 704,395,456 units of the Trust at an issue price of ₹ 78.10 per unit for an aggregate amount up to approximate ₹ 55,013.29 millions on a preferential basis in accordance with the SEBI Regulations. The units were listed with National Stock Exchange Limited on 22 January 2025.
- 19 During the nine-month period ended 31 December 2024, Board of directors of Investment Manager of the Trust have approved following matters on 26 December 2024:
(i) Availing additional fund-based credit facilities up to ₹ 36,000 millions by way of long-term rupee term loan by the Trust and onward lending to NTEPL; and
(ii) Availing additional fund-based credit facilities up to ₹ 49,500 millions by way of long-term rupee term loan by the Trust for the purpose of refinancing of borrowings of proposed SPVs.
Subsequently on 13 January 2025, the Trust has signed Rupee Loan Agreement with India Infrastructure Finance Company Limited ("IIFCL"), ICICI Bank Limited, State Bank of India ("SBI"), IndusInd Bank Limited, Punjab National Banks, HDFC Bank Limited and Axis Bank Limited.
- 20 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 special purpose unaudited consolidated interim financial information.
- 21 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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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees 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 08 July 2024 with **Highways Infrastructure Trust** ("the Trust")
2. The accompanying statement containing details of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable non-convertible debt securities ('NCDs') of the Trust outstanding as at 31 December 2024 (Section I), and the details of compliance with the financial covenant 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 and III) of the aforesaid statement (collectively 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"), pursuant to the requirements of Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) ('Debenture Trustees Regulations') read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI operational circular for Debenture Trustees dated 31 March 2023 (collectively referred to as 'the Regulations') and also 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.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiok & 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

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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

4. The Investment Manager of the Trust 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.

Auditor's Responsibility

5. Pursuant to requirement of the Regulations, as referred to in paragraph 2 above, it is our responsibility to express limited assurance in the form of a conclusion as to whether anything has come to our attention that cause us to believe that the details included in:
 - a. Section I of the accompanying statement regarding book value of the assets offered as security against NCDs of the Trust outstanding as at 31 December 2024 are, in all material respects, not in agreement with the standalone unaudited financial results of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024 which have been subjected to limited review pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('SEBI LODR'), and that the calculation thereof is arithmetically inaccurate.
 - 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 December 2024, is not in compliance with the terms of aforesaid DSTD and the amounts used in computation of such financial covenants are not in agreement with the special purpose unaudited consolidated interim financial information of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024, and that the calculation thereof is arithmetically inaccurate.
 - 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 of the Trust outstanding as at 31 December 2024, is not in compliance with the terms of DSTD and is in all material respects, not in agreement with the:
 - (i) standalone unaudited financial results and special purpose unaudited consolidated interim financial information of the Trust for the quarter and nine-months period ended 31 December 2024;
 - (ii) audited standalone and consolidated financial statements of the Trust for the financial year ended 31 March 2024;
 - (iii) unaudited standalone financial results and special purpose unaudited consolidated interim financial information of the Trust for the nine-months period ended 31 December 2023; and
 - (iv) underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024 , for the financial year ended 31 March 2024 and for the quarter and nine-months period ended 31 December 2023 and that the calculation thereof is not arithmetically incorrect.
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.



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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

7. The standalone unaudited financial results and special purpose unaudited consolidated interim financial information for the quarter and nine-months period ended 31 December 2024, referred to in paragraph 5 (a), 5 (b) and 5 (c)(i) above, have been reviewed by us, on which we have expressed an unmodified conclusion vide our report dated 04 February 2025. Our review of standalone unaudited financial results and special purpose unaudited consolidated interim financial information was conducted in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India ('the ICAI'). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the Trust personnel and analytical procedures applied to the financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we did not express an audit opinion.
8. The audited standalone and consolidated financial statements for the financial year ended 31 March 2024, referred to in paragraph 5 (c)(ii) 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 these standalone and consolidated financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the ICAI. Those Standards require that we plan and perform the audit to obtain reasonable assurance about 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.
9. The unaudited standalone financial results and special purpose unaudited consolidated interim financial information for the period ended 31 December 2023, referred to in paragraph 5 (c)(iii) above, have been reviewed by us, on which we have expressed an unmodified conclusion vide our report dated 06 February 2024. Our review of unaudited standalone financial results and special purpose unaudited consolidated interim financial information was conducted in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the ICAI. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the Trust personnel and analytical procedures applied to the financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we did not express an audit opinion.
10. 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.
11. 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.
12. 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 procedures selected depend on the auditor's judgment, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the accompanying Statement:



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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

Section I of the accompanying Statement - Statement on book values of the assets offered as security:

- a) Obtained the list and value of assets offered as security against NCDs of the Trust outstanding as at 31 December 2024;
- b) Traced the book values of assets mentioned in columns A to J from the Statement to the standalone unaudited financial results, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024, and which have been subjected to limited review as mentioned in paragraph 7 above;
- c) Traced the principal amount of the NCDs and other debt outstanding as at 31 December 2024 to the standalone unaudited financial results of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024;
- d) Obtained necessary representations from the Investment Manager of the Trust; and
- e) 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 December 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 special purpose unaudited consolidated interim financial Information, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024 and also traced the enterprise value as at 30 September 2024 from the valuation report dated 30 October 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 unaudited standalone financial results and special purpose unaudited consolidated interim financial information of the Trust for the quarter and nine-months period ended 31 December 2024;
- b) Obtained the special purpose unaudited interim financial information of Jodhpur Pali Expressway Private Limited ("JPEPL") and Udupi Tollway Private Limited ("UTPL") (formerly known as Navayuga Udupi Tollway Private Limited) for the quarter and nine-months period ended 31 December 2024, which have been reviewed by Mahesh C. Solanki & Co on which they have expressed unmodified conclusion vide report dated 21 January 2025;
- c) Obtained the special purpose unaudited interim financial information of Nirmal BOT Private Limited ("NBPL") (formerly known as Nirmal BOT Limited) and Godhra Expressways Private Limited ("GEPL") for the quarter and nine-months period ended 31 December 2024, which have been reviewed by Luthra & Luthra LLP on which they have expressed unmodified conclusion vide report dated 21 January 2025;



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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

- d) Obtained the special purpose unaudited interim financial information 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 quarter and nine-months period ended 31 December 2024, which have been reviewed by Gianender & Associates on which they have expressed unmodified conclusion vide report dated 21 January 2025;
- e) Obtained the special purpose unaudited interim financial information of Gurgaon Sohna Highway Private Limited ("GSHPL") for the quarter and nine-months period ended 31 December 2024, which have been reviewed by S.L.Chhajed & Co. LLP on which they have expressed unmodified conclusion vide report dated 21 January 2025;
- f) Obtained the special purpose unaudited interim financial information of Swarna Tollway Private Limited ("STPL") for the quarter and nine-months period ended 31 December 2024, which have been reviewed by M.K. Dandeker & Co. LLP on which they have expressed unmodified conclusion vide report dated 21 January 2025;
- g) Obtained the special purpose unaudited interim financial information of Bangalore Elevated Tollway Private Limited ("BETPL") for the quarter and nine-months period ended 31 December 2024, which have been reviewed by MKPS & Associates on which they have expressed unmodified conclusion vide report dated 21 January 2025;
- h) Obtained the audited standalone and consolidated financial statements of the Trust for the year ended 31 March 2024;
- i) Obtained the financial statements of 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;
- j) Obtained the financial statements of NBPL and 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;
- k) Obtained the financial statements of UEPL, SEPL, DBCPL, RAHPL and ANHPL 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;
- l) Obtained the financial statements of UTPL 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;
- m) Obtained the financial statements of 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;
- n) Obtained the financial statements of 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;



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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

- o) Obtained the standalone unaudited financial results and special purpose unaudited consolidated interim financial information of the Trust for the quarter and nine-months period ended 31 December 2023;
- p) Obtained the special purpose unaudited interim financial information of JPEPL for the quarter and nine-months period ended 31 December 2023, which have been reviewed by Mahesh C. Solanki & Co on which they have expressed unmodified conclusion vide report dated 19 January 2024;
- q) Obtained the unaudited special purpose interim financial information of NBPL and GEPL for the nine months ended 31 December 2023, which have been reviewed by Luthra & Luthra LLP on which they have expressed unmodified conclusion vide report dated 19 January 2024;
- r) Obtained the unaudited special purpose interim financial information of UEPL, SEPL, DBCPL, RAHPL and ANHPL for the quarter and nine-months period ended 31 December 2023, which have been reviewed by Gianender & Associates on which they have expressed unmodified conclusion vide report dated 19 January 2024;
- s) Obtained the unaudited special purpose financial information of UTPL for the period ended 31 December 2023, which have been audited by RCV & CO. on which they have expressed unmodified conclusion vide report dated 19 January 2024;
- t) Obtained the unaudited special purpose financial information of GSHPL for the period ended 31 December 2023, which have been audited by S.L.Chhajed & Co. LLP on which they have expressed unmodified conclusion vide report dated 19 January 2024;
- u) Obtained the unaudited special purpose interim financial statement of BETPL for the period 01 April 2024 to 12 June 2024, which have been audited by MKPS & Associates on which they have expressed unmodified opinion vide report dated 26 July 2024;
- v) 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 conclusion vide report dated 20 March 2024;
- w) Recomputed the figures of the Trust, JPEPL, NBPL, GEPL, UEPL, SEPL, DBCPL, RAHPL, ANHPL, UTPL and GSHPL in the statement for the period from 01 January 2024 to 31 December 2024 as total of figures for the period from (i) 01 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 "h", "i", "j", "K", "l" and "m" above), and figures for the period ended 31 December 2023 (as mentioned in "o", "p", "q", "r", "s", and "t" above), and (ii) figures for the nine-months period ended 31 December 2024 (as mentioned in "a", "b", "c", "d" and "e" above);
- x) Recomputed the figures of STPL in the statement for the period from 25 January 2024 to 31 December 2024 as total of figures for the period from (i) 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 "n" above), and figures for the period from 01 April 2023 to 24 January 2024 (as mentioned in "v" above), and (ii) figures for the nine-months period ended 31 December 2024 (as mentioned in "f" above);
- y) Recomputed the figures of BETPL in the statement for the period from 13 June 2024 to 31 December 2024 which is calculated as balancing figures between the figures for the nine-months period ended 31 December 2024 (as mentioned in "g" above), and figures for the period from 01 April 2024 to 12 June 2024 (as mentioned in "u" above);



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Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

- z) 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;
 - aa) Verified the computation in respect of compliance of covenant on the historical debt service coverage ratio as mentioned in the Statement;
 - bb) Obtained necessary representations from the Investment Manager of the Trust; and
 - cc) Verified the arithmetical accuracy of the Statement.

Conclusion

13. Based on our examination and the procedures performed as per paragraph 12 above, evidences obtained, and the information and explanations given to us, along with the representations provided by the Investment Manager of the Trust, nothing has come to our attention that cause us to believe that the details mentioned in:

- a. Section I of the accompanying statement regarding book value of the assets offered as security against NCDs of the Trust outstanding as at 31 December 2024, are in all material respects, not in agreement with the unaudited standalone financial results of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024 which have been subject to limited review pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and that the calculation thereof is arithmetically inaccurate;
- 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 the NCDs of the Trust outstanding as at 31 December 2024, is not in compliance with the terms of aforesaid DSTD and is in all material respects not in agreement with the special purpose unaudited consolidated interim financial information of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024, and that the calculation thereof is arithmetically inaccurate; 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 December 2024, is not in compliance with the terms of DSTD and is in all material respects, not in agreement with the:
 - (i) standalone unaudited financial results and special purpose unaudited consolidated interim financial information of the Trust for the quarter and nine-months period ended 31 December 2024;
 - (ii) audited standalone and consolidated financial statements of the Trust for the financial year ended 31 March 2024;
 - (iii) unaudited standalone financial results and special purpose unaudited consolidated interim financial information of the Trust for the nine months period ended 31 December 2023; and
 - (iv) underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months period ended 31 December 2024, for the financial year ended 31 March 2024 and for the quarter and nine-months period ended 31 December 2023 and that the calculation thereof is not arithmetically accurate.



Walker Chandiok & Co LLP

Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

Other matter

14. The certificates referred to in paragraph 12(z) above, have been certified by Gianender & Associates for UEPL, SEPL, RAHPL, ANHPL and DBCPL, S.L.Chhajed & Co. LLP for GSHPL, Mahesh C. Solanki & Co for JPEPL and UTPL and MKPS & Associates for BETPL who vide their certificates dated 27 January 2025, M.K. Dandeker & Co. LLP for STPL who vide their certificates dated 28 January 2025 and Luthra & Luthra LLP for GEPL and NBPL who vide their certificates dated 03 February 2025, have expressed an unmodified conclusion, 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 conclusion is not modified in respect of this matter.

Restriction on distribution or use

15. 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.
16. 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, or referred to for any other purpose 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 Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Manish Agrawal

Partner

Membership No: 507000



UDIN: 25507000BMMKOF1268

Place: New Delhi

Date: 04 February 2025

Walker Chandiok & Co LLP

Independent Auditor's Certificate on Statement of book values of the assets offered as security against senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities ('NCDs') pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 1.1 of Chapter V of SEBI operational circular for Debenture Trustees dated 31 March 2023 and compliance with financial covenants pursuant to Regulation 15(1)(f) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 2.1 of Chapter VI of SEBI Operational Circular for Debenture Trustees dated 31 March 2023 (Cont'd)

Annexure 1

List of subsidiaries considered:

1. Shillong Expressway Private Limited ('SEPL')
2. Jodhpur Pali Expressway Private Limited ('JPEPL')
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. from 22 November 2023
8. Rewari Ateli Highway Private Limited ('RAHPL') w.e.f. from 22 November 2023
9. Ateli Narnaul Highway Private Limited ('ANHPL') w.e.f. from 22 November 2023
10. Udupi Tollway Private Limited ('UTPL') w.e.f. from 02 November 2023
11. Swarna Tollway Private Limited ('STPL') w.e.f. from 25 January 2024
12. Bangalore Elevated Tollway Private Limited ('BETPL') w.e.f. from 12 June 2024



Section I - Computation of Security Cover Ratio of Highways Infrastructure Trust ('the Trust') as at 31 December 2024

(₹ in million)

Statement of Security Cover Ratio

Section I - Computation of Security Cover Ratio of Highways Infrastructure Trust ('the Trust') as at 31 December 2024 (cont'd)-**Notes:**

- 1 The amount disclosed in column A to J is accurately extracted from standalone unaudited financial results of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter and nine-months ended 31 December 2024 prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India.
- 2 The above mentioned equity investment in the subsidiaries of the Trust does not include investment in equity shares of one of the subsidiary namely GRICL amounting ₹ 5,657.22 millions. Since there is a pledge on equity shares and charge on the assets/liabilities of GRICL by the existing non convertible debenture (NCD) holders, accordingly, investment in equity shares of GRICL does not share pari-passu charge on debt securities to which this certificate pertains.
- 3 Debt securities to which this certificate pertains is outstanding amount of 6,500 senior, secured, taxable, rated, listed, redeemable, non-convertible debentures (NCDs) securities having a face value of ₹ 977,500/- (Rupees Nine Lakhs Seventy Seven Thousand Five Hundred only) and 50,000 NCDs securities having a face value of ₹ 100,000/- (Rupees One Lakh only).
- 4 Other debt sharing pari-passu charge with above debt includes current and non current portion of RTL taken from ICICI Bank Limited, State Bank of India, Axis Bank Limited and India Infrastructure Finance Company Limited.

5 Cover on book value has been calculated in the following manner:

Pari - passu security cover = Value of assets (Column F) having pari-passu charge/Outstanding value of corresponding debt (refer note 7) + interest accrued (both NCD and RTL)

Pari - passu security cover (on book value) = 2.60

6 Cover on market value has been calculated in the following manner:

Pari - passu security cover = Total value of assets (Column O)/Outstanding value of corresponding debt (refer note 7) + interest accrued (both NCD and RTL)

Pari - passu security cover (on market value)= 2.96

7 Value of corresponding debt includes debt securities to which certificates pertains and all other debt sharing pari-passu charge with that debt.

8 Assets not offered as security includes Unsecured Debt raised by the Trust, Trade and other payables which are not offered as security in Debt security trust deed (DSTD).

9 The Trust has infused equity share capital of ₹ 0.38 millions and loans of ₹ 10.70 millions till 31 December 2024 in its wholly owned subsidiary North Telangana Expressway Private Limited (NTEPL), the book value as on 31 December 2024 of the same has been considered in "Column F" while calculating the total assets value.

10 The amounts disclosed in column M is based on the adjusted enterprise value as at 30 September 2024 of the subsidiaries of the Trust namely (i) DBCPL - Dewas Bhopal Corridor Private Limited; (ii) GEPL - Godhra Expressways Private Limited; (iii) NBPL - Nirmal BOT Private Limited; (iv) JPEPL - Jodhpur Pali Expressway Private Limited; (v) SEPL; (vi) UEPL - Ulundurpettai Expressways Private Limited; (vii) UTPL - Udupi Tollway Private Limited, (viii) RAHPL - Rewari Ateli Highway Private Limited, (ix) ANHPL - Ateli Naraul Highway Private Limited, (x) GSHPL - Gurgaon Sohna Highway Private Limited, (xi) STPL - Swarna Tollway Private Limited, and (xii) BETPL conducted by SEBI registered valuer in accordance with the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended) vide its valuation report dated 30 October 2024. Market value of NTEPL has not been considered while calculating the adjusted Enterprise Value in column M, since appointed date is yet to receive for the project as on 31 December 2024.

Adjusted Enterprise value has been calculated as below:

Enterprise value + Cash and cash equivalents + liquid investments, if any.

For and on behalf of

Highway Concessions One Private Limited

(Acting as Investment Manager of Highways Infrastructure Trust)

GAURAV CHANDNA
Digitally signed by
GAURAV CHANDNA
Date: 2025.02.04
13:44:34 +05'30'

Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: 04 February 2025

ZAFAR KHAN
Digitally signed by
ZAFAR KHAN
Date: 2025.02.04
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Dr. Zafar Khan
Executive Director and Joint CEO
DIN: 07641366

Place: Mumbai
Date: 04 February 2025

ABHISHEK CHHAJER
Digitally signed by
ABHISHEK CHHAJER
Date: 2025.02.04
13:45:02 +05'30'

Abhishek Chhajer
Chief Financial Officer
Membership number : ACS 22941

Place: Mumbai
Date: 04 February 2025

GAJENDRA MEWARA
Digitally signed by
GAJENDRA MEWARA
Date: 2025.02.04
13:45:14 +05'30'

Gajendra Mewara
Compliance Officer
Membership number : ACS 22941

Place: Mumbai
Date: 04 February 2025

Section II- Statement on Consolidated Net Debt to Enterprise Value of Highways Infrastructure Trust ('the Trust') as at 31 December 2024:

- i) The Trust has issued secured, taxable, rated, listed, redeemable, non-convertible debentures ('NCDs') securities having original face value of ₹1,000,000/- (Rupees Ten Lakhs only) each for Series I, Series II and Series III having original face value of ₹100,000/- (Rupees One Lakh only), aggregating up to ₹11,500.00 millions in three series of:
 (a) Series I Debt Securities up to ₹4,000.00 millions;
 (b) Series II Debt Securities up to ₹2,500.00 millions; and
 (c) 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 ('the Debenture Trustee').

The Trust has prepared this statement of Consolidated Net Debt to Enterprise Value of the Trust as at 31 December 2024 pursuant to the financial covenants stated in the DSTD as follows:

- (i) 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
 (ii) 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 Enterprise Value:

(₹ in millions)

Particulars	As at 31 December 2024 (refer note 3)	Remarks
Consolidated Net Debt:		
Long term borrowings	28,312.33	Refer note 2
Short term borrowings	7,218.76	Refer note 2
Total financial indebtedness	35,531.09	Refer note 4
Less: cash and cash equivalents	(5,129.55)	Refer note 5
TOTAL (A)	30,401.54	
Enterprise Value:		
Enterprise Value	93,927.86	Refer note 6
TOTAL (B)	93,927.86	
Consolidated Net Debt to Enterprise Value (A)/(B)	32.37%	Refer note 7
55% of the Enterprise Value of the toll based SPVs	45,869.93	Refer note 8
70% of the Enterprise Value of the annuity / hybrid annuity based SPVs	7,369.60	Refer note 8
TOTAL (C)	53,239.53	Refer note 9

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Section II- Statement on Consolidated Net Debt to Enterprise Value of Highways Infrastructure Trust ('the Trust') as at 31 December 2024 (cont'd)-**Notes:**

- 1 The Statement has been prepared based on the basis of Sepcial Purpose Consolidated Unaudited Interim Financial Information of the Trust, underlying books of account and other relevant records and documents maintained by the Trust for the quarter ended and nine-months period ended 31 December 2024 in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), and / or any addendum thereto as defined in rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India;
- 2 Represents amounts outstanding against rupee term loans from banks/financial institutions, non convertible debentures ("NCDs") holders and commercial papers as at 31 December 2024, gross off unamortized processing fees/ Indian Accounting Standard (Ind AS) adjustment of ₹ 177.54 millions and reduced by share of Non-controlling interest ("NCI") in outstanding debt of Gujarat Road and Infrastructure Private Limited ("GRICL") amounting to ₹ 416.45 millions. Borrowing amount does not includes interest accrued on rupee term loan and NCDs amounting to ₹ 4.03 millions;
- 3 The calculations of the Consolidated Net Debt to Enterprises Value excludes portion of NCI i.e. 43.20% held in GRICL;
- 4 It does not includes provisions, deferred tax liabilities, trade payables, current tax liabilities, other current liabilities, other non-current liabilities, other non-current financial liabilities, other current financial liabilities and contract liabilities;
- 5 For the purpose of above calculations of ratios, it includes amounts classified as 'cash and cash equivalents', 'investments', 'bank balances other than cash and cash equivalents' and 'Bank deposits with more than 12 months maturity' as per Special Purpose Consolidated Unaudited Interim Financial Information of the Trust, underlying books of account and other relevant records and documents of the Trust as at 31 December 2024, amounting to ₹ 1,585.57 millions, ₹ 3,546.40 millions, ₹ 2,314.90 millions and ₹ 491.79 millions respectively. The amounts of cash and cash equivalents of ₹ 5,129.65 millions as disclosed in the ratio above, excludes cash balance earmarked for distribution of ₹ 1,803.68 millions, cash balance and investments earmarked for Major maintenance reserve ("MMR")/Madhya Pradesh Road Development Corporation Limited ("MPRDC") amounting to ₹ 237.81 millions (includes share of the Trust i.e., 56.80% in MMR of GRICL) and share of NCI in GRICL of ₹ 587.43 millions in cash and cash equivalents, and ₹ 180.19 millions in bank deposits with more than 12 months maturity;
- 6 For the purpose of above calculations, Enterprise Value as at 30 September 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 (iv) JPEPL - Jodhpur Pali Expressways Private Limited: (v) SEPL - Shillong Expressways Private Limited, (vi) UEPPL - Ulundurpettai Expressways Private Limited, (vii) UTPL - Udupi Tollway Private Limited, (viii) RAHPL, (ix) ANHPL, (x) GSHPL, (xi) STPL - Swarna Tollway Private Limited, (xii) GRICL (limited to 56.80% shares owned by the Trust) and (xiii) BETPL - Bangalore Elevated Tollway Private Limited conducted by SEBI registered valuer in accordance with the SEBI (Infrastructure Investment Trust) Regulations, 2014 (as amended) vide its valuation report dated 30 October 2024. Market value of North Telangana Expressway Private Limited ("NTEPL") has not been considered while calculating the Enterprise Value, since appointed date is yet to receive for the project as on 31 December 2024;
- 7 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;
- 8 For the purpose of above calculations, 55% of Enterprise Value as at 30 September 2024 has been considered of toll based SPVs of the Trust namely (i) DBCPL, (ii) GEPL, (iii) JPEPL, (iv) UEPPL, (v) UTPL, (vi) STPL, (vii) GRICL, and (viii) BETPL, 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) vide its valuation report dated 30 October 2024. Market value of NTEPL has not been considered while calculating the enterprise value, since appointed date is yet to receive for the project as on 31 December 2024; and
- 9 The Consolidated Net Debt (refer Total A) 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**Digitally signed by
GAURAV CHANDNA
Date: 2025.02.04
13:42:11 +05'30'Gaurav Chandna
Executive Director and Joint CEO
DIN: 10312924Place: Mumbai
Date: 04 February 2025**ZAFAR
KHAN**Digitally signed
by ZAFAR KHAN
Date: 2025.02.04
13:42:24 +05'30'Dr. Zafar Khan
Executive Director and Joint CEO
DIN: 07641366Place: Mumbai
Date: 04 February 2025**ABHISHEK
CHHAJER**Digitally signed
by ABHISHEK
CHHAJER
Date: 2025.02.04
13:42:35 +05'30'Mr. Abhishek Chhajer
Chief Financial OfficerPlace: Mumbai
Date: 04 February 2025**GAJENDRA
MEWARA**Digitally signed by
GAJENDRA MEWARA
Date: 2025.02.04
13:42:50 +05'30'Gajendra Mewara
Compliance Officer
Membership number : ACS 22941Place: Mumbai
Date: 04 February 2025

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 6,500 senior, secured, taxable, rated, listed, redeemable, non-convertible debt securities pursuant to the Debt Security Trust Deed (DSTD) dated 20 September 2022 having original 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, rated, listed, redeemable, non-convertible debt securities (Series III) pursuant to the DSTD dated 15 January 2024 having original face value of ₹ 100,000/- (Rupees One Lakh only) each, aggregating up to ₹ 5,000.00 millions (Rupees five thousand millions only).

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 ₹ 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.

Refer calculation of Historical Debt Coverage Ratio for the period from 01 January 2024 to 31 December 2024 below:

ii) Below are the calculations of the Historical Debt Coverage Service Ratio:

(₹ in millions)

Particulars	For the twelve months period ended 31 December 2024 (refer note 1)														Trust	Total	Remarks
	DBCPL (refer note 15)	NBPL (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)	BETPL (refer note 15)					
Total Cash Available (A)*																	
Add: Cash revenue	2,445.54	476.00	1,729.90	715.09	1,856.22	497.40	1,436.80	610.69	912.27	603.26	3,320.76	1,322.29	-	-	15,926.22	Refer note 4	
Add: Other cash income	31.23	19.63	21.74	16.51	63.37	209.06	13.17	15.41	14.95	9.70	123.20	99.38	225.91	863.26	Refer note 5		
Add: Funds from Investors and Non - Convertible Debenture holder's in the Trust for general corporate purpose utilised for debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	101.80	101.80	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	-	-	(132.33)	(17.39)	-	-	-	-	-	-	-	-	-	-	(149.72)	Refer note 7	
Less: Cash operating expenditure	(327.00)	(464.40)	(174.79)	(187.63)	(224.30)	(297.62)	(336.74)	(105.12)	(90.39)	(118.13)	(487.85)	(234.96)	(408.46)	(3,457.39)	Refer note 8		
Less: Major maintenance expenses incurred during the period, which have not been met from the Major Maintenance Reserve (MMR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 11 and 12	
Less: Cash taxes	(172.64)	(1.57)	-	-	(144.29)	(19.21)	-	-	-	-	(415.61)	(35.57)	(52.55)	(841.44)	Refer note 9		
Less: MMR created or to be created during the testing period as per Base Case Business Plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	Refer note 10	
Total (A)	1,977.13	29.66	1,444.52	526.58	1,551.00	389.63	1,113.23	520.98	836.83	494.83	2,540.50	1,151.14	(133.30)	12,442.73			
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	-	-	-	-	-	-	-	1.81	64.33	1.56	6.92	1.60	2,693.75	2,769.97			
Add: any fees paid on external debt	-	-	-	-	-	-	-	15.14	-	12.49	13.30	7.05	28.04	76.02		Refer note 13 and 14	
Add: principal paid on external debt	-	-	-	-	-	-	-	-	-	59.84	-	-	854.04	913.88			
Total (B)	-	-	-	-	-	-	-	16.95	64.33	73.89	20.22	8.65	3,575.83	3,759.87			
DSCR : Total Cash Available (A) / External debt obligation (B)																3.31	

* total cash available represents cash available for servicing debt securities, additional debt, any debt under permitted indebtedness for the trailing 12 (twelve) months.

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Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)

Notes :

1 The Statement has been prepared on the basis of:

- (i) financial information of the subsidiaries; and
- (ii) standalone unaudited financial results and special purpose unaudited consolidated interim financial information of the Highways Infrastructure Trust ("the Trust") for the quarter and nine months ended 31 December 2024, audited standalone and consolidated financial statements of the Trust for the financial year ended 31 March 2024, unaudited standalone financial results and special purpose unaudited consolidated interim financial information of the Trust for the quarter and nine-months ended 31 December 2023 and underlying books of accounts and other records maintained by the Trust for the quarter and nine months ended 31 December 2024, year ended 31 March 2024 and period ended 31 December 2023.

Basis of preparation is listed below:

- (i) the figures for the quarter and nine-months period ended 31 December 2024 of the standalone unaudited financial results and special purpose unaudited consolidated interim financial information are reviewed by the statutory auditor's of the Trust and for the subsidiaries, the same are reviewed by their respective statutory auditors;
- (ii) the figures for the year ended 31 March 2024 of audited standalone and consolidated financial statements of the Trust are audited by the statutory auditor's of the Trust and for the subsidiaries, the same are audited by their respective auditors; and
- (iii) the figures for the quarter and nine-months period ended 31 December 2023 of the unaudited standalone financial results and special purpose unaudited consolidated interim financial information are reviewed by the statutory auditor's of the Trust and for the subsidiaries, the same are reviewed by their respective statutory auditors.

The figures for the period from 01 January 2024 to 31 December 2024 is computed as total [(i), (ii) and (iii)] of following:

(i) figures for the period from 01 January 2024 to 31 March 2024 which is calculated as balancing figures between:

- A. the audited figures in respect of financial year ended 31 March 2024 of the Trust and the published unaudited year-to-date figures for the quarter and nine-months period ended 31 December 2023 of the Trust;
- B. the audited figures in respect of financial year ended 31 March 2024 of the JPEPL, NBPL, GEPL, UEPL, SEPL, DBCPL, UTPL, ANHPL, RAHPL and GSHPL and unaudited special purpose interim financial information for the nine-months period ended 31 December 2023 of JPEPL, NBPL, GEPL, UEPL, SEPL, DBCPL, UTPL, ANHPL, RAHPL and GSHPL; and
- C. the audited figures in respect of financial year ended 31 March 2024 of STPL and special purpose financial information for the period ended 24 January 2024 of STPL.

(ii) the reviewed figures for the nine-months period ended 31 December 2024 of standalone unaudited financial results of the Trust and unaudited special purpose interim financial statement of the subsidiaries (except BETPL); and

(iii) the reviewed figures for the nine months ended 31 December 2024 of the BETPL which is calculated as balancing figures between unaudited special purpose interim financial statement of BETPL for the nine-months period ended 31 December 2024 and unaudited special purpose interim financial statement of BETPL for the period from 01 April 2024 to 12 June 2024.

- 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 January 2024 till 31 December 2024 in case of DBCPL, NBPL, GEPL, SEPL, UEPL, JPEPL, ANHPL, GSHPL and RAHPL and from date of acquisition for the newly acquired subsidiaries i.e. 25 January 2024 to 31 December 2024 in case of STPL and 13 June 2024 to 31 December 2024 in case of BETPL.

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Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes (cont'd):

- 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 and (ii) NBPL, actual amount of annuity received, interest income on reducing balance cost, operation and maintenance receipt from Concession authority and GST claim on annuity in case of (i) ANHPL, (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 January 2024 to 31 December 2024 in case of SEPL, NBPL, ANHPL, GSHPL and RAHPL being notional in nature. Further, revenue from operations of standalone Trust doesn't includes 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 gain on reduction of investment in equity of SPVs, fair value gain of mutual fund (Marked-to-Market gain), balance written-back being notional in nature, income from change in deferred consideration, compensation of claim revenue and excess provisions written back for the period from 01 January 2024 to 31 December 2024 and from 25 January 2024 to 31 December 2024 in case of STPL and from 13 June 2024 to 31 December 2024 in case of BETPL.
- 6 The total cash available includes the amount raised from right issue of units from the unitholder's of the Trust as General Corporate and partial or full repayment of the outstanding debt of the Target SPV ("ANHPL") 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 January 2024 to 31 December 2024.
- 8 Cash operating expenses represents Employee Benefit expenses, Operating Expenses and Other 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 (Marked-to-Market gain loss), provision against major maintenance obligation, balance written-off being notional in nature, loss on sale of fixed assets for the period from 01 January 2024 to 31 December 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 for the period 01 January 2024 to 31 December 2024.
- 10 MMR maintained at NBPL, JPEPL and UTPL are out of the funds infused by the Trust into the SPVs using debt facilities availed at Trust level. Further MMR is also maintained by way of earmarked committed sanctioned undrawn debt facility vide RLA2 at Trust level. In both the cases, it is not from the cash flows 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 January 2024 to 31 December 2024 incurred were within the MMR reserve created in case of NBPL, SEPL, UTPL 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.

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Section III- Statement on Historical Debt Service Coverage Ratio of Highways Infrastructure Trust: (cont'd)-

Notes (cont'd):

- 12 Major maintenance expenses for period from 25 January 2024 to 31 December 2024 in case of STPL and from 13 June 2024 to 31 December 2024 in case of BETPL incurred were within the MMR reserve created. Accordingly, there are no major maintenance expenses which are incurred from cash flow from operations of the SPVs 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 availed debt by the Trust. Further, net redemption amount of ₹ 252.63 millions for Rated, listed and Unsecured Commercial Papers (CP) of Series-I and Series-II issued by the Trust (Redemption value ₹ 2,750.00 millions each for Series-I and Series-II less issue proceeds of new CP issued under Series-II for ₹ 2,698.20 millions and issue proceeds of new CP issued under Series-III amounting to ₹ 2,549.17 millions) is considered under principal paid on external debt.
- 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 January 2024 to 31 December 2024. Further any fees paid on external debt represents processing fees on availment of NCDs Series III by the Trust and prepayment penalty on repayment of borrowings by the subsidiaries during the period from 01 January 2024 to 31 December 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) DBCPL - Dewas Bhopal Corridor Private Limited; (ii) GEPL - Godhra Expressways Private Limited; (iii) NBPL- Nirmal BOT Private 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; (viii) ANHPL- Ateli Narnaul Highway Private Limited ; (ix) GSHPL- Gurgaon Sohna Highway Private Limited; (x) RAHPL- Rewari Ateli Highway Private Limited; and (xi) STPL - Swarna Tollway Private Limited; (xii) BETPL - Bangalore Elevated Tollway Private Limited (herein referred to as "project SPVs" or "SPVs" or "subsidiaries").
- 16 While computing the DSCR for the current period from 01 January 2024 to 31 December 2024, figures pertaining to newly acquired subsidiary of the Trust i.e., North Telangana Expressway Private Limited (NTEPL) has not been considered as appointed date is yet to receive for the project as on 31 December 2024.

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
Digitally signed by
GAURAV CHANDNA
Date: 2025.02.04
13:43:14 +05'30'

Gaurav Chandra
Executive Director and Joint CEO
DIN: 10312924

Place: Mumbai
Date: 04 February 2025

ZAFAR KHAN
Digitally signed
by ZAFAR KHAN
Date: 2025.02.04
13:43:42 +05'30'

Dr. Zafar Khan
Executive Director and Joint CEO
DIN: 07641366

Place: Mumbai
Date: 04 February 2025

ABHISHEK CHHAJER
Digitally signed by
ABHISHEK CHHAJER
Date: 2025.02.04
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Abhishek Chhajer
Chief Financial Officer

Place: Mumbai
Date: 04 February 2025

GAJENDRA MEWARA
Digitally signed by
GAJENDRA MEWARA
Date: 2025.02.04
13:44:15 +05'30'

Gajendra Mewara
Compliance Officer
Membership number : ACS 22941

Place: Mumbai
Date: 04 February 2025

Prepared for:
Highways Infrastructure Trust (“The Trust”)

Highway Concessions One Private Limited
(“The Investment Manager”)

Fair Enterprise Valuation

Valuation Date: 31st December 2024

Report Date: 25th January, 2025

**Mr. S Sundararaman,
Registered Valuer,
IBBI Registration No - IBBI/RV/06/2018/10238
Email – chennaissr@gmail.com
Phone No: +91 97909 28047
GST No: 33AHUPS0102L1Z8**

S. SUNDARARAMAN

Registered Valuer

Registration No - IBBI/RV/06/2018/10238

Strictly Private and Confidential

RV/SSR/R/2025/25

Date: 25th January 2025

Highways Infrastructure Trust

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

Highway Concessions One Private Limited

(acting as the Investment Manager to Highways Infrastructure Trust)
601-602, 6th Floor, Windsor House,
Off CST Road, Kalina,
Santacruz (East), Mumbai – 400 098

Sub: Fair Enterprise Valuation of H.G. Rewari Bypass Private Limited

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 20th September, 2024 as an independent valuer 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 23rd December 2021, bearing registration number IN/InvIT/21-22/0019 and set up under the **SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended** (“**SEBI InvIT Regulations**”), for the purpose of the valuation of H.G. Rewari Bypass Private Limited (road asset in Haryana), a special purpose vehicle (hereinafter referred as “**the SPV**”). The SPV to be valued is proposed to be transferred to the Trust (“**Proposed Transaction**”).

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 31st December 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 31st December, 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.

The Trust is proposing to undertake a fair enterprise valuation of the following SPV:

Sr. No.	Name of the SPV	Abbreviation	Asset Type	PCOD
1	H.G. Rewari Bypass Private Limited	HGRBPL	HAM	25 th May 2023

S. SUNDARARAMAN

Registered Valuer

Registration No - IBBI/RV/06/2018/10238

Strictly Private and Confidential

The information provided to me by the Investment Manager in relation to the SPV included but is 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.

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 to the extent required for the Proposed Transaction only.

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,

SWAMINATHA
N
SUNDARARAM
AN

S. Sundararaman

Registered Valuer

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

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 25028423BMQMWY6280

Definition, abbreviation & glossary of terms

Abbreviations	Meaning
Capex	Capital Expenditure
CCIL	Clearing Corporation of India Limited
CCM	Comparable Companies Multiples
COD	Commercial Operation Date
CTM	Comparable Transactions Multiples
DBOT	Design, Build, Operate and Transfer
DCF	Discounted Cash Flow
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ERP	Equity Risk Premium
EV	Enterprise Value
FCFF	Free Cash Flow to the Firm
FDI	Foreign Direct Investment
FY	Financial Year Ended 31 st March
GoG	Government of Gujarat
GQ	Golden Quadrilateral
HAM	Hybrid Annuity Mode
HGBRBPL	M/s H.G. Rewari Bypass Private Limited
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
NH	National Highway
NHAI	National Highways Authority of India
O&M	Operation & Maintenance
PCOD	Provisional Commercial Operations Date
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

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1. Executive Summary

1.1. Background

The Trust

- 1.1.1. Highways Infrastructure Trust ("the Trust" or "InvIT") was established on 3rd 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 23rd 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 is currently involved in owning, operating and maintaining a portfolio of 13 road projects (and 1 more expected to be closed in January 2025) 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 31st December, 2024 is as follows :

Sr. No.	Particulars	No. of units	%
1	Galaxy Investments II Pte. Ltd.	42,05,86,295	52.21%
2	Nebula Asia Holdings II Pte. Ltd	18,06,06,060	22.42%
3	2452991 Ontario Limited	16,03,58,111	19.91%
4	Manipal Education and Medical Group India Private Limited	3,03,03,030	3.76%
5	Others	1,37,35,046	1.70%
Total		80,55,88,542	100.00 %

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 11th 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\$ 624 billion of assets under management as of 30th September 2024 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 Trust. Highway Concessions One Private Limited ("HCO" 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 31st December, 2024 is as follows:

Sr. No.	Particulars	No. of shares	%
1	Galaxy Investments II Pte. Ltd.	3,76,47,288	60.50 %
2	Nebula Asia Holdings II Pte. Ltd.	1,24,45,385	20.00%
3	2743298 ONTARIO LIMITED	1,21,34,251	19.50%
4	Vidyadhar S. Dabholkar*	1	0.00 %
Total		6,22,26,925	100.00 %

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

Source: Investment Manager

1.1.11. Shareholding Pattern of the Project Manager as at 31st December, 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 %
Total		1,00,000	100.0 %

* as a nominee of Highway Concessions One Private Limited

Source: Investment Manager

1.1.12. I understand that the Investment Manager is proposing to undertake a fair enterprise valuation of the SPV's as on 31st December, 2024 for the purpose of acquiring HGRBPL. In this regards, I have been mandated to determine the fair enterprise value of the SPV as on 31st December, 2024.

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Scope and Purpose of Valuation

1.2. Financial Asset to be Valued

The financial asset under consideration to be valued at Enterprise Value is the following:

Sr. No.	Name of the SPV	Abbreviation
1	H.G. Rewari Bypass Private Limited (Hereinafter referred to as "the SPV")	HGRBPL

1.3. Purpose of Valuation

I understand that the Investment Manager is proposing to undertake a fair enterprise valuation of the SPV as on 31st December, 2024 for the purpose of their internal evaluation.

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 at 31st December, 2024.

Registered Valuer declares that:

- i. The RV is independent and has prepared the Valuation Report ("the Report") on a fair and unbiased basis;
- ii. RV has valued the SPV's in accordance with Valuation Standards issued by the Institute of Chartered Accountants of India;

1.4. The valuation of the SPV is impartial, true and fair.

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 management seeks to determine the fair enterprise valuation of the SPV as on 31st December, 2024 ("Valuation Date"). The attached Report is accordingly drawn up by reference to accounting and financial information as on 31st December, 2024. The RV is not aware of any other events having occurred since 31st December, 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 SPV is mainly derived from the annuity fees and O&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 agreement. Accordingly, since the SPV is 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 concession agreement, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.
	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.
Market Approach	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 31st December, 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 an executed project under the HAM 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:

Sr. No.	SPV	WACC	Enterprise Value	Adjusted Enterprise Value	INR Mn
1	HGRBPL	7.58%	3,252	3,478	
	Total		3,252	3,478	

(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 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 31st December 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 31st December, 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. Expenses by increasing / decreasing it by 10%

Sensitivity Analysis of Enterprise Value

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

Sr. No.	SPV	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV	INR Mn
1	HGRBPL	8.08%	3,183	7.58%	3,252	7.08%	3,323	

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

Sr. No.	SPV	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV	INR Mn
1	HGRBPL	8.58%	3,117	7.58%	3,252	6.58%	3,398	

3. Fair Enterprise Valuation Range based on Expenses parameter (10%)

Sr. No.	SPV	EV at Expenses - 10%	EV at Base Expenses	EV at Expenses + 10%	INR Mn
1	HGRBPL	3,328	3,252	3,153	

The above represents reasonable range of Fair Enterprise Valuation.

2. Procedures adopted for current valuation exercise

- 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 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 11th 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\$624 billion in assets under management as of 30th September, 2024 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	Stake Acquired	Acquisition Date	Acquisition Cost (INR Mn)
1	NBPL	Nirmal Private BOT Limited	100%	22 nd Aug, 2022	354
2	SEPL	Shillong Expressway Private Limited	100%	22 nd Aug, 2022	356
3	DBCPL	Dewas Bhopal Corridor Private Limited	100%	22 nd Aug, 2022	12,969
4	GEPL	Godhra Expressways Private Limited	100%	22 nd Aug, 2022	11,167
5	JPEPL	Jodhpur Pali Expressway Private Limited	100%	22 nd Aug, 2022	3,863
6	UEPL	Ulundurpet Expressways Private Limited	100%	22 nd Aug, 2022	3,005
7	UTPL	Udupi Tollway Private Limited	100%	02 nd Nov 2023	196
8	GRICL	Gujarat Road Infrastructure Company Limited	56.8%	24 th Jan, 2024	5,651*
9	STPL	Swarna Tollway Private Limited	100%	24 th Jan, 2024	20,727
10	BETPL	Bangalore Elevated Tollways Private Limited	100%	11 th Jun, 2024	119
11	GSHPL	Gurgaon Sohna Highway Private Limited	100%	21 st Nov 2023	844
12	RAHPL	Rewari Ateli Highway Private Limited	100%	21 st Nov 2023	758
13	ANHPL	Ateli Narnaul Highway Private Limited	100%	21 st Nov 2023	1,511
14	NTEPL	North Telangana Expressway Private Limited	100%	30 th Jan 2025*	66,610

***The Management has confirmed to me that the expected appointed date for NTEPL is 30th January, 2025.*

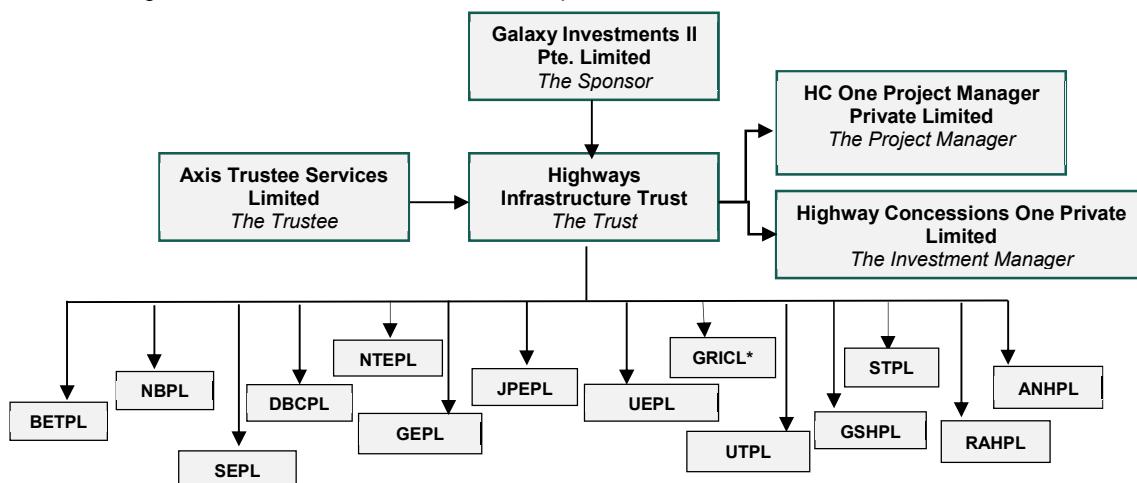
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3.5. Enterprise Valuation of the SPVs in the Previous Years (for existing projects of the InvIT):-

Sr. No.	SPVs	Mar-22	Mar-23	Mar-24	Sep-24	INR Mn Nov-24
1	DBCPL	14,760	15,709	16,858	16,972	
2	GEPL	21,281	22,866	22,793	23,347	
3	JPEPL	8,628	8,018	5,565	5,607	
4	UEPL	5,423	4,484	3,533	3,493	
5	NBPL	1,362	1,104	944	1026	
6	SEPL	567	220	189	66	
7	UTPL			9,063	9,238	
8	GRICL*			12,312	12,873	
9	STPL			15,182	15,155	
10	ANHPL			4,485	4,160	
11	GSHPL			2,957	2,747	
12	RAHPL			2,743	2,529	
13	BETPL				2,276	
14	NTEPL					71,272
Total		52,021	52,401	96,624	99,489	71,272

*The Trust holds 56.8% equity stake in GRICL

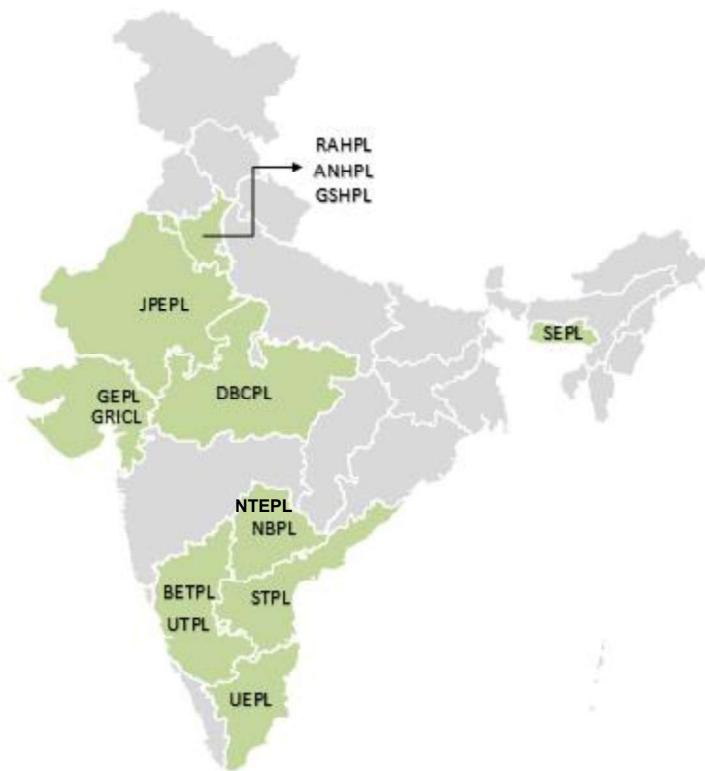
3.6. Following is the Structure of the Trust as on the report date.



*The trust holds 56.8% equity stake in GRICL while the others are 100% held

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3.7. A map depicting the respective location of the existing projects of the Trust is provided below:

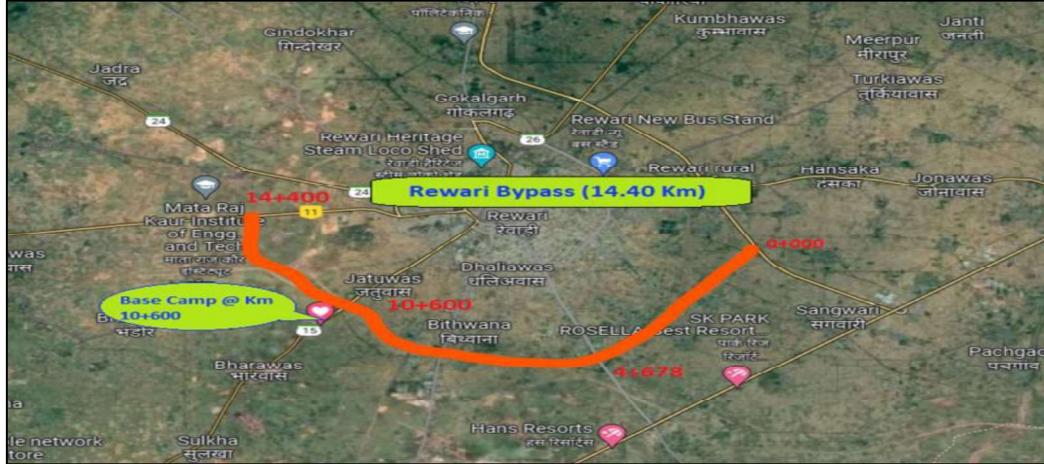


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Background of the SPV

H.G. Rewari Bypass Private Limited (“HGRBPL”)

- 3.8. H.G. Rewari Bypass Private Limited (HGRBPL) was incorporated on 1st May 2020. HGRBPL entered into a concession agreement dated 19th June, 2020 with NHAI. The HGRBPL project was awarded to HG Infra Engineering Limited by NHAI on 28th February, 2020 for 15 years of operation & maintenance period along with construction period of 730 days from the Appointed Date i.e. 15th January, 2021 of the HGRBPL Project.
- 3.9. The Project Road is a Section of NH-11 which is a Feeder Route for the Economic Corridor near Narnaul. The Project Road is a Bypass for the Rewari Town which starts from Design Ch. 0+000 and ends at Ch. 14+400. It consists of 2 nos. Interchange at design Ch. 0+000 & Ch. 14+390 and 2 nos. ROBs at Ch. 8+543 & 12+627. The Project Road is a section which is heading towards the Industrial town of Narnaul. The Project Road has a length of 14.40 km.
- 3.10. The map below illustrates the location of the Project and the corridor it covers:



Source: Investment Manager

- 3.11. Summary of Project details of HGRBPL are as follows:

Parameters	Details
Total Length	14.4 Km
Nos. of Lanes	4
NH / SH	NH-11
State Covered	Haryana
Area (Start and End)	Rewari Bypass
Project Cost	INR 5,220 Mn
PPP Model	DBOT
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	25 th May 2023
COD Date	N.A.
Concession Period	15 years from PCOD
Number of Annuities	30 bi-annual
Balance Completion Cost	INR 3,703 Mn
Operational period	15 years
Construction period	730 days

Source: Investment Manager

- 3.12. The salient features of the project are as follows:

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway with Flexible Pavement	14.4 Km
2	Total Length of Main Carriageway with Rigid Pavement	N.A.
3	Total length of Service Roads	7.4 Km
4	Toll Plaza	NIL
5	Bus Shelters	NIL
6	Bus Bays with Shelters	3
7	Truck Lay Bays	2
8	No of Rest Areas	NIL
9	Major Junction	NIL
10	Minor Junctions	NIL
11	No of Vehicular underpasses	5
12	No of Light Vehicular underpasses	3
13	No of Flyovers	4
14	Pedestrian/Cattle Underpass	10
15	Railway Over Bridge	2
16	Major Bridges	NIL
17	Minor Bridges	7
18	Box/Slab Culverts	NIL
19	Pipe Culverts	22

Source: Investment Manager

- 3.13. The shareholding of HGRBPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	HG Infra Engineering Limited	14,38,065	100%
	Total	14,38,065	100%

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.

- 3.14. As represented by the Investment Manager, the Trust is contemplating to acquire 100% equity stake/ economic interest in the SPV from its present shareholder(s). Hence, , there is no related party transaction in accordance with Regulation 21(3) read with the applicable clause of Schedule V of the SEBI InvIT Regulations.

- 3.15. My team had conducted physical site visit for HGRBPL on 16th January, 2025. Following are the pictures of the plant site:



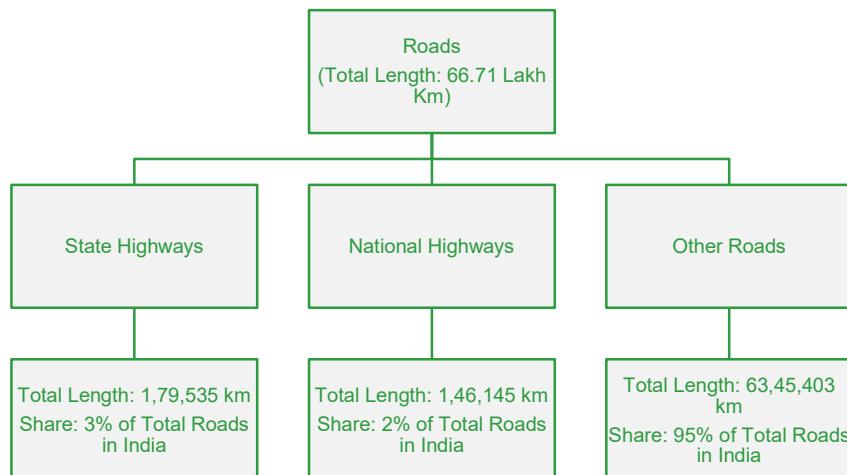
4. Overview of the Industry

4.1 Introduction

- 4.1.1 In the context of India's ambitious journey towards a 50,00,000 million dollar economy, the transport sector emerges as a pivotal player.
- 4.1.2 Creation and operation of quality road infrastructure continue to be major requirements for enabling overall growth and development of India in a sustained manner.
- 4.1.3 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.
- 4.1.4 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 6.67 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: MoRTH, Government of India

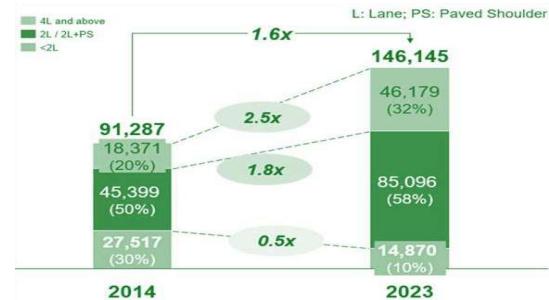
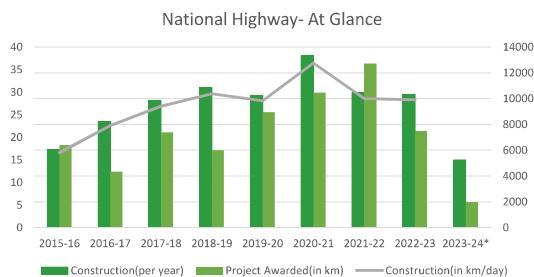
- 4.2.2 NHs constitute around 2 per cent of the total road network in the country but carry about 40% of the road traffic. The density of India's highway network at 1.89 km of roads per square kilometer of land – is similar to that of the France (1.98) and much greater than China's (0.49) or USA's (0.68).

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4.2.3 National Highway (NH) network increased by ~60% from 91,287 km in 2014 to 1,46,145 km in year 2024.

Year	Construction (per year)	Project Awarded (in km)	Construction (in km/day)
2015-16	6061	6397	16.6
2016-17	8231	4335	22.6
2017-18	9829	7400	26.9
2018-19	10855	6000	29.7
2019-20	10237	8948	28.1
2020-21	13327	10467	36.5
2021-22	10457	12731	28.6
2022-23	10331	7497	28.3
2023-24	~12,300	~2,500	34.0

Source: MoRTH, Government of India



Source: MoRTH, Government of India

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 (NHIIP) 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 The National Highways Authority of India (NHAI) has 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.
- 4.3.5 National Highways Authority of India (NHAI) has also recently 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.

- 4.3.6 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).
- 4.3.7 The Government of India has been consistently revising 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.
- 4.3.8 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 Gramm 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.
- 4.3.9 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.

4.4 Trend of Road and Highways Construction

- 4.4.1 The current rate of road construction is almost three times that in 2007-08.
- 4.4.2 The launch of the Bharatmala Pariyojana in 2017 provided a big leap 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.
- 4.4.3 Under Phase-I of Bharatmala Pariyojana, the Ministry has approved the implementation of 34,800 km of national highways in 5 years with an outlay of Rs. 5,35,000 crore (US\$ 76.55 billion). Under this scheme, 22 greenfield projects (8,000 km length) are being constructed; this is worth Rs. 3.26 lakh crore (US\$ 43.94 billion).
- 4.4.4 The government aims to take this up to 100 km per day in the next few years.
- 4.4.5 National Highway (NH) network increased by 60% from 91,287 km in 2014 to 1,46,145 km in year 2023
- 4.4.6 Length of 4 lanes and above NH increased by 2.5 times – 18,387 km (2014) to 46,179 km (Nov'23)
- 4.4.7 Length of less than 2 lane NH decreased from 30% (2014) to 10% (Nov'23)
- 4.4.8 Average pace of NH construction increased by 143% to 28.3 km/day from 2014
- 4.4.9 Expenditure is expected to increase by 9.4 times from 2014.
- 4.4.10 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
- 4.4.11 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\$ 33.91 billion between April 2000 - March 2024.
- 4.4.12 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.
- 4.4.13 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.
- 4.4.14 With the launch of Bharatmala project, 10,000 km of highway construction left under NHDP was merged with Phase I of the Bharatmala project.
- 4.4.15 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).

- 4.4.16 The main aim of this program is a faster approval process by digitizing the process through a dedicated Gati shakti portal.
- 4.4.17 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.

4.5 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 26,000 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.

In Bharatmala Pariyojana, 60% projects are on Hybrid Annuity Mode (HAM), 10% projects on BOT (Toll) Mode and 30% projects on EPC mode have been envisaged respectively.

Components under Bharatmala Pariyojana Phase-I are as given below:

Component	Length (Km)	Cost (INR Mn)
Economic corridors development	9,000	12,00,000
Inter-corridor & feeder roads	6,000	8,00,000
National Corridors Efficiency	5,000	10,00,000
Border & International connectivity	2,000	2,50,000
Coastal & port connectivity roads	2,000	2,00,000
Expressways	800	4,00,000
Sub Total	24,800	38,50,000
Other works - under NHDP	10,000	15,00,000
Total	34,800	53,50,000

Source: Ministry of Road Transport and Highways, Government of India

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 us 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 NH-544G Bengaluru–Vijayawada Economic Corridor

Mr. Nitin Gadkari has recently 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).

4.5.5 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.

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

- a. Prime Minister Mr. Narendra Modi has 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. In the Union Budget of 2024-25, the Government of India allocated Rs. 2.7 lakh crore (US\$ 32.68 Billion) to the Ministry of Road Transport and Highways.
- e. Up to FY24, the Ministry of Road Transport and National Highways had awarded a total length of 2,595 kms.

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. 53.5 lakh Mn (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.

4.7 Asset Monetisation

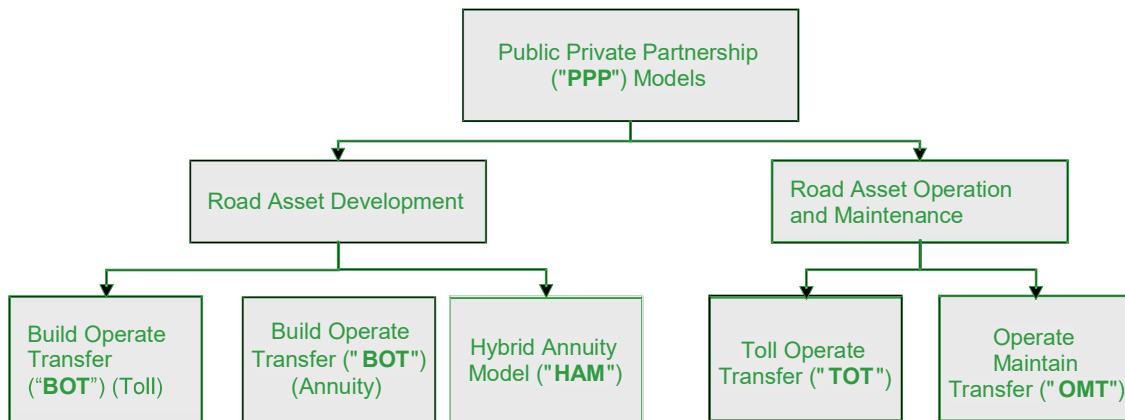
- 4.7.1 **TOT Model** – Under this model, the right of collection of user fee (toll) in respect of selected operational highways constructed through public funding are assigned through a concession agreement as a result of bidding for a specified period of 15-30 years to the Concessionaire against upfront payment of a lump-sum amount quoted to the Government/NHAI. During the concession period, the responsibility for operations and maintenance of the road assets rests with the Concessionaire.
- 4.7.2 **InVIT Model** – NHAI has set up an InvIT under the SEBI InvIT Regulations, 2014 which is a pooled investment vehicle that issues units to investors, while having three entities for management of the Trust – Trustee, Investment Manager and Project Manager. The three entities have defined roles and responsibilities under the SEBI Regulations.
- 4.7.3 **Securitization through SPV Model** – A SPV/DME (100% owned by NHAI), has been created by bundling road assets under consideration and securitizing the future user fee from the road assets. NHAI will collect tolls, maintain the road assets and periodically transfer payments to the SPV sufficient for servicing debt obligations at the SPV level. About Rs.3,70,000 Mn has already been raised through this method (DME- Delhi Mumbai Expressway) by NHAI so far.

4.8 Utility Corridors

Working towards development of around 10,000 km of Optic Fibre Cables (OFC) infrastructure across the country by FY2024-25, National Highways Logistics Management Limited (NHLML), a fully owned Company of NHAI, is implementing the network of Digital Highways by developing integrated utility corridors along the National Highways to develop OFC infrastructure. Around 1,367 km on Delhi – Mumbai Expressway and 512 km on Hyderabad - Bangalore Corridor have been identified for the Digital Highway Development.

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

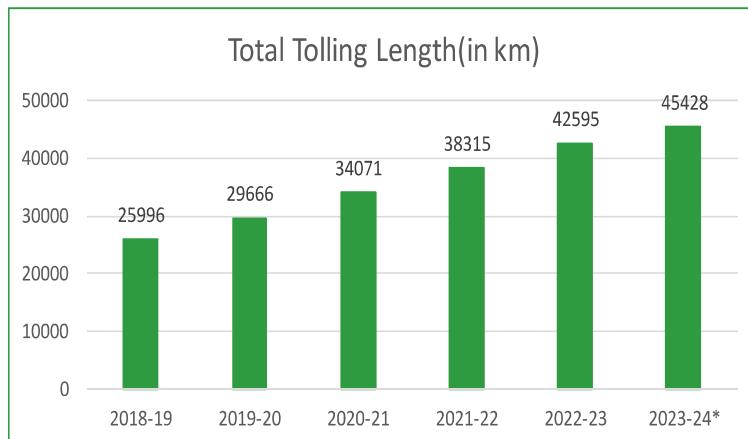
- 4.9.1 India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. PPP has been a major contributor to the success story of the roads and highway sector in India. With the emergence of private players over the last decade, the road construction market has become 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.



4.10 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, is 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 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.

4.11 Major Events of 2023 and 2024

- In March 2024, Prime Minister Narendra Modi inaugurated and laid the foundation stone for 112 national highway projects across various states, with a total worth of approximately US\$ 12.04 billion (Rs. 1 lakh crore).
- The country's first elevated eight-lane access control Dwarka expressway of 29.6 km length is built at a cost of Rs. 1 lakh crore (US\$ 12.04 billion).
- In FY24 approximately 12,300 km of National Highways were constructed.
- Delhi-Vadodara Expressway: The Hon'ble Prime Minister dedicated to the nation 244.50 km long stretch of Delhi-Vadodara Expressway developed at a cost of about Rs. 1,18,950 Mn.
- The Hon'ble Prime Minister dedicated to the nation a road project 'four laning of 59 km long Suryapet to Khammam section of NH-365BB' built at a cost of about Rs.24,600 Mn.
- The Hon'ble Prime Minister laid the foundation stone of key road projects that are part of Nagpur -Vijayawada Economic Corridor.
- Foundation Stone laying for Karnataka Section of Six Lane Surat – Chennai Expressway (1270 Km)
- Hon'ble Prime Minister dedicated 118 km long Bengaluru-Mysuru Expressway to the nation and laid the foundation stone for the 92 km Mysuru-Kushalnagar 4-lane highway in Mandya, Karnataka
- Hon'ble Prime Minister inaugurated and laid the foundation stone of road projects worth about Rs.37,000 Mn at Chennai, Tamil Nadu.
- Hon'ble Prime Minister inaugurated and laid the foundation stones for upgradation of two lanes roads in Rajsamand and Udaipur.
- Foundation stones of five National Highway projects worth Rs. 64,000 Mn were laid in Raipur on 07th July 2023.

4.12 Government Investment in the Sector

- 4.12.1 In the fiscal year 2024-25, the Indian government has allocated ₹2,78,000 crore to the Ministry of Road Transport and Highways, reflecting a commitment to enhancing the nation's road infrastructure. Of this, the National Highways Authority of India (NHAI) has been allocated ₹1,68,464 crore, maintaining the previous year's funding level. This substantial investment underscores the government's focus on expanding and upgrading the national highway network, including projects such as six-laning congested sections of the Golden Quadrilateral, developing roads in Naxal-affected areas, and improving last-mile connectivity through state Public Works Departments. These initiatives aim to boost economic growth, improve transportation efficiency, and enhance regional connectivity across the country.

4.13 Growth Drivers

4.13.1 Robust Demand :

Growing domestic trade flows have led to rise in commercial vehicles and freight movement; supported by rise in production of commercial vehicles which commands stronger road network in India. Higher individual discretionary spending has led to increased spending on two and four wheelers. Domestic sales of passenger vehicles, three-wheelers and two-wheelers, reached 3,069,499, 260,995, and 13,466,412 units, respectively. Road's traffic share of the total traffic in India has grown from 13.8% to 65% in freight traffic and from 32% to 90% in passenger traffic over 1951–2019.

4.13.2 Increasing Investment :

Huge investment have been made in the sector with total investment increasing more than three times from 2014-15 to 2018- 19. Plans are in place to raise up to INR 45,00,000 Mn through monetization, of which INR 3,00,000 Mn will be raised through ToT mode and INR1,50,000 Mn through InvITs. NHAI will bid out nearly 75% of new highway projects on PPP. Projects worth over INR 5000 Mn will preferably be executed through PPP mode.

4.13.3 Policy Support :

100% FDI is allowed under automatic route subject to applicable laws and regulations, standardized process for bidding and tolling. Government of India has set up India Infrastructure Finance Company (IIFCL) to provide long-term funding for infrastructure projects.

4.14 Challenges & Issues in the Sector

4.14.1 Land Acquisition Delays & Cost :

- Land acquisition cost has increased more than 30% since 2017, primarily due to enhanced compensation payment requirements as per 'The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013'.
- Delay in pre-construction activities (such as land acquisition, relocation) affects project timelines. Land acquisition for road projects involves various stages. Each stage involves a number of stakeholders and regulatory bodies. Thus processes consume considerable time.

4.14.2 Regulatory Approvals & Disputes :

- Road development process requires a number of approvals such as environmental clearance, forest clearance, railways clearance, etc. Each of these activities takes considerable time and non-adherence to timelines result in cost overruns due to delays.
- Claims arising out of disputes between the concessionaire/ contractor and the government authorities are also a significant cost which can lead to large liabilities.

4.14.3 Operational Issues :

- Uncertainty of toll revenue collection and variation of collected toll revenue compared to projected levels as Actual traffic is much less than the anticipated traffic.
- Often unforeseen weather conditions require unplanned O&M, over and above the routine and periodic maintenance activities. This results in enhanced O&M expenses. The increase in O&M costs is also affecting the project returns.

4.14.4 Financing road construction projects :

- In the case of toll motorways, the challenge of financing construction projects is different but still remains. Traditionally, the construction of toll motorways is a profitable investment but in the times of recession, funding may be rare or nonexistent.
- Powerful national economies may be able to efficiently tackle the problem but weaker economies can hardly find the financing sources for road construction projects.

4.14.5 Climate Change:

- The road sector is vulnerable to climate change impacts. Climate change and extreme weather events pose a significant challenge to the safety, reliability, effectiveness and sustainability of road transportation systems. Tsunami waves, wildfires, floods and hurricanes constitute a big risk for passengers, vehicles and goods, as well as for the integrity of the transport infrastructure.
- Since reliable road transport is an essential driver of economic growth and social wellbeing worldwide, national road authorities and motorway operators must adapt the infrastructure to climate change and increase the resilience of road transport to extreme weather

4.14.6 Economy and cost effectiveness:

- Among all transport modes, road transport occupies a significant place in short- and medium distance travel operations. However, the unit cost of transportation (per ton × km), compared with other modes of transport, remains high and is getting higher and cost-ineffective as the travel distance increases.
- Road transport cost comprises direct costs (fuel, capital depreciation, maintenance, motorway tolls, ferry fares and wages) and external costs (noise, congestion, infrastructure damages, health and environmental issues).

a. Recent Initiatives by Government

i. 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.

ii. [Central Road and Infrastructure Fund \(CRF\)](#)

A majority of the Ministry's expenditure is managed through transfers from the CRIF. A portion of the cess collected on motor spirit and high-speed diesel is earmarked for the development of NHs and SHs, and the amount is transferred to the non-lapsable CRIF. This amount is eventually released to the NHAI, and to the state/UT governments for the development of road infrastructure, and other projects (such as ports, railway track, airports) in the country. For 2024-25, the transfer from CRIF towards the Ministry is estimated at Rs 3,46,400 Mn.

iii. [National Investment Fund \(NIF\)](#)

The NIF was created in 2005, and is credited with proceeds from disinvestments of public sector enterprises. The Ministry finances the Special Accelerated Road Development Programme in North East (SARDP-NE) with funds from the NIF.

iv. [Investment in roads and other infrastructure](#)

- CareEdge Ratings estimates that India will require additional infrastructure investment of US\$ 18-20 trillion in the next 25 years to become a US\$ 25-30 trillion economy by 2047.
- The Cabinet Committee on Economic Affairs, has given the approval for the development of eight key National High-Speed Corridor projects, spanning a total length of 936 km, with an investment of Rs. 50,655 crore (US\$ 6.09 billion) nationwide.

v. [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.

vi. [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.

vii. [Rural development](#)

The Central government launched the Pradhan Mantri Gram Sadak Yojana to provide all-weather road connectivity to the eligible unconnected habitations in rural areas. Over 7 lakh kilometres of roads have been constructed under the first and second phases of the scheme, which is currently in its third phase. Under the Union Budget 2024-25, the Government of India allocated Rs.1,90,000 Mn (US\$ 2,370 million) for Pradhan Mantri Gram Sadak Yojana (PMGSY).

viii. [Improve safety standards](#)

The Government of India has announced rules to improve road safety, such as fixed driving hours for commercial truck drivers and a mandate to install sleep detection sensors in commercial vehicles. A memorandum of understanding (MoU) has been signed with the National Highways Authority of India (NHAI) by Guru Nanak Dev University (GNDU) to conduct advanced research on various aspects, including highway architecture, protection and revitalisation. The GNDU will undertake studies on ~137 km length of the National Highways passing through Pathankot, Gurdaspur and Amritsar districts.

ix. [Portfolios in roads & highways sector](#)

The National Investment and Infrastructure Fund (NIIF) is constantly 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.

x. International Tie-ups

The Ministry of Road Transport and Highways signed a 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.

xi. Encourage private funding to reduce finance constraints

- FDI inflows in construction development stood at US\$ 33.91 billion between April 2000 – March 2024.
- Indian Government and Asian Development Bank signed US\$ 500 million loan agreement to build the longest bridge across river Ganga, in Bihar.
- The Government of India and New Development Bank (NDB) recently signed two loan agreements for US\$ 646 million for upgrading the state highway and district road networks in Andhra Pradesh.

b. **Outlook**

- i. 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.
- ii. 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.
- iii. 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 kilometers 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.
- iv. 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.
- v. 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.

c. **Toll, Operate & Transfer Projects Overview**

- i. The TOT model has been developed to encourage private participation in the Highway sector. NHAI from time to time has awarded contracts for tolling, operation & maintenance of various National Highways stretches on a TOT basis.
- ii. In line with the National Monetization Plan, NHAI's total asset monetization program has crossed INR 1 lakh crore which includes INR 48,995 crore through TOT, INR 25,900 crore through InvIT and INR 42,000 crore through securitization.
- iii. Commenting on the award of the TOT Bundle-16 the same project under consideration in this report, NHAI Chairman Santosh Kumar Yadav said, "The success rate of TOT model in FY24 was 100 per cent and we have seen very encouraging response from the bidders."

Sources: IBEF Roads Report, August 2024; KPMG Report - Roads and Highway Sector; ICRA reports, website of Ministry of Road Transport and Highways, Government of India

5. Valuation Methodology and Approach

- 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 31st December 2024 prepared as per Indian Accounting Standards (Ind AS) are as under :

SPV	Book EV (INR Mn)
HGRBPL	2,757

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 earn revenues through annuity payment that are pre-determined as per the concession agreement. 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

- 5.13. 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

- 5.14. The SPV operates under a HAM based concession agreement with the relevant regulatory authorities. The revenue of the SPV is based on tenure, annuity payments, operations and other factors that are unique to the SPV. The revenue of the SPV is mainly derived from the annuity payments (annuity fees), interest income on balance annuity payments (which is linked to bank rate) and O&M payments (adjusted for inflation), that is defined under the respective Concession Agreement for the operation period.
- 5.15. 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.
- 5.16. The rights in relation to underlying asset of the SPV shall be transferred after the expiry of the Concession Period. Accordingly, since the SPV is generating income based on pre-determined agreements / 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.

6. Valuation of the SPV

- 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 HAM SPV:**
- The Cash flow for the SPV can be divided into two segments:
- Payment from NHAI during the Construction Period:**
- The SPV is 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 the SPV has 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 SPV 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 concession agreement (i.e. the Balance Completion Cost) is eligible to be received by the SPV by way of specified biannual installments as mentioned in its concession agreement for the balance period of operations. The Investment Manager has independently evaluated the amount of Balance Completion Cost [INR 3,703 Mn] which has been considered for the purpose of this Valuation.
 - b) **Interest:** As per the concession agreement, the SPV 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 SPV, SPV is eligible for certain O&M income (as defined in the concession agreement) at each biannual installment date, duly adjusted for an appropriate inflation rate.

Accrued Revenue: We understand that there were some construction works pending with regard to the SPV due to which annuity has been received till date considering Balance Completion Cost (BCC) of INR 3,611 Mn instead of Final Balance Completion Cost (BCC) of INR 3,703 Mn. Such delayed approval of the Final BCC resulted in lesser receipts to the extent of INR 6.0 Mn in the past which is expected to be received with the fourth annuity.

6.6. Operating and Maintenance Expenses:

Since the SPV is 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, 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.

Further, Operation & Maintenance Costs have been considered based on the Technical Due Diligence ("TDD") Reports prepared by Resotech Consultancy Services Pvt. Ltd. for the SPV as provided to me by the Investment Manager. Given the technical nature of this study, I have relied on the expert's report for these costs. Further, no payment schedule for O&M Costs was provided to me and hence to that extent I have relied on the management's estimate.

6.7. 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.

Further, Major Maintenance Costs have been considered based on the Technical Due Diligence ("TDD") Report for the SPV prepared by Resotech Consultancy Services Pvt. Ltd. as provided to me by the Investment Manager. Given the technical nature of this study, I have relied on the expert's report for these costs.

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.

Direct Taxes: As per the discussions with the Investment Manager, the new provisions of Income Tax Act, 1961 (Section 115BAA) have been considered for the projected period of the SPV. The SPV has been filing its income tax returns on the basis of IND AS Income, adjusted for adjustments prescribed by Income Computation and Deduction Standards III i.e Revenue Recognition and ICDS III i.e. Construction Contracts which can be substantiated from the income tax returns and tax audit report of the SPV.

Working Capital:

The Investment Manager has provided projected Working Capital information for the SPV. I have relied on the same. Further, as represented by the Investment Manager, current asset of INR 366 Mn relating to accrued revenue receivable from NHAI against change of scope works is receivable in the upcoming period.

GST Claim: The Investment Manager has informed us that due to the changes in extant provision of the Goods & Services Tax ("GST") laws, the SPV is eligible to receive GST claims from NHAI which are as follows:

6.7.1. On Annuity: As per the Annexure IV of the Policy circular of Ministry of Road Transport & Highways as on 23rd December 2022, SPV is eligible to claim reimbursement of GST on annuity, considering change in law, after adjusting GST input credit lying with the SPV.

6.7.2. 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 SPV will be eligible to claim reimbursement of GST on interest.

6.7.3. 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).

Impact of Ongoing Litigations on Valuation

As on 31st December 2024, the Investment Manager has confirmed to me that there are no ongoing Litigations with regards to the SPV.

Calculation of Weighted Average Cost of Capital for the SPV

6.8. 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.

$$K(e) = R_f + [ERP * \text{Beta}] + CSRP$$

Wherein:

$K(e)$ = cost of equity

R_f = 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).

6.9. Risk Free Rate:

I have applied a risk free rate of return of 6.79% on the basis of the zero coupon yield curve as on 31st December, 2024 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited.

6.10. 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. For my estimation of the ERP, I have considered rolling historical returns of 10, 15 & 20 year of Nifty 50 index from year 2000 to 2024. The 10 year rolling return, 15 year rolling return and the 20 year return for several periods were calculated. I have computed equity risk premium for each rolling period and accordingly I have arrived at ERP in the range of 6.2%, 6.4% & 8.1% which averages to ~7.0%. Based on the aforementioned, a 7% equity risk premium for India is considered appropriate.

6.11. Debt – Equity Ratio:

I have considered the target debt-equity ratio as per the industry standards. I have considered the industry benchmark since the cost of capital is a forward looking measure, and captures the cost of raising new funds to buy the asset at any valuation date (not the current actually deployed). Specifically, such benchmark is required to consider the nature of the asset class, and the comparative facts from the industry to arrive at the correct assumption.

Given the risk profile of HAM projects, and considering the leverage at 70-80% of the total project cost based on a rating agencies report available in public domain, and further considering the InvIT Regulations allowing in general upto 70% leverage in assets where AAA rating has been obtained, a debt-to-equity ratio of 70% for HAM asset was found to be appropriate.

6.12. 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 namely IRB InvIT Fund and Power Grid Infrastructure Investment Trust.

The selected comparables were chosen for Beta computation due to their structural and operational similarity to the InvIT and the SPV. Both derive the majority of revenues from fixed agreements, similar to that of the SPV, ensuring revenue predictability and minimizing market risk, making them reliable benchmarks for risk assessment.

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 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 3)

6.13. 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 counterparty 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 for the SPV.

6.14. 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 the SPV, as represented by the Investment Manager based on the weighted average Cost of Debt of the SPV.

6.15. 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 at the WACC for the explicit period of the SPV.

6.16. 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 HAM Projects, the annuities are received bi-annually at a predetermined date and the concession agreement provides that the annuities would be realized in 15 days from the annuity date. Hence we have considered the annuity realizations date for the purpose of determination of the CAF Accordingly, the cash flows during each year of the projected period are discounted back from the respective annuity realization 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.

$$DCF = [CF_1 / (1+r)CAF_1] + [CF_2 / (1+r)CAF_2] + \dots + [CF_n / (1+r)CAF_n]$$

Where,

CF = Cash Flows,

CAF = Cash accrual factor for particular period

r = Discount Rate (i.e. WACC)

6.17. At the end of the agreed concession period, the rights in relation to the underlying assets, its operations, the obligation to maintain 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

- 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
HGRBPL	21 st May, 2038	~13 years 2 months	3,252	3,478

(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.

While the SEBI InvIT Regulations are not applicable in the present case, as a matter of prudence, I have made these additional disclosures in Para 8.3 below.

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 4. As informed by the Investment Manager, there are no applications for government sanctions/ licenses by the SPV for which approval is pending as on 31st December 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 is not required to take any periodic clearances and hence there are no up to date/ overdue periodic clearances as on 31st December 2024.

C. **Statement of assets included:**

The details of assets of the SPV as at 31st December, 2024 are as mentioned below:

Sr. No.	SPVs	Net Fixed Assets	Net Intangible Asset	Non-Current Assets	INR Mn Current Assets
1	HGRBPL	-	-	1,913	1,185
	Total	0	0	1,913	1,185

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. Further, I have been represented by the Investment Manager, that no major repairs were undertaken with regards to the SPV till 31st December, 2024.

Forecasted major repairs

SPVs	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	INR Mn
HGRBPL	-	-	-	7	-	-	323	-

SPVs	FY 33	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39	INR Mn
HGRBPL	-	7	-	-	162	-	-	-

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, there are no litigations outstanding as at the Valuation Date, and hence I have relied on the same

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

- 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 31st March 2022, 31st March 2023 and 31st March 2024;
 - ii. Provisional Financial Statements of the SPV for the period ended 31st December, 2024;
 - iii. Projected financial information for the remaining project life for the SPV;
 - iv. Details of projected Major Maintenance & Repairs (MMR) Expenditure;
 - v. Technical Due Diligence ("TDD") Report dated May 2023 prepared by M/s Resotech Consultancy Services Pvt. Ltd. for the SPV;
 - vi. Details of Written Down Value (WDV) (as per Income Tax Act) of assets as at Valuation Date;
 - 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 24th January 2025;
 - 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

- 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 31st December 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 31st December 2024. The Investment Manager has represented that the business activities of the SPV have been carried out in normal and ordinary course between 31st December 2024 and the Report Date and that no material changes have occurred in the operations and financial position between 31st December 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,

SWAMINATHAN
SUNDARARAMA
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Digitally signed by
SWAMINATHAN
SUNDARARAMAN
Date: 2025.01.25 20:30:42
+05'30'

S. Sundararaman

Registered Valuer

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

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 25028423BMOMWY6280

Appendix 1 – Valuation as on 31st December 2024 under the DCF Method

Date	Finance Income											INR Mn		
		Changes in Financial Asset	O&M Income	Accrued Revenue	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
A	B	C	D	E	F	G	H	I	J=A+B+C +D-E-F-G- H-I	K	L	M	N=J*M	
21-May-25	366	(143)	41	6	34	-	-	(408)	44	599	0.43	7.58%	0.97	581
21-Nov-25	163	79	23		33	-	-	(42)	40	235	0.93	7.58%	0.93	220
21-May-26	159	78	25		36	-	-	(41)	38	229	1.43	7.58%	0.90	207
21-Nov-26	153	85	25		36	-	-	(41)	37	230	1.93	7.58%	0.87	200
21-May-27	148	78	33		38	7	-	(39)	35	218	2.43	7.58%	0.84	182
21-Nov-27	143	91	26		38	-	-	(7)	35	194	2.93	7.58%	0.81	157
21-May-28	136	92	28		40	-	-	-	33	184	3.43	7.58%	0.78	143
21-Nov-28	129	99	27		39	-	-	-	32	185	3.93	7.58%	0.75	138
21-May-29	123	100	29		41	-	-	-	30	181	4.43	7.58%	0.72	131
21-Nov-29	116	108	29		41	-	-	-	29	182	4.93	7.58%	0.70	127
21-May-30	109	(55)	194		43	161	-	-	28	16	5.43	7.58%	0.67	11
21-Nov-30	112	(58)	194		43	161	-	-	27	17	5.93	7.58%	0.65	11
21-May-31	117	96	32		45	-	-	-	24	175	6.43	7.58%	0.63	110
21-Nov-31	111	102	32		45	-	-	-	23	176	6.93	7.58%	0.60	106
21-May-32	104	104	34		48	-	-	-	21	173	7.43	7.58%	0.58	100
21-Nov-32	96	111	34		47	-	-	-	20	173	7.94	7.58%	0.56	97
21-May-33	89	112	36		50	-	-	-	18	169	8.43	7.58%	0.54	91
21-Nov-33	81	112	43		50	7	-	-	17	163	8.94	7.58%	0.52	85
21-May-34	74	120	38		52	-	-	-	14	166	9.43	7.58%	0.50	83
21-Nov-34	65	128	38		52	-	-	-	13	166	9.94	7.58%	0.48	80
21-May-35	57	130	40		55	-	-	-	11	162	10.43	7.58%	0.47	76
21-Nov-35	48	135	40		55	-	-	-	9	160	10.94	7.58%	0.45	72
21-May-36	39	135	42		58	-	-	-	7	152	11.44	7.58%	0.43	66
21-Nov-36	30	(20)	206		57	162	-	0	5	-9	11.94	7.58%	0.42	-4
21-May-37	31	142	45		60	-	-	(0)	3	155	12.44	7.58%	0.40	62
21-Nov-37	22	145	44		60	-	-	-	0	151	12.94	7.58%	0.39	59
21-May-38	12	187	4		5	-	-	35	2	162	13.44	7.58%	0.37	61
Enterprise Value													3,252	
(+) Closing cash or cash equivalents as at the Valuation Date													226	
Adjusted Enterprise Value													3,478	

S. SUNDARAM

Registered Valuer
Registration No - IBBI/RV/06/2018/10238

Highway Infrastructure Trust

Fair Enterprise Valuation
31st December 2024

Appendix 2 – Weighted Average Cost of Capital of the HAM SPV as on 31st December 2024

Particulars	HGRBPL	Remarks
Risk free return (Rf)	6.79%	Risk Free Rate has been considered based on zero coupon yield curve as at 31 st December 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)	0.58	Beta has been considered based on the beta of companies operating in the similar kind of business in India. (Refer Appendix 3 for detailed computation)
Cost of Equity (Ke)	10.85%	Base Ke = Rf + ($\beta \times ERP$)
Company Specific Risk Premium (CSRP)	0.00%	Based on SPV specific risk(s)
Revised Cost of Equity (Ke)	10.85%	Adjusted Ke = Rf + ($\beta \times ERP$) + CSRP
Pre-tax Cost of Debt (Kd)	8.25%	As represented by the Investment Manager
Tax rate of SPV	25.17%	Tax Rate Applicable to SPVs is considered
Post-tax Cost of Debt (Kd)	6.17%	Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)
Debt/(Debt+Equity)	70.00%	Debt : Equity ratio computed as [D/(D+E)]
WACC	7.58%	WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]

Appendix 3 – Computation of Unlevered and Re-levered Beta

Particulars	Raw Beta	Debt to Market Capitalisation	Effective Tax Rate (%)	Unlevered Beta
IRB InvIT Fund	0.40	77%	25.17%	0.25
PowerGrid Infrastructure Investment Trust	0.18	4%	25.17%	0.17
		Average		0.21

Particulars	HGRBPL
Unlevered Beta	0.21
Debt Equity Ratio Considered	2.33
Effective Tax rate of SPV	0.25
Relevered beta	0.58

Source: Information provided by database sources, market research, other published data and internal workings.

Appendix 4 – Summary of approval and licences

Sr. No.	Description of the permits	Date of issue	Validity/ Current status	Issuing Authority
1	Letter of Award	28-Feb-20		National Highway Authority of India
2	Appointed Date	15-Jan-21		National Highway Authority of India
3	Consent to Establish: 313298222REWCTO30667376	21-Nov-22	31-Dec-24	Haryana State Pollution Control Board
4	Permission to Extract Ground Water for Infrastructure Use	12-Dec-22		Haryana Water Resources Authority
5	Registration of commercial establishment	10-Mar-23		Rajasthan Shops And Commercial Establishments Acts, 1958

<< End of Report >>