*For private circulation only*
*Serial Number – CHT1FY202425*

# GENERAL INFORMATION DOCUMENT

**CUBE HIGHWAY TRUST**

(Registered in the Republic of India as an irrevocable trust under the Indian Trusts Act, 1882, and as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on 5 April 2022
**Reg. No.:** IN/InvIT/22-23/0022[1]
**Principal Place of Business:** B-376, UGF, Nirman Vihar, New Delhi 110 092, India[2]
**Corporate Office:** Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida-201301, U.P.
**Phone:** +0120-4868300;
**Email**: compliance.officer@cubehighways.com; **Website**: www.cubehighwaystrust.com

**GENERAL INFORMATION DOCUMENT DATED –June 19, 2024[3]**

Cube Highways Trust (the "**Issuer**") proposes to issue listed, rated, secured, redeemable, non-convertible debentures (the "**Debentures**") in multiple series/one or more tranches as maybe approved by the unitholders of the Issuer from time to time under this General Information Document read with relevant Key Information Document, on a private placement basis, to be listed on the wholesale debt market ("**WDM**") segment of the BSE Limited ("**Stock Exchange**" or "**BSE** ") (the "**Issue**"). The base issue size/ green shoe option in relation to each Series of Debentures will be identified in the relevant Key Information Document. The Issuer has obtained an 'in-principle' approval from the Stock Exchange for listing of the Debentures vide letter dated June 19, 2024, which is set out as Annexure II. This disclosure document dated June 19, 2024 (the "**General Information Document**") containing disclosures in accordance with Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**"),the SEBI circular bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated 22 May 2024 ("**NCS Master Circular**"), each as amended and the "Operational Guidelines for participation on BSE Bond platform (EBP Platform of BSE)" issued by BSE Limited ("**BSE**") *vide* their notice 20230417-35 dated April 17, 2023 and any amendments ("**BSE EBP Guidelines**"), is in relation to the base issue of the Debentures, on a private placement basis by Cube Highway Trust.

**Issuer details**:

| | | | |
|---|---|---|---|
| **PAN** | AACTC9768K | **Date and Place of registration[4]** | 5 April 2022, Delhi |
| **Principal Place of Business[5] and Corporate Office of the Issuer** | **Principal place of business:** B-376, UGF, Nirman Vihar, New Delhi 110 092, India<br>**Corporate Office:** Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida-201301, U.P.<br>**Phone**: 0120-4868300<br>**E-mail:** Compliance.officer@cubehighways.com<br>**Website**: www.cubehighwaystrust.com | **Compliance Officer of the Issuer[6]** | **Name**: Mr. Mridul Gupta<br>**Address**: Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida- 201301, U.P.<br>**Phone**: +91 0120-4868300<br>**E mail id**: mridul.gupta@cubehighways.com |
| **Sponsors of the Issuer [7]** | **Name**: Cube Highways and Infrastructure Pte. Ltd.<br>**UEN**: 201408750N<br>**Address**: 65 Chulia Street, #21-05, OCBC Centre, Singapore 049 513<br>**Phone**: +65 6530 3051<br>**E-mail**: keith.ker@cubehighways.com<br><br>**Name**: Cube Highways and Infrastructure III Pte. Ltd.<br>**UEN**: 201727089Z<br>**Address**: 65 Chulia Street, #21-05, OCBC Centre, Singapore 049 513<br>**Phone**: +65 6530 3051<br>**E-mail**: keith.ker@cubehighways.com | **CEO of the Investment Manager of the Issuer**<br><br>**CFO of the Investment Manager of the Issuer** | **Name:** Mr. Vinay C Sekar<br>**Address**: Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida- 201301, U.P.<br>**Phone**: +91 0120-4868300<br>**Email ID:** vinay.sekar@cubehighways.com<br><br>**Name**: Pankaj Vasani<br>**Address**: **Address**: Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida-201301, U.P.<br>**Phone**: +91 0120-4868300<br><br>**Email**: pankaj.vasani@cubehighways.com |

*1 Since the Issuer is an infrastructure investment trust, it does not have a corporate identification number and we have accordingly included the SEBI registration number granted to the Issuer.*

*2* Since the Issuer is an infrastructure investment trust, it does not have a registered office address or a corporate office address. It only has a principal place of business.

*3 Since the Issuer is an infrastructure investment trust, it is not required to make the filings with the registrar of companies under Section 26(4) of the Companies Act, 2013.*

*4 Since the Issuer is an infrastructure investment trust, it does not have a place of incorporation. We have accordingly included the place where the indenture of trust was executed for the Issuer.*

*5 Since the Issuer is an infrastructure investment trust, it does not have a registered office. We have accordingly include the principal place of business for the Issuer.*

6 *Since the Issuer is an infrastructure investment trust, it does not have a compliance officer of its own. We have accordingly included the details of* the investment manager of the Issuer.

*7 Since the Issuer is an infrastructure investment trust, it does not have any promoters. Accordingly, we have included the details of the* Issuer's sponsor *across this General Information Document (as relevant).*

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| **Registrar of the Issue** | **Name**: KFin Technologies Limited<br>**SEBI Registration No.**: INR000000221.<br>**Contact Person**: Mr. Srinivas Sudheer Venkatapuram<br>**Address**: Selenium, Tower B, Plot No-31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032, Telangana, India<br>**Phone**: 040- 67162222<br>**Fax**: 040-23001153<br>**E-mail**: srinivassudheer.venkatapuram@kfintech.com<br>**Website**: www.kfintech.com | **Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the General Information Document and Key Information Document on the Electronic Book Provider Platform, if applicable** | This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis as per the NCS Master Circular. The Issuer intends to use BSE's electronic bidding platform ("**BSE-BOND EBP**") for this Issue. The Issuer has complied with all the provisions related to electronic book mechanism and the same shall be uploaded on EBP Bond Platform in compliance with the NCS Master Circular. |
| **The issue schedule -**<br>**(i) date of opening of the issue;**<br>**(ii) date of closing of the issue;**<br>**(iii) date of earliest closing of the issue, if any** | **The issue schedule -**<br>**(i) date of opening of the issue –** The Issue Opening Date with respect to each Series will be identified in the relevant Key Information Document<br>**(ii) date of closing of the issue –** The Issue Closing Date with respect to each Series will be identified in the relevant Key Information Document<br>**(iii) date of earliest closing of the issue, if any -** As provided under the relevant Key Information Document | **Company Secretary of the Investment Manager of the Issuer**[8] | **Name**: Mr. Mridul Gupta<br>**Address**: Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida- 201301, U.P.<br>**Phone**: +91 0120-4868300<br>**E mail id**: mridul.gupta@cubehighways.com |
| **Debenture Trustee of the Issue** | **Catalyst Trusteeship Limited**<br>**SEBI Registration No.:** IND000000034<br>**Registered Address:** 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W) - 400013**Phone**: 022-49220555<br>**Contact Person:** Mr. Umesh Salvi<br>**Website**: www.catalysttrustee.com<br>**E-mail:** ComplianceCTL-Mumbai@ctltrustee.com | **InvIT TRUSTEE** | **Name:** Axis Trustee Services Limited<br>Axis House<br>Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 025<br>Tel: +91 22623 00451<br>Fax: +91 22 6230 0700<br>**Email:** debenturetrustee@axistrustee.com, anil.grover@axistrustee.com<br>**Contact Person:** Mr. Anil Grover<br>**Website**: www.axistrustee.com |
| **The name(s) of the stock exchanges where the securities are proposed to be listed** | BSE Limited (formerly known as Bombay Stock Exchange) | **Latest registration / identification number issued by any regulatory authority which regulates such Issuer (viz. Reserve Bank of India, IRDAI etc.), if applicable** | SEBI Registration Number: IN/InvIT/22-23/0022 |
| **The nature, number, price and amount of securities offered and** | As provided under the relevant Key Information Document. | | |

*8 Since the Issuer is an infrastructure investment trust, it does not have a* company secretary *of its own. Accordingly,* we have *included the details of the* company secretary of *investment manager of the Issuer.*

<table>
<tr><td>issue size (base issue or green shoe), as may be applicable</td><td></td><td>Coupon/dividend rate, coupon /dividend payment frequency, redemption date, redemption amount, mode of allotment</td><td>
<table>
<tr><td>Principal amount</td><td>As provided under the relevant Key Information Document.</td></tr>
<tr><td>Tenor</td><td>As provided under the relevant Key Information Document</td></tr>
<tr><td>Redemption date</td><td>As provided under the relevant Key Information Document</td></tr>
<tr><td>Coupon and Coupon Payment Frequency</td><td>As provided under the relevant Key Information Document</td></tr>
<tr><td>Allotment</td><td>As provided under the relevant Key Information Document</td></tr>
<tr><td>Face value (Nominal Value per Debenture)</td><td>As provided under the relevant Key Information Document.</td></tr>
<tr><td>Redemption Price at Maturity per Debenture</td><td>The principal amount of all the Debentures, the Coupon, the default interest, and all other amounts payable in accordance with the provisions of the relevant Debt Security Trust Deed and the relevant Key Information Document.</td></tr>
</table>
</td></tr>
<tr><td>The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the General Information Document</td><td>As provided under the relevant Key Information Document</td><td>Details about Underwriter to the issue including the amount undertaken to be underwritten by the underwriters</td><td>As provided under the relevant Key Information Document, if applicable.</td></tr>
<tr><td>The details about eligible investors</td><td colspan="3">This General Information Document and the contents hereof are restricted to only those recipients who are permitted to receive it as per extant regulation and laws and only such recipients are eligible to apply for the Debentures. The categories of investors eligible to subscribe to the Debentures issued under each Series will be identified in the relevant Key Information Document to be issued with respect to relevant Series of Debentures.</td></tr>
<tr><td>Credit Rating Agencies of the Issue</td><td>India Ratings & Research Private Limited<br>Address: Wockhardt Towers, 4th floor, Bandra Kurla Complex, Bandra East, Mumbai 400 051<br>Phone: +91 22 4000 1700<br>Contact Person: Mr. Rishab Jain Associate Director<br>Website: https://www.indiaratings.co.in/</td><td>Auditors of the Issuer</td><td>Name: S.B. Billimoria & Co. LLP, Chartered Accountants<br>Address: 7th Floor, Building 10, Tower B, DLF Cyber City Complex, DLF City Phase II, Gurugram – 122002, Haryana, India<br>Contact Person: Mr. Pramod Shukla<br>Phone: +91 124 679 2000<br>E-mail: pramodshukla@deloitte.com</td></tr>
<tr><td>BACKGROUND</td><td colspan="3">This General Information Document is related to the Debentures to be issued on a private placement basis by the Issuer and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this General Information Document has been authorised by the board of directors of the Investment Manager. Please note that this General Information Document is valid for a period of 1 (One) year from the Issue Opening Date of the first series of Debentures issued pursuant to this General Information Document.</td></tr>
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| | The issuance of Debentures in terms of this General Information Document does not qualify as issue of non-equity regulatory capital as mentioned in chapter V and XIII of the SEBI NCS Regulations. The face value of each debenture to be issued on private placement basis shall be as set out in the relevant Key Information Document.<br><br>Pursuant to the resolutions passed by the board of directors of the Investment Manager dated May 22, 2024, the Issuer has been authorised to raise debt through such modes, as may be permitted under applicable law and as may be agreed by the board of directors or any duly constituted committee of the board of directors of the Investment Manager, including non-convertible debentures, in one or more tranches for an aggregate amount of up the amount set out in the relevant Key Information Document. As an infrastructure investment trust, certain regulatory requirements applicable to companies are **not** applicable to us. For instance, we are not required to provide file a copy of the issue document with the registrar of companies as required under sub-section (4) of Section 26 of the Companies Act, 2013. |
| **GENERAL RISKS** | Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document. Specific attention of investors is invited to statement of risk factors contained in this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.<br><br>This General Information Document does not include a statement purporting to be made by an expert. |
| **CREDIT RATING** | The Debentures have been rated by India Ratings & Research Private Limited, ICRA Limited and/or such other rating agencies as determined by the Issuer and disclosed in the Key Information Document from time to time. India Ratings & Research Private Limited has assigned a rating of IND AAA/Stable (Triple AAA) by way of credit rating communication letter dated June 12, 2024, to the Debentures. The rating is valid as on the date of this General Information Document and shall be valid on the date of issue and allotment of the Debentures and listing of the Debentures on BSE Limited. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigned rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend or withdraw the rating at any time on the basis of new information, etc.<br><br>Details of all the ratings obtained for the Issue: The rating letter and rating rationale (published on the website of the Credit Rating Agencies) provided by the Credit Rating Agencies has been provided in Schedule I. The rating rationale can be accessed using the athttps://www.indiaratings.co.in/pressrelease/70445. |

**Note**: The Issuer reserves the right to change the Issue Schedule and in such an event, the relevant Deemed Date of Allotment for the Debentures may also be revised by the Issuer at its sole and absolute discretion without giving any prior notice.

The said issue does not form part of non-equity regulatory capital as specified under Chapter V (*Issuance and Listing of Perpetual debt instruments, Perpetual non-cumulative preference shares and similar instruments*) of SEBI NCS Regulations.

The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

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XX. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/Sponsor, litigations resulting in material

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# DISCLAIMERS

## DISCLAIMERS OF THE ISSUER:

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- SUCH PERSON HAS NOT RELIED ON ANY INTERMEDIARY THAT MAY BE ASSOCIATED WITH ISSUANCE OF THE DEBENTURES IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

THE ISSUER DOES NOT UNDERTAKE TO UPDATE THE GENERAL INFORMATION DOCUMENT TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE GENERAL INFORMATION

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## GLOSSARY

*References to any legislation, act, regulations, rules, guidelines, or policies shall be to such legislation, act, regulations, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.*

*Unless the context otherwise indicates or requires, the following terms used in this General Information Document shall have the meanings given below.*

| TERM | DESCRIPTION |
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| **Applicable Law** | Any relevant statute, law, regulation, ordinance, rule, judgement, rule of law, order, decree, clearance, approval, directive, instructions from Government Authority, policy or other governmental restriction (each having the force of law), or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority in each case, binding upon the Obligors whether in effect as of the date of this General Information Document or thereafter and in each case as amended. |
| **Application Form** | The form used by the recipient of this General Information Document and the relevant Key Information Document, to apply for subscription to the Debentures, which is annexed to this General Information and such Key Information Document. |
| **Bank Account (ICCL)** | The clearing corporation bank account selected, and as disclosed in the relevant Key Information Document, by the Issuer, for the pay-in of funds towards the issue of Debentures on EBP Bond Platform. |
| **Business Day(s)** | A day (other than a Saturday or a bank holiday) on which banks are normally open for business in Delhi and Mumbai. |
| **CDSL** | Central Depository Services (India) Limited |
| **CIBIL** | The TransUnion CIBIL Limited. |
| **Companies Act** | Companies Act, 2013 and shall include the rules, regulations, circulars, and notifications issued thereunder and any other statutory amendment or re-enactment thereof. |
| **Coupon** | As defined in the relevant Key Information Document. |
| **Coupon Payment Date** | As defined in the relevant Key Information Document. |
| **Coupon Rate** | As defined in the relevant Key Information Document. |
| **Credit Rating Agency** | India Ratings & Research Private Limited |
| **Debenture Holder(s) or Debt Security Holders** | Persons who are, for the time being and from time to time, the holders of the Debentures and whose names appear in the register of beneficial owners maintained by NSDL and CDSL pursuant to Section 11 of the Depositories Act, 1996, in accordance with the relevant Debt Security Trust Deed. |
| **Debenture Trustee Master Circular** | The framework issued by the SEBI pursuant to the circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2024/46 dated May 16, 2024, on "Master Circular for Debenture Trustees" to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time. |
| **Debentures/Debt Securities** | means the senior, secured, listed, rated, redeemable, non-convertible securities to be issued by the Issuer, as mentioned |

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| | in the relevant Key Information Document. . |
| **Debt Documents** | As defined in the relevant Key Information Document. |
| **Debt Security Trust Deed** | As defined in the relevant Key Information Document. |
| **Debt Security Trustee** | The trustee for the Debenture Holders of the Debentures, in this case being Catalyst Trusteeship Limited, a company incorporated under Companies Act, 1956 and validly existing under the Companies Act, 2013 with corporate identification number U74999PN1997PLC110262 and having its registered office at GDA House, First Floor, Plot No. 85 , Bhusari Colony (Right), Kothrud, Pune, Maharashtra, India, 411038. |
| **Debt Security Trustee Agreement** | As defined in the relevant Key Information Document. |
| **Deemed Date of Allotment** | as per the relevant Key Information Document. |
| **Depository** | The NSDL and/or the CDSL, as the case may be. |
| **Depository Participant/ DP** | A participant as defined under the Depositories Act, 1996. |
| **EBP Bond Platform** | Electronic Book Building Platform of BSE Limited |
| **EBP Guidelines** | The NCS Master Circular and related operational circulars issued by the relevant electronic book platform provider, as amended, modified, and supplemented from time to time. |
| **ECGC** | Export Credit Guarantee Corporation of India Ltd. |
| **Eligible Investor(s)** | Eligible investors shall include all persons eligible to invest in these Debentures as permitted under Applicable Laws including but not limited to the following:<br>• resident individuals,<br>• Hindu undivided family,<br>• trust,<br>• limited liability partnerships, partnership firm(s),<br>• portfolio managers,<br>• association of persons,<br>• companies and bodies corporate including public sector undertakings,<br>• commercial banks, regional rural banks, financial institutions, and non-banking financial companies,<br>• insurance companies,<br>• mutual funds/ alternative investment fund (AIF),<br>• foreign portfolio investors, and<br>• any other investor eligible to invest in these Debentures,<br>in each case, as may be permitted under Applicable Law. |
| **Existing Project SPVs** | Means, collectively all the or any combination of any of following, as the context may require:<br>(a) Andhra Pradesh Expressway Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U63031DL2005PLC349200 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**APEL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns); |

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| | (b) Farakka-Raiganj Highways Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U45400DL2010PLC428360 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi, 110092, India ("**FRHL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(c) Western UP Tollway Private Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U90000DL2005PTC310964 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**WUPTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(d) Jaipur-Mahua Tollway Private Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U45200DL2005PTC288617 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**JMTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(e) Mahua Bharatpur Expressways Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U45203DL2005PLC329746 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**MBEL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(f) Walayar Vadakkencherry Expressways Private Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U45209DL2012PTC423717 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi, 110092, India ("**WVEPL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(g) DA Toll Road Private Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U45203DL2010PTC430141 and |

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| | having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi, 110092, India ("**DATRPL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(h) Nelamangala Devihalli Expressway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45100DL2017PTC326190 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi – 110092 ("**NDEPL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(i) Hazaribagh Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45500DL2019FTC358748 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi, East Delhi, Delhi – 110092 ("**HTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(j) Jhansi-Lalitpur Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45100DL2019FTC358903 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi – 110092 ("**JLTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(k) Jhansi-Vigakhet Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45309DL2019FTC358750 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**JVTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(l) Kotwa-Muzaffarpur Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45100DL2019FTC358749 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**KMTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(m) Lucknow-RaeBareli Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number |

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| | U45209DL2019FTC358746 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 (**LRTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(n) Madurai-Kanyakumari Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45100DL2019FTC358752 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**MKTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(o) Kanyakumari-Etturavattam Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45209DL2019FTC358745 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**KETL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(p) Salaipudhur-Madurai Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45309DL2019FTC358747 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**SMTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);<br><br>(q) Nanguneri-Kanyakumari Tollway Private Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U45309DL2019FTC358753 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar, New Delhi– 110092 ("**NKTL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns); and<br><br>(r) Ghaziabad Aligarh Expressways Private Limited, a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013, with corporate identification number U70101DL2009PTC197148 and having its registered office at B-376, Upper Ground Floor, Nirman Vihar New Delhi- 110092, India ("**GAEPL**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns). |
| **Final Redemption Date** | as defined in the relevant Key Information Document. |
| **Financial Statements (Consolidated)** | • The consolidated financial statements of the Issuer which comprises the balance sheet for the period from April 17, |

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| | 2023, to March 31, 2024, and the profit and loss, including other comprehensive income, the statement of cash flow for the period from April 17, 2023 to March 31, 2024.<br>• The combined financial statements of the Issuer which comprises the balance sheet, profit and loss, cash flow for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021.<br><br>Such financial statements have been prepared in accordance with the basis of preparation further described within Note A and B to such financial statements. |
| **Financial Statements (Standalone)** | The standalone financial statements of the Issuer which comprises the balance sheet including profit and loss account, cash flow for the period from March 31, 2024, and March 31, 2023.<br><br>Such financial statements have been prepared in accordance with the basis of preparation further described within Note A and B to such financial statements. |
| **FY/Financial Year** | The period from April 1 of any calendar year to March 31 of the next calendar year. |
| **General Information Document** | This General Information Document prepared for the private placement of Debentures. |
| **Government Authority** | Means the Government of India, the Government or the government of any other state of India or any ministry, department, board, authority, instrumentality, agency, corporation (each to the extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Issuer) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect Control of the Government of India or the Government or any political subdivision of any of them or owned or Controlled by the Government of India, the Government or any of their subdivisions, or any court, tribunal or judicial body within India. |
| **Indian Rupees/ INR/ Rs.** | The lawful currency of India. |
| **Investment Management Agreement** | The amended and restated investment management agreement dated 07 March 2024 executed between the Issuer, the InvIT Trustee, and the Investment Manager, as amended from time to time. |
| **Investment Manager** | Cube Highways Fund Advisors Private Limited, a company validly existing under the Companies Act, 2013 with corporate identification number U74999DL2021FTC379941 and having its registered office at B-376, UGF, Nirman Vihar, East Delhi, New Delhi, Delhi, India, 110092, and unless repugnant to or inconsistent with the context or meaning thereof, the term shall be deemed to mean and include its successors and assigns. |
| **Investor** | An Eligible Investor investing in the Debentures. |
| **InvIT or Issuer or Trust** | Cube Highways Trust |
| **InvIT Trust Deed** | Means amended and restated trust deed dated March 11, 2024, executed between the Sponsors, InvIT Trustee and Cube |

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| | Highways and Transportation Assets Advisors Private Limited |
| **InvIT Trustee** | Axis Trustee Services Limited, a company incorporated under the Companies Act, 2013, with corporate identification number U74999MH2008PLC182264 and having its registered office at Axis House Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai 400 025, India and corporate office at Ruby, 2nd Floor, SW29. Senapati Bapat Marg, Dadar West, Mumbai-400028 desk office at email: debenturetrustee@axistrustee.com. |
| **Issue Closing Date** | As per the relevant Key Information Document. |
| **Issue Opening Date** | As per the relevant Key Information Document. |
| **Key Information Document** | Key Information Document the relevant key information document issued by the Issuer for each series of Debentures. |
| **NCS Master Circular** | The framework issued by the SEBI pursuant to the circular bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper" to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time. |
| **NSDL** | National Securities Depository Limited |
| **Obligors** | Collectively, the Issuer and the relevant Project SPV. |
| **Ordinary Unit Holders** | Any person who owns any Ordinary Unit of the Issuer |
| **Ordinary Units** | Units that carry one vote per Unit and full economic benefits and other benefits as prescribed under applicable law, including the right to receive distributions as stipulated under the SEBI InvIT Regulations. |
| **Outstanding Dues** | All amounts owed to any of the Secured Parties by the Issuer pursuant to the terms of the Debenture Documents (whether or not such amounts are due and payable), including without limitation:<br>(a) the principal amount of all the Debt Securities, together with any accrued Coupon, additional interest and costs, charges, expenses, indemnities and other monies whatsoever stipulated and payable to the Secured Parties arising out of or in connection with the Debt Documents;<br>(b) any and all sums advanced by any of the Secured Parties in order to preserve the Security or preserve their security interest in the Security; and<br>(c) in the event of any proceeding for the collection or enforcement of the Debt, after an Event of Default shall have occurred, the expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realising the Security, or of any exercise of any of the Secured Parties of its right under the |

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| | Security Documents, together with legal fees and court costs.<br><br>And as further detailed in the relevant Key Information Document. |
| **Pay In Date** | as per the relevant Key Information Document. |
| **Project Manager** | Cube Highways and Transportation Assets Advisors Private Limited, a Company incorporated under the Companies Act, 2013, with Corporate Identification Number U74140DL2015PTC274877 and having its registered office At B-376, Upper Ground Floor, Nirman Vihar, New Delhi – 110092 unless repugnant to or inconsistent with the context or meaning thereof, the term shall be deemed to mean and include its successors and permitted assigns. |
| **Project SPV** | Any special purpose vehicle of the Issuer, present or future. |
| **RBI** | Reserve Bank of India. |
| **Record Date** | as defined in the relevant Key Information Document. |
| **Recovery Expense Fund** | The fund contributed by the Issuer towards creation of a recovery expense fund as required to be created in terms of the SEBI Debenture Trustee Monitoring Circular. |
| **Registrar and Transfer Agent** | KFin Technologies Limited, a Company incorporated under the Companies Act, 2013 with corporate identification number L72400TG2017PLC117649 and having its registered office at Selenium, Tower B, Plot No- 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032, Telangana, India, and unless repugnant to or inconsistent with the context or meaning thereof, the term shall be deemed to mean and include its successors and permitted assigns. |
| **SEBI** | Securities and Exchange Board of India |
| **SEBI InvIT Regulations** | Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, including any amendment or modification thereto. |
| **SEBI NCS Regulations** | Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 |
| **Secured Assets** | Collectively the assets over which Security is created or to be created in accordance with the relevant Security Documents for securing the Debt pertaining to the Issuer in accordance with the Transaction Documents on or prior to the relevant Deemed Date of Allotment. |
| **Security Documents** | As defined in the relevant Key Information Document. |
| **Settlor** | Cube Highways and Transportation Assets Advisors Private Limited |
| **Sponsor** | Cube Highways and Infrastructure Pte. Ltd., with registration number as 201408750N, and having its registered office at OCBC Centre, 65 Chulia Street, #21-05, Singapore 049 513 which expression shall unless repugnant to the context or the meaning thereof include its successors and assigns.<br><br>Cube Highways and Infrastructure III Pte. Ltd., with |

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| | registration number as 201727089Z, and having its registered office at OCBC Centre, 65 Chulia Street, #21-05, Singapore 049 513 which expression shall unless repugnant to the context or the meaning thereof include its successors and assigns. |
| **Sponsor Group** | As defined in SEBI InvIT Regulations. |
| **Stock Exchange** | BSE Limited (formerly known as Bombay Stock Exchange) |
| **Subscription Account** | As defined in the relevant Key Information Document. |
| **Subscription Account Bank** | As defined in the relevant Key Information Document. |
| **Taxes** | All forms of present and future taxes (including but not limited to indirect taxes such as goods and service tax, other state and local tax or other similar taxes), deductions, withholdings, duties, imposts, levies, cesses, fees, charges, social security contributions and rates imposed, levied, collected, withheld or assessed by any Government Authority or other taxing authority in India or elsewhere and any interest, additional taxation penalty, surcharge, cess or fine in connection therewith and "**Taxes**" shall be construed accordingly. |
| **Trading Day** | Means a day on which the stock exchange is open for trading, other than Saturday, Sunday and bank holidays as specified by SEBI. |
| **Transaction Document(s)** | As defined in the relevant Key Information Document. |
| **Transaction Security** | The security created or to be created by the Issuer and the relevant Project SPV to secure the Debentures in accordance with the terms of, and as covered under the relevant Key Information Document, the relevant Debt Security Trust Deed, and the relevant Security Documents. |
| **Unit Holders** | Any person or entity who holds Units of the Issuer. |
| **Unit(s)** | An undivided beneficial interest in the Issuer, and such Units together represent the entire beneficial interest in the Issuer. |
| **Working Day** | All days on which commercial banks in Delhi or Mumbai, are open for business.<br>*Explanation:* For the purpose of this definition, in respect of:<br>(i) announcement of bid /issue period: working day shall mean all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business;<br><br>(ii) the time period between the bid/ issue closing date and the listing of the non-convertible securities on the stock exchanges: working day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays, and bank holidays, as specified by SEBI. |

This General Information Document shall be read, with respect to each Series of Debentures issued pursuant to it, in conjunction with the relevant Key Information Document, the relevant Debt Security Trust Deed and the other Transaction Documents entered into in relation to such Series of Debentures and it is agreed between the Debenture Trustee and the Manager that in case of any inconsistency or conflict between this General Information Document and the relevant Debt Security Trust Deed, the provisions of the relevant Debt Security Trust Deed shall prevail and override the provisions of this General Information Document.

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Debt Securities. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. The prospective Eligible Investors should carefully consider all the information in this General Information Document, including the risks and uncertainties described below, before making an investment in the Debt Securities. To obtain a complete understanding, the prospective Eligible Investors should read this section in conjunction with the remaining sections of this General Information Document, as well as the other financial and statistical information contained in this General Information Document. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the Issuer's business, results of operations and financial condition could suffer, the price of the Debt Securities could decline, and the Eligible Investor may lose all or part of their investment. More than one risk factor may have simultaneous effect with regard to the Debt Securities such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debt Securities. The inability of the Issuer to pay interest, principal or other amounts on or in connection with the Debt Securities may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them or which they may not currently be able to anticipate. You must rely on your own examination of the Issuer and this Issue, including the risks and uncertainties involved. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

### RISKS IN RELATION TO THE DEBT SECURITIES

- **THE DEBT SECURITIES MAY NOT BE A SUITABLE INVESTMENT FOR ALL PURCHASERS**

  Investment in Debt Securities involves a significant degree of risk and is intended for sale only to those investors capable of understanding the risks involved in such instruments. The prospective Eligible Investors should ensure that they understand the nature of the Debt Securities and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debt Securities and that they consider the suitability of the Debt Securities as an investment in the light of their own circumstances and financial condition.

- **UNCERTAIN TRADING MARKET**

  The Issuer intends to list the Debt Securities on the WDM segment of the BSE. The Issuer cannot provide any guarantee that the Debt Securities will be frequently traded on the BSE on which the Debt Securities are listed and that there would be any market for the Debt Securities. The less frequently the Debt Securities are traded, the more difficult it may be for Debt Security Holders to realize the value for the Debt Securities prior to redemption.

- **CIVIL UNREST, TERRORIST ATTACKS AND WAR COULD AFFECT THE PRICE AND YIELD ON DEBT SECURITY HOLDERS**

  Terrorist attacks and other acts of violence, war or conflicts, particularly those involving India, as well as the key global markets, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect the Issuer's business and profitability. This could have a material adverse effect on the market for securities. The consequences

of any armed conflicts are unpredictable, and the Issuer may not be able to foresee events that could have an adverse effect on its business and the price and yield of the Debt Security Holders.

- **RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES AND ANY RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT**

In the event that the Issuer is unable to meet its payment and other obligations towards Debt Security Holders under the terms of the Debt Securities, the Debt Security Trustee may enforce the Security as per the terms of Debt Documents and other related documents. The Debt Security Holders recovery in relation to the Debt Securities will be subject to (i) the market value of such secured property, and (ii) finding willing buyers for the Security at a price sufficient to repay the Debt Security Holders' amounts outstanding under the Debt Securities. Although the Issuer will create appropriate security for the Debt Securities, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the Debt Securities. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the Debt Securities could expose investors to a potential loss.

Further while the Debentures are secured against a charge to the tune of 100% of the principal and interest amount in favour of the Debenture Trustee or any other agent appointed by the Debenture Trustee to act on its behalf in terms of the Transaction Documents, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

**RISKS IN RELATION TO THE ISSUER'S BUSINESS AND CONCESSION AGREEMENTS**

1) **Toll collections and toll road traffic volumes may be affected by competing roads and bridges and other modes of transportation, and any improvements to, or construction of, such roads, bridges and other modes of transportation**

For the toll-based Project SPVs, their principal source of revenue is the collection of toll fees from users of the toll roads. The level of toll collections may be affected by competing routes and alternative modes of transportation, such as adjacent free roads, new or existing toll roads, railways or air transport. Although the Concession Agreements contain certain restrictions on the ability of the National Highways Authority of India (**NHAI**) or the Government of India (**GoI**) to construct or improve certain competing roads within 15 kilometers of the toll roads, neither the NHAI nor the GoI is prohibited from constructing or improving such competing free or toll roads if the average traffic on the toll road exceeds 90% of its stipulated designed capacity for three consecutive years. Furthermore, neither the NHAI nor the GoI is restricted under the Concession Agreements from constructing alternative modes of travel which service the same areas as are serviced by the toll roads. In the event such alternative modes of travel are constructed, it may adversely impact our revenue from toll roads.

In particular, certain of our toll roads are located along National Highway 44 (erstwhile NH7). As a result, we may experience a significant decrease in traffic levels on our toll roads if competing roads and bridges affect the traffic level on National Highway 44.

Additionally, given the renewed focus of the GoI, at the national, state and local levels, on the development and strengthening of the highway network across India, there can be no assurance that there will not be any construction, widening or improvement of any free or toll roads, or construction of other modes of transportation including local routes by local authorities/ communities, in the proximity of the toll roads or which provide an alternative or more direct routing to locations served by the toll roads. Any such construction, widening or improvement may divert traffic away from the toll roads, which may

adversely affect toll collections and, therefore, our ability to make distributions to the Ordinary Unit Holders.

2) **We are subject to risks associated with outbreaks of diseases or similar pandemics or public health threats, such as the novel coronavirus ("COVID-19"), which could have a material adverse impact on our business and our results of operations and financial condition.**

In the past, various contagious diseases have spread throughout the world, including India, where the entire operations of the toll roads are located. Most recently, beginning in late 2019 and continuing in 2020, 2021 and 2022, the global spread of COVID-19 has created significant economic and political volatility and uncertainty and business disruption. The spread of COVID-19 has led to governments around the world taking various restrictive measures designed to limit the spread of the virus, such as the implementation of travel restrictions, mandatory cessations of business operations, mandatory quarantines and work-from-home and other alternative working arrangements, curfews, limitations on social and public gatherings and partial lockdowns of cities or regions.

The spread of COVID-19 and governmental responses have resulted in workforce absence, reduced business productivity, other business disruptions, reduced demand and stagnated economic activity in India and around the world. This has resulted in significantly fewer customers using our toll roads and therefore has had a material adverse impact on the revenues of the toll roads, as well as other aspects of our operations. The long-term effects of COVID-19, including the mutation of more transmittable strains is highly uncertain and cannot be predicted. More generally, any epidemic, pandemic or other health crisis, whether similar to COVID-19, SARS, MERS or other past.

3) **Toll rates and collections and toll road traffic volumes are subject to regulatory constraints, number of road users subject to such rates and dependent on factors beyond our control**

Toll revenue depends on the tolling rates set by the concessioning authority in accordance with the relevant Concession Agreement(s) and the actual traffic volume using our roads. Our Concession Agreements typically limit and regulate fluctuations in tolling rates. Usually, the concessioning authority sets the applicable tolling rates and mechanism for periodically resetting the tolling rates. We may not be able to increase tolling rates to cover increases in our operations or financing or other costs. Such tolling rates and the scope of our arrangements with the concessioning authority may be revised by the concessioning authority in accordance with the provision of the concession agreement and applicable law. Thus, revenue from toll receipts is affected by traffic volume and toll rates, both of which are beyond our control.

The toll rate structure for most of our Project SPVs is laid down under National Highways Fee (Determination of Rates and Collection) Rules, 2008, as amended from time to time (the "**Fee Rules**"). The Fee Rules specify that the applicable toll rates shall be increased by a certain fixed percentage (3% on a non-cumulative basis) each year plus an adjustment based on an increase in the wholesale price index (the "**WPI**") (40% of the increase in WPI over the previous year, calculated on the basis of December WPI) and do not provide us any flexibility to adjust the toll rates unless the rates are explicitly changed by the GoI in accordance with the Fee Rules. Further, the toll rate structure for certain Project SPVs (whose concession agreements were executed prior to December 5, 2008) is governed by National Highways (Rate of Fee) Rules, 1997 or by fee notifications issued by the state concessioning authorities, as applicable. Furthermore, for certain toll roads the adjustment in toll rates on account of WPI is capped at a percentage of the increase in the WPI. As such, in the event of high consumer price index inflation or increased minimum wages, we may experience significantly higher operating costs, but there may be little variation in the WPI resulting in a muted increase in the applicable toll rate. Thus, while our tolling rates may increase with an increase in WPI, any increase may not be adequate to offset the negative impact of increases in interest rates or O&M costs. Further, our tolling rates may also decrease with a decrease in

WPI and accordingly, the business, financial condition and results of operations of the Trust may be adversely affected.

Our toll collections may also be affected by the level of exemptions, i.e., toll may not be levied during certain festive periods, the number of road users not required to pay the applicable toll rates when using the toll roads, which may be higher in urban settings. The Concession Agreements provide that certain users of the toll roads are exempt from paying user fees for non-commercial use of the roads, while frequent users are entitled to discounted fees to use the toll roads. We are also subject to fluctuations of traffic flow at new toll plazas that may not stabilize within the timelines anticipated or at all. Traffic volumes on the toll roads and toll collections are directly and indirectly affected by a number of other factors beyond our control, including but not limited to:

- the decline in manufacturing or exports of commodities plying on the toll roads due to regulatory restrictions or other reasons including financial crises and war, which can potentially distort global prices of traded commodities;
- the number and type of motor vehicles in operation and the cost of purchasing and operating motor vehicles, including financing costs, environmental law compliance costs, exchange rate fluctuations and fuel prices, in the project influence areas of the toll roads;
- weather conditions, such as floods or torrential rain, acts of God, strikes or any other force majeure event, including epidemics, such as COVID-19, that could impair the safe operation of, restrict traffic access to, or prevent use of the toll roads. Further, any political/ non-political agitations may also significantly impact traffic movement on the roll roads;
- traffic on the roads providing access to and from the toll roads including the waiting time at toll plazas and congestion at the gateways, or the physical condition of such roads, which hampers the ability of road users to gain access to and from the toll roads;
- the capacity of the toll roads including any structure forming part of the toll roads, such as bridges, bypasses or tunnels, and the need for maintenance and repair of parts or all of the toll roads, or any structure forming part of the toll roads, which may result in restricted or no access to the toll roads for material periods of time;
- overall security of the toll roads as managed by the relevant security contractors, including the possible threat of terrorist attacks on the toll roads or any of their free-standing structures;
- a change in the applicable toll policies or other applicable laws (including environmental regulations) which affects any category of vehicle or fuel;
- development of other transportation modes and incentives associated with such modes such as the National Rail Plan that is expected to increase rail's modal share traffic which may adversely impact the modal share for road-freight;
- changes in consumption pattern of commodities transported on the toll roads;
- changes to axle load norms in order to further increase the permissible axle load limits in India, which may adversely impact traffic growth along Indian national and state highways and cause accelerated deterioration of the condition of the pavement of the toll roads;
- the reactions of the public or other national or state government institutions to toll rate increases;
- leakage of toll fees or any form of violation by users of the toll roads; and
- seasonal fluctuations, specifically during the monsoon season, may adversely affect traffic volumes and cash flow. Traffic volumes tend to decrease during the monsoon season and tend to increase during holiday season. The monsoon season may also restrict our ability to carry on activities related to our operations and maintenance of the roads. This may result in delays in periodic maintenance and reduce productivity, thereby materially and adversely affecting our business, financial condition and results of operations.

In the event there is a significant decrease in traffic volume or change in toll rates on the toll roads, there may be a corresponding decrease in toll collections which could have a material adverse effect on our ability to make distributions to the Ordinary Unit Holders. Further, while there are provisions under the

Concession Agreements to compensate the Project SPVs, there may be a considerable delay in the receipt of such compensation.

Furthermore, certain regulatory and policy guidelines issued by the NHAI from time to time may adversely affect the toll-based Project SPVs business, results of operations and financial condition. For instance, on May 26, 2021, NHAI issued guidelines to ensure service time of not more than 10 seconds per vehicle at toll plazas on National Highways. In accordance with these guidelines, queues of vehicles at toll plazas must not exceed 100 meters, and in the event of queues longer than 100 meters, the vehicles will be allowed to pass without paying toll till the queue comes within

4) **Leakage of the toll fees of any of the toll-based Project SPV's roads may materially and adversely affect our revenues and financial condition.**

Each of the toll-based Project SPV's toll receipts are primarily dependent on the integrity of toll-collection systems and the willingness of road users to pay toll fees. While each toll-based Project SPV has an integrated toll-collection system in place, the level of revenues derived from collection of tolls may be reduced by leakage through toll evasion, theft, fraud or technical defaults in the relevant Project SPV's toll systems or forced violations by users of the toll roads. Furthermore, any toll-based Project SPV may also, at times, be unable to collect tolls due to political protests or other agitations, including relating to tolling. In addition, in certain circumstances, the governmental authorities or Indian courts could seek to suspend toll collection for or during certain periods, in full or in part, on the toll roads, which suspension would result in a reduction in our revenues. For example, during the national lockdown imposed from March 24, 2020 in India on account of the COVID-19 pandemic, the concessioning authority suspended toll collection for a certain period. Furthermore, beginning in December 2020 and continuing until January 2021, there was a closure of the eastern and western peripheral expressways due to protests against certain agricultural laws in India which significantly impacted traffic flow and toll collection on DATRPL during such period.

Furthermore, toll-collection errors may amount to a loss of revenue as there is an inherent risk of under-collection of toll fees, especially in instances where the users of toll roads pay in cash. Any failure by us to monitor and control leakage in toll-collection systems could have a material adverse effect on our business, prospects, financial condition and results of operations and our ability to make distributions. We may be exposed to leakage even in non-cash based toll collection systems, such as software or digitally enabled toll payment options that are susceptible to cyber security breaches and theft.

Further, there have been occasions where political parties and local communities protest against the collection of tolls on roads and some of these occasions have turned violent and resulted in the destruction of toll collection booths. During such an event, the affected toll-based Project SPV could have a limited ability to collect tolls. Under the terms of the Project SPV's concession agreement, in the event that the concession agreement is terminated by either party as a result of an occurrence of a political event, the concessioning authority is required to make payments to the concerned Project SPV as a result of such an event, which may not adequately compensate the loss of revenue or aid in recovering.

5) **Certain provisions of the standard form of Concession Agreements may be untested, and the Concession Agreements may contain certain restrictive terms and conditions which may be subject to varying interpretations.**

The Concession Agreements that our Project SPVs have entered into are substantially based on a model concession agreement prescribed by NHAI. For example, the toll fees under the Concession Agreements is fixed, subject to annual adjustments to account for inflation as specified in the Concession Agreements. In addition, the operation and maintenance standards and specifications require each Project SPV to incur operation and maintenance costs on a regular and periodic basis. The Concession Agreements also provide for a fixed term concession and, although the Concession Agreements provide for an extension or reduction of the concession period based on certain factors, including actual traffic volumes on specified

target dates, the Concession Agreements do not provide for renewal of the Concession Agreements after the expiry of the term.

There is limited guidance available on the interpretation of a number of terms and conditions of the Concession Agreements. In addition, certain terms of the Concession Agreements, such as those related to an augmentation in the capacity of the toll roads, termination payments, construction of additional competing roads by the concessioning authority, the Government or State Governments and payment of compensation for changes in law are untested. Accordingly, the interpretation of certain terms and conditions in the Concession Agreements of the Project SPVs by the concessioning authority, the courts or regulators may be different from our interpretation of such terms and conditions.

The terms and conditions of the Concession Agreements contain restrictive terms and conditions. For example, the Concession Agreements contain provisions that mandate substitution clauses in the project agreements. Such substitution clauses allow the lenders of such project to step into project agreements in place of a Project SPV in the event of suspension of the Concession Agreement for the concerned Project SPV due to a breach or default by the said Project SPV. The Concession Agreements also provides that the lenders to a Project SPV may substitute the Project SPV with new entities in the event of a default by the concerned Project SPV under the relevant Concession Agreements or financing agreements. For example, one of our Existing Project SPVs was acquired by our Sponsors and their associates pursuant to such substitution provisions and the framework prescribed by the NHAI. The terms of each of the Project SPV's Concession Agreements requires the Project SPVs to indemnify the concessioning authority for losses arising out of breach of the obligations of the Project SPVs under the Concession Agreements. Further, the Concession Agreements may mandate the requirement of a consent from the concessioning authorities prior to the undertaking of certain activities by the relevant Project SPV.

In the event the concessioning authority or a lender invokes any restrictive term or condition in the Concession Agreements, or the concessioning authority, a court, or regulator interprets any term or condition in an adverse manner, such invocation or interpretation may materially and adversely affect our business, financial condition and results of operations.

The concession agreements contain terms that may be onerous to the Project SPVs in relation to, among other things, compliance with and monitoring of O&M requirements. The O&M requirements include, among other things, permitting the safe, smooth and uninterrupted flow of traffic, undertaking routine maintenance, including repairs of potholes, cracks, concrete joints, drains, line markings, lighting and signage, undertaking major maintenance in accordance with the relevant concession agreement, including but not limited to resurfacing of pavements, repairs to structures, and repairs and refurbishment of tolling system and other equipment and preventing, with the assistance of the concerned law enforcement agencies, any encroachments on, or unauthorized entry to the relevant Project SPV. Failure to comply with these requirements could result in adverse consequences, including the Project SPVs being liable for compensating the relevant concessioning authorities for such breach or termination.

6) **We may be subject to increases in costs, including operation and maintenance costs, which we cannot recover by increasing toll fees or annuity income under the relevant Concession Agreements.**

The terms and conditions of the Concession Agreements are fixed and are not negotiable during the concession period. The costs of operating and maintaining the toll roads may be subject to cost overruns as a result of increased or unforeseen costs due to a number of factors beyond each Project SPV's control, including, among other things:

- increase in the cost of labour, materials (for example, bitumen) and insurance;
- the Project SPVs being required to install intelligent toll-collection systems or other new technologies for monitoring projects at their own costs, including remedial costs incurred to rectify any defects caused on account of a failure of any technology;

- Project SPVs being required to install/ deploy sustainable solutions to adhere with evolving and stringent environmental and social norms;
- higher axle loading, traffic volume or environmental stress leading to more extensive or more frequent heavy repairs or maintenance costs, which may be substantial;
- the Project SPVs being required to restore their project roads in the event of any landslides, floods, road subsidence, other natural disasters, accidents or other events causing structural damage or compromising safety;
- changes to the laws and regulations relating to insurance in India which results in an increase in the insurance premiums payable by the Project SPVs;
- increase in electricity tariff rates or other fuel costs resulting in an increase in the cost of energy;
- adverse weather conditions;
- an increase in minimum wages or other operating costs;
- the introduction of a levy on the usage of water for maintenance of the toll roads, among other things, in states in which the toll roads are located;
- unforeseen legal, tax and accounting liabilities relating to acquired assets; or
- other unforeseen operational and maintenance costs such as unexpected escalations in third-party fees or insurance premium.

In the event that our costs increase, we may be unable to offset such increases with higher revenues by increasing toll fees due to the restrictions of the Concession Agreements. Any significant increase in operation and maintenance costs beyond the amounts budgeted by us, or any failure to meet quality standards, may reduce our profits, could expose us to penalties imposed by the concessioning authorities and could have a material, adverse effect on our business, financial condition and results of operations. Such events may also impact the ability of the Project SPVs to service the debt obtained from the Trust and our ability to make distributions to the Ordinary Unit Holders. As such, the inability to change the terms and conditions, including the toll fees of the concession

7) **The Project SPVs' toll-road concessions may be terminated prematurely under certain circumstances.**

The toll-road concessions of the Project SPVs are our principal assets. Our ability to receive toll collections and apply such amounts to make distributions to our Ordinary Unit Holders will depend on concerned Project SPV's continuing concession right from the concessioning authority to operate the toll roads. The concessioning authority may terminate the Concession Agreements and revoke the concessions for a number reasons set forth in the Concession Agreement, including, but not limited to, one or more of the following:

- any failure by any Project SPV to comply with the change of ownership requirements;
- any failure by any Project SPV to make any payments, including negative grants, to the concessioning authority in a timely manner;
- any failure by any Project SPV to comply with operational or maintenance standards or to undertake the required maintenance work in a timely manner;
- creation of any encumbrance in breach of the concession agreements;
- any abandonment of operations by any Project SPV without prior written consent of the concessioning

authority;

- any continuation of a force majeure event, such as an act of God, act of war, expropriation or compulsory acquisition of any project assets by the government, industrial strikes, and civil commotions, boycotts and political agitations, beyond a specified time, usually 120 days within a continuous period of 365 days; and any failure by any Project SPV to comply with any provision of the Concession Agreements if such default causes a material adverse effect on the concessioning authority in the manner stipulated in the Concession Agreements.

Upon termination of the Concession Agreements due to a breach by any Project SPV, the Project SPV will forfeit its performance security, in the form of an irrevocable and unconditional bank guarantee, and be entitled to only 70% of the Unexpired Cash Flow (as defined in the Concession Agreement) in addition to remaining liable for any antecedent liability, any obligations which accrued prior to termination, and any costs related to the divestment of the toll roads. In certain situations, upon an event of default by the Project SPV, the concessioning authority may terminate the arrangement and pay such Project SPV an amount equal to 90% of the debt due, less any insurance claims, provided that if any of the insurance claims are not admitted and paid, an amount equal to 80% of such unpaid sums will be included in the calculation of the debt due.

If any Project SPV is in breach or default of its obligations, then the concessioning authority has the right to (a) suspend the right of the concerned Project SPV, including the right to collect tolls and other fees or receive annuities, (b) claim compensation for all direct, additional costs suffered or incurred by concessioning authority arising out of such default, or (c) terminate the Concession Agreements. In the event any Project SPV is in material default or breach of the Concession Agreements, the concessioning authority has the right to claim the termination payment due under the Concession Agreements as well as compensation for all direct, additional costs suffered or incurred by the concessioning authority arising out of such default or breach.

In addition, the Concession Agreements may be terminated by any Project SPV in certain circumstances, including as a result of any material default by the concessioning authority which results in a material adverse effect, or the concessioning authority taking any action that amounts to or manifests an irrevocable intention not to be bound by the Concession Agreements.

If any of the Concession Agreements are terminated, the right to collect tolls or receive annuity income is suspended or the concerned Project SPV is required to pay any such compensation or damages under any of the Concession Agreements. Due to this, our business, prospects, financial condition, cash flows and results of operations may be materially and adversely affected.

8) HAM Project SPVs may be affected by risks like construction delays, cost overruns, and interest rate fluctuations

For the hybrid annuity model based Project SPVs, their principal source source of revenue is the annuity payments received from NHAI. These payments are made bi-annually and are expected to provide a steady cash flow. However, there are several risks associated with these annuity assets.

The performance and revenue from hybrid annuity model based projects are contingent upon the timely completion and maintenance of the roads to the standards specified in the Concession Agreements. Any delays in construction, cost overruns, or failure to meet maintenance standards can result in reduced annuity payments or penalties, adversely affecting the financial performance of these hybrid annuity model based Project SPVs.

Moreover, the annuity payments include an interest component on the balance pending annuities, which is linked to the prevailing bank rate. Fluctuations in the bank rate directly affect the total revenue received from NHAI. A decrease in the bank rate leads to reduced interest income on pending annuities, thereby

lowering overall revenue from the project. This exposes the hybrid annuity model-based Project SPVs to interest rate risk, which can be difficult to manage.

Additionally, while the NHAI is responsible for 40% (forty percent) of the project cost during the construction phase, the remaining 60% (sixty percent) is financed by the concessionaire. This financing is subject to market risks and financial conditions, and any adverse changes in the financial market can increase the cost of capital, affecting the project's financial performance.

9) **Issuer's indebtedness and covenants imposed by its financing arrangements may restrict its ability to conduct its business or operations**

Issuer may enter into financing arrangements from time to time which may require it to maintain certain security cover for some of its borrowings. Should there be any breach of financial or other covenants of any financing arrangements and such breach continues beyond the stipulated cure period (if any), the Issuer may be subjected to various consequences as a result of such default and default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve (if required under the Applicable Law), default in payment of penal interest of such borrowings. Further, under some of the financing arrangements, the Issuer may be required to inform / obtain prior approval of the lenders / debenture holders / debenture trustee for various actions.

**REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD**

The Issuer has not attempted listing any of its securities (other than its Ordinary Units and non-convertible debentures) on any of the stock exchanges in India or abroad during the last 3 (three) years. The Issuer's Ordinary Units have been listed on BSE Limited and National Stock Exchange of India Limited on 19 April 2023. Further, the Issuer's non-convertible debentures are listed on BSE limited on June 28, 2023.

**LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON THE STOCK EXCHANGES**

The Issuer does not have any of its securities (other than its Ordinary Units and non-convertible debentures) listed on any of the stock exchanges in India or abroad during the last 3 (three) years.

## ISSUER'S ABSOLUTE RESPONSIBILITY

*The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.*

## DISCLOSURES (IN ACCORDANCE WITH SEBI NCS REGULATIONS)

### I. Information In Relation To The Issuer

| | |
|---|---|
| **Name of the Issuer** | Cube Highway Trust |
| **Principal place of business of the Issuer**[9] | B-376, UGF, Nirman Vihar, New Delhi 110 092, India |
| **Date of incorporation** | 5 April 2022 |
| **Compliance Officer of Issuer** | Mr. Mridul Gupta |
| **Chief Executive Officer of the Investment Manager** | Mr. Vinay C Sekar |
| **Chief Financial Officer of the Investment Manager** | Mr. Pankaj Vasani |
| **Name and Address of the Contact Person of the Issuer** | **Name:** Mridul Gupta<br>**Address:** B-376, UGF, Nirman Vihar, New Delhi-110 092, India<br>**Phone: +91** 0120-4868300<br>**E mail id:** Compliance.officer@cubehighways.com |
| **Website of the Issuer** | www.cubehighwaystrust.com |
| **Name, Address and Date of Appointment of the Auditors of the Issuer** | S.B. Billimoria & Co. LLP, Chartered Accountants<br><br>**Address:** 7th Floor, Building 10, Tower B, DLF Cyber City Complex, DLF City Phase II, Gurugram – 122002, Haryana, India<br>**Contact Person:** Mr. Pramod Shukla<br>**Phone:** +91 124 679 2000<br>**E-mail:** pramodshukla@deloitte.com<br>**Date of appointment:** 14 August 2023 |
| **Name and Address of the Debenture Trustee to the Issue** | **Catalyst Trusteeship Limited**<br>**SEBI Registration No.:** IND000000034<br>**Registered Address:** GDA House, First Floor, Plot No. 85 , Bhusari Colony (Right), Kothrud, Pune, Maharashtra, India, 411038<br><br>**Corporate Office:** 901, 9th Floor, Tower – B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013<br><br>**Contact person: Kind attention**<br>**Phone**: 022-49220555<br>**Contact Person: Mr. Umesh Salvi**<br>**Website:** www.catalysttrustee.com<br>**E-mail:** ComplianceCTL-Mumbai@ctltrustee.com<br><br>CATALYST<br>Believe in yourself... Trust us! |
| **Name and Address of the Registrar and Transfer Agent** | **Name:** KFin Technologies Limited<br>**SEBI Registration No.:** INR000000221<br>**Contact Person:** Mr. Srinivas Sudheer Venkatapuram<br>**Address:** Selenium Tower B, Plot No.31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, Telangana<br>**Phone:** +91 9381616972 /+91 9810123569<br>**Fax: 040-23001153**<br>**E-mail:** srinivassudheer.venkatapuram@kfintech.com<br>**Website:** www.kfintech.com |

[9] *Since the Issuer is an infrastructure investment trust, it does not have a registered office. We have accordingly include the principal place of business for the Issuer.*

| | |
|---|---|
| | KFINTECH EXPERIENCE TRANSFORMATION |
| **Name and Address of the Credit Rating Agency of the Issue** | **India Ratings & Research Private Limited**<br>**Address:** Wockhardt Towers, 4th floor, Bandra Kurla Complex, Bandra East, Mumbai 400 051<br>**Phone:** +91 22 4000 1700<br>**Contact Person:** Mr. Rishabh Jain, Associate Director<br>**Website:** https://www.indiaratings.co.in/<br>**E-mail:** rishabh.jain@indiaratings.co.in<br>India Ratings & Research |
| **Lead Manager** | **As per the relevant Key Information Document** |
| **Legal Counsel to the Issuer** | **As per the relevant Key Information Document** |
| **Legal Counsel to the Lead Manager** | **As per the relevant Key Information Document** |
| **Guarantor, if applicable** | **As per the relevant Key Information Document** |

## II. Details of sponsors of the Issuer[10]

| | |
|---|---|
| **Name of the Sponsor** | Cube Highways and Infrastructure Pte. Ltd. |
| **Date of birth/incorporation** | 27 March 2014 |
| **Age** | Not applicable |
| **Personal address** | Not applicable |
| **Educational Qualifications** | Not applicable |
| **Experience in the business or employment** | Not applicable |
| **Positions/posts held in the past** | Not applicable |
| **Directorships held** | Not applicable |
| **Photograph** | Not applicable |
| **Principal place of business** | Not applicable |
| **Corporate office of the Sponsor** | 65 Chulia Street, #21-05, OCBC Centre, Singapore-049513 |
| **Website** | Not applicable |
| **Other ventures of the Sponsor** | Not applicable |
| **Experience/Overview of the business of the Sponsor** | Investment holding company |
| **Special achievements of the Sponsor** | Not Applicable |
| **Business and financial activities of the Sponsor** | Investment holding company |
| **Permanent Account Number** | AADCI6911J |

[10] *Since the Issuer is an infrastructure investment trust, it does not have promoters. Accordingly, relevant disclosures have been made for the Sponsor of the Issuer.*

**Details of sponsors of the Issuer**[11]

| | |
|---|---|
| **Name of the Sponsor** | Cube Highways and Infrastructure III Pte. Ltd. |
| **Date of birth/incorporation** | 22 September 2017 |
| **Age** | Not applicable |
| **Personal address** | Not applicable |
| **Educational Qualifications** | Not applicable |
| **Experience in the business or employment** | Not applicable |
| **Positions / posts held in the past** | Not applicable |
| **Directorships held** | Not applicable |
| **Photograph** | Not applicable |
| **Principal place of business** | Not applicable |
| **Corporate office of the Sponsor** | 65 Chulia Street, #21-05, OCBC Centre, Singapore-049513 |
| **Website** | Not applicable |
| **Other ventures of the Sponsor** | Not applicable |
| **Experience / Overview of the business of the Sponsor** | Investment holding company |
| **Special achievements of the Sponsor** | Not applicable |
| **Business and financial activities of the Sponsor** | Investment holding company |
| **Permanent Account Number** | AAECI7513F |

**III. Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the Issue, and a declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than 1(one) year from the date of opening of the Issue.**

India Ratings & Research Private Limited has assigned a final rating of "IND AAA/Stable" (pronounced as Triple A to the Debentures by way of credit rating communication letter dated June 12, 2023 assigning credit rating for the Debentures from the Credit Rating Agency

These rating letters with the detailed rating rationale(s) adopted (not older than one year on the date of opening of the issue) of the Credit Rating Agency (as published on the website of the Credit Rating Agency) have been appended as **Schedule I**. The rating rationale can be accessed using the below link:

India Ratings & Research Private Limited: https://www.indiaratings.co.in/pressrelease/70445

**IV. Name(s) of the stock exchange(s) where the Debentures are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s).**

| | |
|---|---|
| **Name of the stock exchange (Stock Exchange)** | BSE Limited (formerly known as Bombay Stock Exchange) |
| **Details of in-principle approval obtained from BSE** | The Issuer has obtained an 'in-principle' approval from the Stock Exchange for listing of the Debentures *vide* letter/e-mail communication dated June 19, 2024. |
| **Details of recovery expense fund** | The Issuer shall set up a recovery expense fund, as may |

[11] *Since the Issuer is an infrastructure investment trust, it does not have promoters. Accordingly, relevant disclosures have been made for the Sponsor of the Issuer.*

| | |
|---|---|
| | be applicable, for an amount equal to 0.01% of the Issue with the Stock Exchange, in accordance with the provisions of the Applicable Law, including but not limited to the Debenture Trustee Master Circular.<br><br>The recovery expense fund shall be utilised for meeting the expenses incurred by the Debenture Trustee with respect to enforcement of security and recovery of all outstanding amounts with respect to the Debentures. |

## V. Issue Schedule

| | |
|---|---|
| **Issue opening date** | As per the relevant Key Information Document. |
| **Issue closing date** | As per the relevant Key Information Document. |
| **Pay In date** | As per the relevant Key Information Document. |
| **Deemed date of allotment** | As per the relevant Key Information Document. |

## VI. Brief summary of the business/ activities of the Issuer and its line of business:

### A. Overview and a brief summary of the business activities of the Issuer

Cube Highway Trust (the **Issuer**) is an infrastructure investment trust (**InvIT**) established as a trust under the Indian Trusts Act, 1882 with the objective of undertaking investment activities as an InvIT in accordance with the Securities and Exchange Board of India (Infrastructure Investments Trust) Regulations, 2014. The Issuer is registered as an InvIT with registration number In/InvIT/22-23/0022.

The investment objectives of the Issuer are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations and as stated in the general information document dated June 19, 2024, and to make investments in compliance with the provisions of the SEBI InvIT Regulations.

### B. Corporate Structure of the Issuer group

The corporate structure of the Issuer group as on June 19, 2024, is as follows:

| Category | Category of Unit Holder | No. of Units held as on May 31, 2024, | As a percentage of total Units outstanding |
|---|---|---|---|
| **(A)** | **Sponsors/Investment Manager and their associates/related parties and Sponsor Group** | 767763385 | 59.50 |
| **(B)** | **Public Holding** | 522582727 | 40.50 |
| | **Total Units Outstanding**<br>**I = (A) + (B)** | **1290346112** | **100** |

**N.B.** All Units are held in dematerialized form.

C. A brief summary of the business activities of the Project SPVs of the Issuer:

| Sr. No | Relevant Project SPV | Project Length and number of lanes | State(s) | Residual Life (in years, as of March 31, 2024) |
|---|---|---|---|---|
| 1. | Andhra Pradesh Expressway Limited (**APE**L) | 74.6 kms<br>4 lanes | Telangana and Andhra Pradesh | 2.51 years |
| 2. | DA Toll Road Private Limited (**DATRPL**) | 179.5 kms<br>6 lanes | Uttar Pradesh and Haryana | 14.86 years |
| 3. | Farakka – Raiganj Highways Limited (**FRHL**) | 100.1 kms<br>4 lanes | West Bengal | 17.10 years |
| 4. | Ghaziabad Aligarh Expressway Private Limited (**GAEPL**) | 125.2 kms<br>4 lanes | Uttar Pradesh | 15.24 years |
| 5. | Hazaribagh Tollway Private Limited (**HTPL**) | 73.8 kms<br>4 lanes | Jharkhand | 26.57 years |
| 6. | Jaipur Mahua Tollway Private Limited (**JMTPL**) | 109.0 kms<br>4 lanes | Rajasthan | 7.26 years |
| 7. | Jhansi – Lalitpur Tollway Private Limited (**JLTPL**) | 49.7 kms<br>4 lanes | Uttar Pradesh | 26.57 years |
| 8. | Jhansi – Vigakhet Tollway Private Limited (**JVTPL**) | 49.3 kms<br>4 lanes | Uttar Pradesh | 26.57 years |
| 9. | Kanyakumari – Etturavattam Private Tollway Limited (**KETPL**) | 64.2 kms<br>4 lanes | Tamil Nadu | 26.57 years |
| 10. | Kotwa – Muzaffarpur Tollway Private Limited (**KMTPL**) | 80.0 kms<br>4 lanes | Bihar | 26.57 years |
| 11. | Lucknow – Raebareli Tollway Private Limited (**LRTPL**) | 70.0 kms<br>4 lanes | Uttar Pradesh | 26.57 years |
| 12. | Madurai – Kanyakumari Tollway Private Limited (**MKTPL**) | 52.3 kms<br>4 lanes | Tamil Nadu | 26.57 years |
| 13. | Mahua Bharatpur Expressways Limited (**MBEL**) | 57.3 kms<br>4 lanes | Rajasthan | 7.23 years |
| 14. | Nanguneri – Kanyakumari Tollway Private Limited (**NKTPL**) | 63.5 kms<br>4 lanes | Tamil Nadu | 26.57 years |
| 15. | Nelamangala Devihalli Expressway Private Limited (**NDEPL**) | 80.3 kms<br>4 lanes | Karnataka | 8.89 years |
| 16. | Salaipudhur – Madurai Tollway Private Limited (**SMTPL**) | 63.5 kms<br>4 lanes | Tamil Nadu | 26.40 years |
| 17. | Walayar Vadakkencherry Expressways Private Limited (**WVEPL**) | 53.5 kms<br>4 lanes | Kerala | 9.39 years |

| Sr. No | Relevant Project SPV | Project Length and number of lanes | State(s) | Residual Life (in years, as of March 31, 2024) |
|---|---|---|---|---|
| 18 | Western UP Tollway Private Limited (**WUPTPL**) | 77.8 kms 4 lanes | Uttar Pradesh | 2.24years |
| 19 | Borgaon Watambare Highways Private Limited (**BWHPL**) | 52 kms 4 lanes | Maharashtra | 12.5 years |
| 20 | Mangloor Highways Private Limited (**MHPL**) | 48.96 kms 4 lanes | Telangana | 12.8 years |
| 21 | Mangalwedha-Solapur Highways Private Limited (**MSHPL**) | 55.8 kms 4 lanes | Maharashtra | 12.7 years |
| 22 | KNR Shankarampet Projects Private Limited (**KSPPL**) | 47 kms 4 lanes | Telangana | 12.5 years |
| 23 | KNR Tirumala Infra Private Limited (**KTIPL**) | 60.54 kms 4 lanes | Andhra Pradesh | 12.1 years |
| 24 | KNR Srirangam Infra Private Limited (**KSIPL**) | 38.7 km 4 lanes | Tamil Nadu | 12.2 years |

*APEL is an annuity asset and hence revenue corresponds to annuity income.*

C. **Details of branches or units where the Issuer carries on its business activities, if any**

**Address of principal place of business:** B-376, UGF, Nirman Vihar, New Delhi-110092

**Corporate Office Address:** Unit No-1901, 19th Floor, Tower-B, World Trade Tower, Plot No-C-1, Sector-16, Noida 201301 (UP)

D. **Project cost and means of financing, in case of funding of new projects.**

Not Applicable.

**VII. Expenses of the Issue:**

**Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:**

As provided under the relevant Key Information Document.

**VIII. Financial Information of the Issuer:**

A. **The audited financial statements (i.e. profit & loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the General Information Document or Issue Opening Date, as applicable. Such financial statements shall be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI"):**

The Financial Statements (Standalone) and Financial Statements (Consolidated) is annexed at **Schedule III**. Such financial statements have been audited and certified by the statutory auditor who holds a valid certificate issued by the peer reviewed board of the ICAI.

The columnar representations of the Financial Statements (Standalone) and Financial Statements

(Consolidated) along with auditor qualifications (containing along with the requisite schedules, footnotes, summary) is provided in Part VII (B) of this section.

B. **Key Operational and Financial Parameters on consolidated and standalone basis:**

(**Standalone**)

(Indian Rupees in Millions, unless otherwise stated)

| **Parameters** | **For financial year ended March 31, 2024** | **For financial year ended March 31, 2023** |
|---|---|---|
| **Balance Sheet** | | |
| **Property, Plant and Equipment (including Capital Work in Progress and Investment Property)** | 1.15 | - |
| **Intangible Assets (including Intangible Assets under Development)** | - | - |
| **Financial Assets (Current and Non-current)** | 2,45,385.06 | - |
| **Other non-current assets** | - | - |
| **Current assets** | 18.54 | 0.24 |
| **Total assets** | 2,45,404.75 | 0.24 |
| | | |
| **Financial Liabilities (Current and Non- Current)**<br>**-Borrowings (including interest)**<br>**-Other Financial Liabilities** | <br>1,05,145.09<br>226.18 | - |
| **Non-Current Liabilities** | 0.64 | - |
| **Current Liabilities** | 6.80 | 290.20 |
| **Provisions** | - | - |
| **Total Liabilities** | 1,05,378.71 | 290.20 |
| **Equity (Unit Capital and Other Equity)** | 1,40,026.04 | -289.96 |
| **Total Equity and Liabilities** | 2,45,404.75 | 0.24 |
| **Profit and Loss** | | |
| **Total revenue from operations** | 18848.14 | - |
| **Other income** | 121.24 | - |
| **Total Income** | 18,969.38 | - |
| **Total Expenses** | 15,439.59 | 277.88 |
| **Profit / loss for the period (PBT)** | 3,529.79 | (277.88) |
| **Profit / loss for the period (PAT)** | 3,477.96 | (277.88) |
| **Other Comprehensive income** | - | - |
| **Total comprehensive income** | 3,477.96 | (277.88) |
| **Earnings per equity share:**<br>**(a) basic; and**<br>**(b) diluted (Rs.)** | <br>2.82<br>2.82 | -<br>- |
| **Cash Flow** | | |
| **Net cash generated (used in)/ from operating activities (A)** | (680.87) | - |
| **Net cash generated (used in)/ from investing activities (B)** | (1,26,423.47) | - |
| **Net cash generated (used in)/ from financing activities(C)** | 1,27,105.75 | - |
| **Net Increase/ (decrease) in Cash and Cash Equivalents** | 1.41 | - |
| **Opening Balance of Cash and Cash Equivalents** | - | - |
| **Cash and cash equivalents at end of the period** | 1.41 | - |
| | | |

**(Consolidated)**

(Indian Rupees in Millions, unless otherwise stated)

| **Parameters** | **For the period from April 17, 2023, to March 31, 2024**<br><br>*(prepared on the basis of Financial Statements (Consolidated))* |
|---|---|
| **Balance Sheet** | |
| **Property, plant and equipment (including Capital Work in Progress and Investment Property)** | **271.79** |
| **Intangible assets (including Intangible Assets under Development)** | **2,22,287.20** |
| **Financial assets (Current and Non-Current)** | **21,967.02** |
| **Current assets** | 826.16 |
| **Other non-current assets** | 905.35 |
| **Total assets** | **2,46,257.52** |
| **Non-current Liabilities (as per the financials) (including maturities of long-term borrowings and short- term borrowings)** | |
| **Financial Liabilities (Current and Non-current)** | |
| Borrowings (including interest) | **1,07,352.73** |
| Other financial liabilities including Lease liabilities (Current and Non Current) | 3,237.93 |
| **Non-Current Liabilities** | 311.81 |
| **Current Liabilities** | 214.71 |
| **Provisions** | 5,650.42 |
| **Total Liabilities** | 1,16,767.61 |
| **Equity (Equity Share Capital and Other Equity)** | 1,29,489.91 |
| **Total Equity and Liabilities** | **2,46,257.52** |
| **Profits and Loss** | |
| **Total revenue from operations** | 29,161.37 |
| **Other income** | 1,579.68 |
| **Total Income** | 30,741.05 |
| **Total Expenses** | 37,609.50 |
| **Profit/ Loss for the period (PBT)** | (6,868.45) |
| **Profit/ Loss for the period (PAT)** | (7,059.15) |
| **Other Comprehensive income** | 0.45 |
| **Total Comprehensive Income** | (7,058.70) |
| **Earnings per equity share: (a) basic; and (b) diluted (Rs.)** | (5.72) |
| **Cash Flow** | |
| **Net cash (used in)/ generated from operating activities (A)** | 18,699.46 |
| **Net cash (used in)/ generated from investing activities (B)** | (10,328.89) |
| **Net cash (used in)/ generated from financing activities (C)** | (12,240.51) |
| **Net Increase/ (decrease) in Cash and Cash Equivalents** | (3,869.93) |
| **Opening Balance of Cash and Cash Equivalents** | 6,285.17 |
| **Cash and cash equivalents at end of the period** | 2,415.24 |
| | |
| **Additional information** | |
| | |
| **Net worth** | 1,29,489.38 |
| **Cash and Cash Equivalents** | 2,416.84 |
| **Current Investments** | 13,527.76 |
| **Net Sales (Revenue from operation)** | 29,161.37 |
| **Earnings before interest, taxes, depreciation, and amortization** | 19,560.43 |
| **Earnings before interest and taxes** | 1,862.84 |
| **Dividend amounts** | 7,935.63 |

| **Parameters** | **For the period from April 17, 2023, to March 31, 2024**<br><br>*(prepared on the basis of Financial Statements (Consolidated))* |
|---|---|
| **Debt equity ratio** | 0.83 |
| **Debt service coverage ratio** | 1.75 |
| **Interest service coverage ratio** | 2.38 |
| **Current ratio** | 2.01 |
| **Long term debt to working capital** | 8.95 |
| **Current liability ratio-current liabilities/non-current liabilities** | 0.11 |
| **Total debts to total assets** | 0.44 |

**(Combined Balance Sheet)**

(Indian Rupees in Millions, unless otherwise stated)

| **Special Purpose Combined Balance Sheet** | | |
|---|---|---|
| | | **(All amounts in ₹ million unless otherwise stated)** |
| | **As at March 31, 2023** | **As at March 31, 2022** |
| **ASSETS** | | |
| Non-current assets | | |
| Property, plant and equipment | 239.26 | 166.93 |
| Capital work-in-progress | 9.64 | 3.94 |
| Investment properties | 7.28 | 7.35 |
| Intangible assets | 1,21,555.87 | 1,19,777.48 |
| Intangible assets under development | 1,940.02 | 7,260.76 |
| Financial assets: | | |
| Investments | 0.01 | 0.01 |
| Other financial assets | 742.59 | 970.67 |
| Deferred tax assets (net) | 30.69 | 215.70 |
| Current tax assets (net) | 447.91 | 433.58 |
| Other non-current assets | 279.23 | 141.48 |
| Total non-current assets | 1,25,252.50 | 1,28,977.90 |
| | | |
| **Current assets** | | |
| Inventories | 147.63 | 41.84 |
| Financial assets | | |
| Investments | 10,391.06 | - |
| Trade receivables | 729.75 | 751.21 |
| Cash and cash equivalents | 4,363.83 | 18,490.11 |
| Bank balances other than cash and cash equivalents | 601.38 | 2,633.84 |
| Other financial assets | 3,246.93 | 3,135.74 |
| Current tax assets (net) | - | - |
| Other current assets | 1,008.82 | 985.83 |
| Total current assets | 20,489.40 | 26,038.57 |
| Assets held for sale | 4.67 | 4.67 |
| Total assets | 1,45,746.57 | 1,55,021.14 |
| | | |
| **EQUITY AND LIABILITIES** | | |
| EQUITY | | |
| Capital | 8,522.87 | 8,522.87 |
| Other equity | (8,325.44) | (8,283.01) |
| Total equity | 197.43 | 239.86 |
| | | |
| **LIABILITIES** | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | 1,19,332.25 | 1,12,338.40 |
| Trade payables | | |

| | | |
|---|---|---|
| - total outstanding dues of micro enterprises and small enterprises | - | 6.04 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 13.47 | 6.52 |
| Other financial liabilities | 1,033.59 | 3,335.10 |
| Provisions | 2,178.67 | 3,303.47 |
| Deferred tax liabilities (net) | 570.24 | 777.11 |
| Total non-current liabilities | 1,23,128.22 | 1,19,766.64 |
| | | |
| Current liabilities | | |
| Financial liabilities | | |
| Borrowings | 5,331.04 | 17,502.62 |
| Trade payables | | |
| - total outstanding dues of micro enterprises and small enterprises | 187.58 | 150.41 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 1,952.66 | 1,870.35 |
| Other financial liabilities | 10,529.53 | 4,193.14 |
| Other current liabilities | 416.37 | 226.30 |
| Provisions | 4,003.74 | 11,071.82 |
| Current tax liabilities (net) | - | - |
| Total current liabilities | 22,420.92 | 35,014.64 |
| Total liabilities | 1,45,549.14 | 1,54,781.28 |
| Total equity and liabilities | 1,45,746.57 | 1,55,021.14 |

| **Special Purpose Combined Statement of Profit and Loss** | | |
|---|---|---|
| | | **(All amounts in ₹ million unless otherwise stated)** |
| | **For the year ended March 31, 2023** | **For the year ended March 31, 2022** |
| Income | | |
| Revenue from operations | 25,718.45 | 20,550.40 |
| Other income | 1,060.39 | 1,021.91 |
| Total Income | 26,778.84 | 21,572.31 |
| | | |
| Expenses | | |
| Cost of construction | 2,167.85 | 1,387.77 |
| Operation and maintenance expenses | 4,753.67 | 8,404.82 |
| Employee benefits expense | 340.23 | 306.41 |
| Other expenses | 1,834.79 | 1,298.28 |
| Total expenses | 9,096.54 | 11,397.28 |
| | | |
| Earnings before finance costs, depreciation, amortisation, impairment, exceptional item and tax | 17,682.30 | 10,175.03 |
| | | |
| Finance costs | 13,347.32 | 13,940.24 |
| Depreciation and amortisation expense | 5,941.41 | 5,492.71 |
| Impairment charge/(reversal) of impairment of intangible assets | - | (268.67) |
| | | |
| Loss before exceptional item and tax | (1,606.43) | (8,989.25) |
| | | |
| Exceptional items: | | |
| Claims receivable on NHAI settlement | - | - |
| Loss before tax | (1,606.43) | (8,989.25) |
| | | |
| Less: Tax expense/(income) | - | - |
| Current tax | 155.15 | 85.67 |

| | | |
|---|---|---|
| Deferred tax | (350.45) | (823.25) |
| | (195.30) | (737.58) |
| Loss for the year | (1,411.13) | (8,251.67) |
| Other comprehensive income | - | - |
| Items that will not be reclassified to profit or loss | - | - |
| Re-measurement gains/(losses) on defined benefit obligations | 3.69 | (1.59) |
| Income tax relating to these items | (1.16) | 0.32 |
| Total other comprehensive income/(loss) for the year | 2.53 | (1.27) |
| | | |
| Total comprehensive loss for the year | (1,408.60) | (8,252.94) |

| | | **For the year ended March 31, 2023** | **For the year ended March 31, 2022** |
|---|---|---|---|
| A. | **Cash flows from operating activities** | | |
| | | | |
| | Loss before tax | (1,606.43) | (8,989.25) |
| | Adjustments for: | | |
| | Depreciation and amortisation expense | 5,941.41 | 5,492.71 |
| | (Profit)/Loss on sale/write-off of property, plant and equipment (net) | (0.15) | (2.12) |
| | Net gain on sale of mutual funds | (77.88) | (95.49) |
| | Net (gain)/loss on investments/ derivatives measured at fair value through profit or loss | (86.79) | 29.64 |
| | Liabilities no longer required written back/ Remission of loan liability | (136.78) | (220.68) |
| | Interest income | (535.13) | (420.59) |
| | Claims for compensation/ concession extension | - | - |
| | Impairment charge/(reversal) of impairment of intangible assets and investment properties (net) | - | (268.67) |
| | Impairment loss allowance on financial assets (including write-offs) | 162.15 | 44.82 |
| | Gain on cash flows changes on non-convertible debentures (net) | - | - |
| | Finance costs (excluding derivative hedging cost) | 13,335.10 | 13,910.60 |
| | Provision for damages | 42.13 | - |
| | Unrealised (gain)/ loss on foreign currency transaction | - | - |
| | Stock Appreciation Right | 9.72 | - |
| | Operating cash flows before working capital changes and other adjustments | 17,047.35 | 9,480.97 |
| | | | |
| | Working capital changes and other adjustments: | | |
| | Decrease/(Increase) in inventories | (105.79) | (18.80) |
| | Decrease/(Increase) in trade receivables | (114.44) | (20.62) |
| | Decrease/(Increase) in financial assets and non financial assets | (266.34) | 3,353.13 |
| | (Decrease)/Increase in trade payables | 204.47 | (371.00) |
| | (Decrease)/Increase in provisions | (7236.23) | 4,904.79 |
| | (Decrease)/Increase in financial liabilities and non-financial liabilities | 231.87 | (7,314.79) |
| | Cash flow generated from operating activities post working capital changes | 9,760.89 | 10,013.68 |
| | Income tax (paid)/ refund (net) | (161.39) | (1,385.88) |
| | **Net cash generated from operating activities (A)** | **9,599.50** | **8,627.80** |

| | | | |
|---|---|---|---|
| | | | |
| B. | **Cash flows from investing activities** | | |
| | | | |
| | Payment towards property, plant and equipment and intangible assets | (3,689.15) | (9,375.92) |
| | Proceeds from sale of property, plant and equipment | 0.27 | 2.13 |
| | Proceeds from NHAI on settlement [Refer note 53(iii)] | - | 5,253.91 |
| | Movement in bank balances (including deposits) not considered as cash and cash equivalents (net) | 3,015.06 | (306.07) |
| | Investment in equity shares | - | - |
| | (Investment)/redemption from mutual funds (net) | (10,214.17) | 1,254.97 |
| | Interest received | 527.09 | 409.28 |
| | **Net cash used in investing activities (B)** | **(10,360.90)** | **(2,761.70)** |
| | | | |
| C. | **Cash flows from financing activities** | | |
| | Proceeds from issue of capital (including security premium) | - | 730.00 |
| | Payment for capital reduction [Refer note 21] | - | - |
| | Proceeds from long term borrowings | 16,362.39 | 42,184.30 |
| | Repayment of long term borrowings | (17,113.14) | (32,221.95) |
| | (Repayments)/proceeds from short term borrowings (net) | (3,134.24) | 346.06 |
| | Interest paid (including interest capitalised) | (8,475.22) | (9,204.41) |
| | Net cash generated from/(used in) financing activities (C) | (12,360.21) | 1,834.00 |
| | | | |
| D. | **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | (13,121.61) | 7,700.10 |
| E. | **Cash and cash equivalents at the beginning of the year** | 14,780.62 | 7,080.52 |
| | Cash and cash equivalents at the end of the year (D+E) (Refer reconciliation below) | 1,659.01 | 14,780.62 |
| | | | |
| | | | |
| | **Reconciliation of cash and cash equivalents as per Special Purpose Combined Statement of Cash Flows** | | |
| | Cash and cash equivalents as per above comprise of following: | | |
| | Cash and cash equivalents [Refer note 15] | 4,363.83 | 18,490.11 |
| | Less: Earmarked balances [Refer note 15] | (2,704.82) | (3,709.49) |
| | **Balance as per Special Purpose Combined Statement of Cash Flows** | **1,659.01** | **14,780.62** |

C. **Debt: Equity ratio of the Issuer as on March 31, 2024:**

| | **(Amount in INR Million) – Standalone** |
|---|---|
| | **As on 31.03.2024** |
| Before the issue | |
| Gross Debt | 1,05,730.08 |
| Total Equity | 1,40,026.04 |
| Gross Debt: Equity ratio (before Issue) | 0.76 times |

| | (Amount in INR Million) – Consolidated |
|---|---|
| | **As on 31.03.2024** |
| Before the issue | |
| Gross Debt | 1,07,948.08 |
| Total Equity | 1,29,489.91 |
| Gross Debt: Equity ratio (before Issue) | 0.83 times |

**IX. The amount of guarantee or letter of comfort issued by the Issuer along with details of the counterparty (like name and nature of the counterparty i.e. subsidiary, Joint Venture entity, group company etc) on behalf of whom it has been issued:**

| Name of the entity | Name of the counterparty | Nature of counterparty | Outstanding Amount (INR million) |
|---|---|---|---|
| Not applicable | Not applicable | Not applicable | Not applicable |

**X. Details of any other contingent liabilities of the Issuer based on the latest audited Financial Statements including amount and nature of liability:**

| Particulars | As at March 31, 2024 (INR Million) |
|---|---|
| **Contingent liabilities** | |
| Claims not acknowledged as debt in respect of | |
| - Income-Tax matters excluding interest | 225.18 |
| - Service-Tax matters | 140.05 |
| - Customs duty matters (Refer note 3 below)<br>Damages/Penalties by NHAI/IE | 61.10 |
| - Civil suits related to accident claim and land encroachment | 7.80 |
| - Stamp duty | 932.7 |

**Notes:** For more details about other contingent liabilities, see Note 43 of the Consolidated Financial Statements.

**XI. Brief history of the Issuer since its registration giving details of the following activities:**

Cube Highways and Transportation Assets Advisors Private Limited ("Settlor") set up the Issuer by way of the original trust deed dated December 7, 2021, as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882 at New Delhi, India. The Settlor has settled the Issuer for an initial sum of ₹ 10,000. The Sponsors shall not have any beneficial interest in such initial sum of the trust and such sum shall not be distributed to Sponsors under any circumstances. The Issuer was registered as an infrastructure investment trust under the SEBI InvIT Regulations on April 5, 2022, having registration number IN/InvIT/22-23/0022. The original trust deed was amended and restated by way of the trust deed dated July 8, 2022, and March 11, 2024.

A. **Details of unit capital as on last quarter end:**

| As on quarter ended March 31, 2024, Unit Capital | INR (In million) |
|---|---|
| **Issued, Subscribed and Paid-up Unit Capital** | INR 129034.61 /-<br>Ordinary Units 1,29,03,46,112/- |

B. **Changes in the unit capital structure of the Issuer as on last quarter end, and for the preceding three financial years and current financial year:**

As of quarter ended March 31, 2024, Units are outstanding.

| Date of change i.e. the date of the annual general meeting / extra-ordinary general meeting / Board / Committee Meeting | Particulars |
|---|---|
| 17.04.2023 (Board Meeting) | ➢ 76,77,63,385 (Allotment of units against swap of securities)<br>➢ 1,29,03,46,112 (Cash) |

* Date of listing of Ordinary Units is April 19, 2023.

C. **Details of the equity unit capital history of the Issuer for the preceding three financial years and current financial year:**

As on March 31, 2024, in aggregate 1,29,03,46, 112 /- Ordinary Units are outstanding.

| Date of issue | No. of Units issued* | Face Value (Rs.) | Issue Price (Rs.) | Consideration (Cash, other than cash etc.) | Nature of allotment | Cumulative unit capital | Remarks |
|---|---|---|---|---|---|---|---|
| 19.04.2023 | 76,77,63,385 | - | - | Allotment of units against swap of securities | Allotment of units against swap of securities | 76,77,63,385 | - |
| 19.04.2023 | 52,25,82,727 | - | - | Cash | Private Placement | 1,29,03,46,112 | - |

**The securities being Ordinary Units of an infrastructure investment trust do not have a face value and accordingly, details of face value in respect of Units have not been disclosed.*

D. **Details of any acquisition or amalgamation in the preceding one year**:

The Issuer has acquired the following Project SPVs during the financial year 2023-24 and the tables below set forth an overview of these Project SPVs:

| Sr. No. | Relevant Project SPV | Project Length and number of lanes | State(s) | Residual Life (in years, as of March 31, 2024) |
|---|---|---|---|---|
| 1. | Andhra Pradesh Expressway Limited (APEL)** | 74.6 kms and 4 lanes | Telangana and Andhra Pradesh | 2.51 years |
| 2. | DA Toll Road Private Limited (DATRPL) | 179.5 kms and 6 lanes | Uttar Pradesh and Haryana | 14.86 years |
| 3. | Farakka – Raiganj Highways Limited (FRHL) | 100.1 kms and 4 lanes | West Bengal | 17.10 years |
| 4. | Ghaziabad Aligarh Expressway Private Limited (GAEPL) | 125.2 kms and 4 lanes | Uttar Pradesh | 15.24 years |
| 5. | Hazaribagh Tollway Private Limited (HTPL) | 73.8 kms and 4 lanes | Jharkhand | 26.57 years |
| 6. | Jaipur Mahua Tollway Private Limited (JMTPL) | 109.0 kms and 4 lanes | Rajasthan | 7.26 years |
| 7. | Jhansi – Lalitpur Tollway Private Limited (JLTPL) | 49.7 kms and 4 lanes | Uttar Pradesh | 26.57 years |
| 8. | Jhansi – Vigakhet Tollway Private Limited (JVTPL) | 49.3 kms and 4 lanes | Uttar Pradesh | 26.57 years |
| 9. | Kanyakumari – Etturavattam Private Tollway Limited (KETPL) | 64.2 kms and 4 lanes | Tamil Nadu | 26.57 years |
| 10. | Kotwa – Muzaffarpur Tollway Private Limited (KMTPL) | 80.0 kms and 4 lanes | Bihar | 26.57 years |
| 11. | Lucknow – Raebareli Tollway Private Limited (LRTPL) | 70.0 kms and 4 lanes | Uttar Pradesh | 26.57 years |
| 12. | Madurai – Kanyakumari Tollway Private Limited (MKTPL) | 52.3 kms and 4 lanes | Tamil Nadu | 26.57 years |
| 13. | Mahua Bharatpur Expressways Limited (MBEL) | 57.3 kms and 4 lanes | Rajasthan | 7.23 years |
| 14. | Nanguneri – Kanyakumari Tollway Private Limited | 63.5 kms and 4 lanes | Tamil Nadu | 26.57 years |
| 15. | Nelamangala Devihalli Expressway Private Limited (NDEPL) | 80.3 kms and 4 lanes | Karnataka | 8.89 years |
| 16. | Salaipudhur – Madurai Tollway Private Limited (SMTPL) | 63.5 kms and 4 lanes | Tamil Nadu | 26.40 years |
| 17. | Walayar Vadakkencherry Expressways Private Limited (WVEPL) | 53.5 kms and 4 lanes | Kerala | 9.39 years |
| 18. | Western UP Tollway Private Limited (WUPTPL) | 77.8 kms and 4 lanes | Uttar Pradesh | 2.24 years |
| 19. | Borgaon Watambare Highways Private Limited (BWHPL)* | 52 kms and 4 lanes | Maharashtra | 12.5 years |

| Sr. No. | Relevant Project SPV | Project Length and number of lanes | State(s) | Residual Life (in years, as of March 31, 2024) |
|---|---|---|---|---|
| 20. | Mangloor Highways Private Limited (MHPL)* | 48.96 kms and 4 lanes | Telangana | 12.8 years |
| 21. | Mangalwedha-Solapur Highways Private Limited (MSHPL)* | 55.8 kms and 4 lanes | Maharashtra | 12.7 years |
| 22. | KNR Shankarampet Projects Private Limited (KSPPL)* | 47 kms and 4 lanes | Telangana | 12.5 years |
| 23. | KNR Tirumala Infra Private Limited (KTIPL)* | 60.54 kms and 4 lanes | Andhra Pradesh | 12.1 years |
| 24. | KNR Srirangam Infra Private Limited (KSIPL)* | 38.7 km and 4 lanes | Tamil Nadu | 12.2 years |

***APEL is an annuity asset and hence revenue corresponds to annuity income.*
** Issuer has acquired 51% equity shares as on June 04, 2024.*

E. **Details of reorganization or reconstruction in the preceding one year:**

| Type of Event | Date of Announcement | Date of Completion | Details |
|---|---|---|---|
| Not applicable | Not applicable | Not applicable | Not applicable |

F. **Details of the unitholding of the Issuer as at the latest quarter end, as per the format specified under the listing regulations:**

The unitholding pattern of the Issuer as on March 31, 2024, is annexed as Schedule V.

G. **List of top 10 holders of units of the Issuer as on the latest quarter end:**

The unitholding pattern of the top 10 Unit Holders of the Issuer as of quarter ended March 31, 2024, is set out below:

| Sr. No. | Name of Unitholder | Total no. of Units held | No. of Units in Demat form | Total unitholding as % of total no. of units held |
|---|---|---|---|---|
| 1 | BCI IRR India Holdings Inc. | 23,90,33,801 | 23,90,33,801 | 18.52 |
| 2 | Cube Highways and Infrastructure III Pte. Ltd. | 21,19,68,147 | 21,19,68,147 | 16.43 |
| 3 | Cube Highways and Infrastructure II Pte. Ltd. | 12,37,56,208 | 12,37,56,208 | 9.59 |
| 4 | Cube Highways and Infrastructure Pte. Ltd. | 10,35,17,584 | 10,35,17,584 | 8.02 |

| Sr. No. | Name of Unitholder | Total no. of Units held | No. of Units in Demat form | Total unitholding as % of total no. of units held |
|---|---|---|---|---|
| 5 | Seventy Second Investment Company LlC-FDI | 7,74,19,854 | 7,74,19,854 | 5.99 |
| 6 | SBI Equity Hybrid Fund | 5,14,00,000 | 5,14,00,000 | 3.98 |
| 7 | Cube Mobility Investments Pte. Ltd. | 4,32,83,656 | 4,32,83,656 | 3.35 |
| 8 | Cube Mobility Investments Pte. Ltd. | 4,27,41,236 | 4,27,41,236 | 3.31 |
| 9 | Cube Mobility Investments Pte. Ltd. | 4,02,28,259 | 4,02,28,259 | 3.11 |
| 10 | Cube Mobility Investments Pte. Ltd. | 3,86,82,134 | 3,86,82,134 | 2.99 |
| **Total** | | **97,20,30,879** | **97,20,30,879** | **75.33** |

## XII. Details regarding parties to the Cube Highway Trust:

### A. Sponsors

Sponsors of the Issuers are Cube Highways and Infrastructure Pte. Ltd., a body corporate incorporated in Singapore and Cube Highways and Infrastructure III Pte. Ltd., a body corporate incorporated in Singapore.

### B. The Investment Manager

Cube Highways Fund Advisors Private Limited was incorporated under the Companies Act 2013 with Company Identification Number U74999DL2021FTC379941. Pursuant to the Investment Management Agreement, Cube Highways Fund Advisors Private Limited has been appointed as the manager of the Issuer in accordance with the SEBI InvIT Regulations.

### C. The InvIT Trustee

Axis Trustee Services Limited is the InvIT Trustee of the Issuer. The InvIT Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee having registration number IND000000494 which is valid until suspended or cancelled by SEBI.

The Sponsor and the InvIT Trustee have executed the Trust Deed, under which various powers, duties, rights and liabilities of the InvIT Trustee have been prescribed in accordance with the Indian Trusts Act, 1882, the SEBI InvIT Regulations and the applicable SEBI guidelines. The InvIT Trustee shall hold the trust fund in the name of the Issuer and for the benefit of the Unit Holders. The power to manage and operate the trust fund is entrusted by the InvIT Trustee to the Investment Manager under the Investment Management Agreement; provided that the InvIT Trustee shall at all times remain responsible to oversee the management of the trust fund in accordance with the provisions of the InvIT Documents (as defined under the Trust Deed) and SEBI InvIT Regulations. The InvIT Trustee, on the advice of the Investment Manager, may, subject to the provisions of the InvIT Documents and applicable law, if it deems expedient, from time to time, review, revise, amend, vary, or alter the investment strategy and objective of the Issuer in accordance with the Trust Deed. To the extent that the powers, rights and/ or obligations of the InvIT Trustee under the Trust Deed have been entrusted to the Investment Manager (under the Investment Management Agreement), the InvIT Trustee shall

not engage in the day to day operations and management of the Issuer and shall be entitled to exercise such powers, rights and/ or obligations only where required by applicable law or in the event of failure / inability of the Investment Manager to exercise such powers, rights and/ or obligations or in the event that the Investment Manager specifically refers any such matter to the InvIT Trustee.

**XIII. Brief particulars of the management of the Issuer:**

**A. Brief particulars of the management team of the Investment Manager are stated below:**

i. Mr. Vinay C Sekar (Chief Executive Officer)

He holds a B.Tech in mechanical engineering from the Indian Institute of Technology, Madras and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. Before joining the Investment Manager, he worked with Cube Highways and Transportation Asset Advisors Private Limited, IndusInd Bank Limited and IFCI Limited.

ii. Mr. Pankaj Vasani (Chief Financial Officer)

He is a senior finance and business leader with over two decades of experience in executive roles and as a board and audit committee member. In his prior engagements, he has worked in leadership roles with Publicis Groupe, Vodafone, Coca-Cola, Subros and in an advisory role.

A multi-award winner viz. CFO Veteran of the Year, Finance Personality of the Year, Finance Innovation Icon (by Google), Strategy Visionary Leader, etc.; he was recognized twice by the alma mater, Institute of Chartered Accountants of India (World's largest accounting body)–CFO of the Year 2018 & Professional Achiever Award 2014. He was also conferred an honorary doctorate for 'Excellence in Management' from American University in confederation with the International Accreditation Committee.

By education, he's a CA (England & Wales), CPA (Australia), CA (India), IIM Bangalore (EEP), Lawyer (Gold medallist) - Delhi University., Leiden University., Netherlands - EP (Intl. Tax), & Delhi University., India - B Com (Hons).

iii. Mr. Mridul Gupta (Company Secretary and Compliance Officer)

He is a member of the Institute of Company Secretaries of India and a law and commerce-graduate with over 13 years of professional experience. He is the Compliance Officer and Company Secretary of Cube Highways Trust, InvIT, since May 20, 2022. Before joining Cube Highways, he had a long stint of ~8 years with Bharti Enterprises and has worked with Uppal Housing and Nirala Developers. He has worked extensively in Corporate and allied laws, Corporate Governance and Compliance space and has the experience of working with Senior Boards on governance, board-effectiveness and evaluation. He also serves as Non-executive Director on the board of various InvIT SPVs.

**B. Following details regarding the members of the board of directors of the Investment Manager:**

i. **Details of the current directors of the Investment Manager as on June 19, 2024**:

| Name, Designation and DIN | Age (in years) | Address | Date of appointment | Details of other Directorships* (Details of Indian Companies in which a person is Director is provided) | Whether wilful defaulter (Yes/ No) |
|---|---|---|---|---|---|
| Mr. Jayesh Ramniklal Desai Independent Director DIN: 00038123 | 57 | 1001 Desai Oceanic V B Worlikar Marg, Worli Mumbai – 400030 | 25 Jan 2022 | TruBoard VT Private Limited | No |
| Mr. Upendra Kumar Sinha Independent Director DIN: 00010336 | 72 | K 94, 2nd Floor, Hauz Khas Enclave, New Delhi 110016 | 25 Jan 2022 | 1. Havells India Ltd<br>2. Vedanta Ltd<br>3. Aavishkar Venture Management Services Pvt. Ltd.<br>4. Administrative Staff College of<br>5. India (ASCI), Hyderabad<br>6. Gaja Corporate Advisors Pvt Ltd<br>7. SIS Limited<br>8. NDTV Labs Limited<br>9. NDTV Networks Limited<br>10. Nippon Life India Asset Management<br>11. New Delhi Television Limited | No |
| Mr. Surinder Chawla Independent Director DIN: 09605209 | 43 | T 7/2702, Block No. A Phse II, Primanti Garden Estate, Sector 72, Gurgaon, Haryana 122101 | 20 May 2022 | Nil | No |
| Mr. Sandeep Lakhanpal Non-Executive Director (DIN: 07171147) | 54 | T 7/2702, Block No. A Phse II, Primanti Garden Estate, Sector 72, Gurgaon, Haryana 122101 | 30 June 2022 | 1. ISquared India Advisors Private Limited<br>2. Polaris Smart Metering Private Limited<br>3. Hexa Climate Solutions Private Limited | No |

| Name, Designation and DIN | Age (in years) | Address | Date of appointment | Details of other Directorships* (Details of Indian Companies in which a person is Director is provided) | Whether wilful defaulter (Yes/ No) |
|---|---|---|---|---|---|
| Mr. Fereshte Dhunjishaw Sethna Independent Director (DIN: 00284941) | 57 | 10506 Rivers Bend Lane Potomac Md USA 20854 | 16 Mar 2023 | 1. Morrisett Agro Forestry Ventures Private Limited;<br>2. Morrisett One Harvests Private Limited;<br>3. Morrisett Agro Plantations Private Limited;<br>4. Morrisett Litigators Private Limited;<br>5. Lexnovum Consultaire Private Limited | No |
| Ms. Helly Bharat Ajmera DIN: 10240609 | 41 | 1101, Takshashila, Neelkanth Kingdom, Nathani Road, Vidyavihar West, Mumbai – 400086 | 07 Nov, 2023 | 1. Hexa Climate Solutions Private Limited<br>2. BCIMC India Services Private Limited | No |

***Note***: The Issuer to disclose name of the current directors who are appearing in the RBI defaulter list and/ or ECGC default list, if any:

None of the current directors of the Investment Manager, are appearing in the RBI defaulter list and/or ECGC default list.

ii. **Details of change in directors of the Investment Manager preceding three financial years and current financial year:**

The directors of the Investment Manager were appointed on different dates as on June 19, 2024 as specified in paragraph XII (B)(i) above.

| Name, Designation and DIN | Date of appointment | Date of cessation, if applicable | Date of resignation, if applicable | Remarks |
|---|---|---|---|---|
| Velusamy Vasu Director (DIN 03391441) | 12th April, 2021 | - | 04th July, 2022 | Not applicable |
| Nilesh Shukla Director (DIN 08617637) | 12th April, 2021 | - | 27th January 2022 | Not applicable |
| Mr. Harikishan Reddy Koppula Director (DIN: 01386693) | 24th August 2021 | - | 07th June, 2023 | Not applicable |

| | | | | |
|---|---|---|---|---|
| Jayesh Ramniklal Desai Independent Director (DIN: 00038123) | 25th January 2024 | Not applicable | Not applicable | Not applicable |
| Upendra Kumar Sinha Independent Director (DIN: 00010336) | 25th January 2022 | Not applicable | Not applicable | Not applicable |
| Helly Bharat Ajmera DIN: 10240609 | 7th November 2023 | Not applicable | Not applicable | Not applicable |
| Surinder Chawla Independent Director (DIN: 09605209) | 20th May 2022 | Not applicable | Not applicable | Not applicable |
| Sandeep Lakhanpal Non-Executive Director (DIN: 07171147) | 30th June 2022 | Not applicable | Not applicable | Not applicable |
| Fereshte Dhunjishaw Sethna Independent Director (DIN: 00284941) | 16th March 2023 | Not applicable | Not applicable | Not applicable |
| Zaman Velji Non-Executive Director (DIN: 10178792) | 08th June, 2023 | Not applicable | 7th November, 2023 | Not applicable |
| Chirdeep Singh Bagga Non-Executive Director (DIN: 08082195) | 08th June, 2023 | Not applicable | 31 May, 2024 | Not applicable |

iii. **Details of directors' remuneration, and such particulars of the nature and extent of their interests in the Issuer (during the current year and preceding three financial years):**

(a) **Remuneration payable or paid to a director by the Issuer, its subsidiary or associate company, shareholding of the director in the Issuer, its subsidiaries and associate companies on a fully diluted basis:**

None of the Director of the Investment Manager holds any Unit of the Issuer.

**Details of the remuneration paid to the directors of Investment Manager:**

**(Amount in Millions)**

| Sr No | Particulars | Relationship | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|---|
| 1 | Upendra Kumar Sinha | | 1.7 | 0.5 | 1.7 |
| 2 | Jayesh Ramniklal Desai | | 2.4 | 0.6 | 2.4 |

| | | | | | |
|---|---|---|---|---|---|
| 3 | Surinder Chawla | Independent Director | 2.2 | 0.5 | 2.2 |
| 4 | Fereshte Dhunjishaw Sethna | | 1.0 | N.A. | N.A. |

(b) **Appointment of any relatives to an office or place of profit of the Issuer, its subsidiary or associate company:** Not Applicable

(c) **Full particulars of the nature and extent of interest, if any, of every director:**

(aa) **in the promotion of the Issuer.**

Not Applicable

(bb) **in any immoveable property acquired by the Issuer in the two years preceding the date of the General Information Document or any immoveable property proposed to be acquired by i**t.

Not Applicable

(cc) **where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the Issuer shall be disclosed**.

Not Applicable

iv. **Contribution being made by the directors as part of the offer or separately in furtherance of such objects**.

Not Applicable

**XIV. Any financial or other material interest of the directors, promoters or key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons: Not Applicable**

**XV. Following details regarding the auditors of the Issuer:**

A. **Auditors of the Issuer:**

| Name of the Auditor | Address | Date of Appointment |
|---|---|---|
| S.B. Billimoria & Co. LLP, Chartered Accountants (Firm Registration No. 101496/W/100774)<br>Peer Review No. | Address: 7th floor, Building 10, Tower B, DLF Cyber City Complex DLF City Phase II, Gurugram 122 002 | 14 August 2023 |

B. **Details of change in auditor for the preceding three financial years and the current financial year:** Not applicable as there has been no change in the auditor of the Issuer since its appointment.

**XVI. Details of the following liabilities of the Issuer, as at the end of the preceding quarter or if**

**available, a later date:**

A. **Details of outstanding secured loan facilities:**

| Name of the Lender | Type of Facility | Amount Sanctioned (INR Crores) | Principal Amount Outstanding (INR Crores) | Repayment Date / Schedule | Security | Credit Rating | Asset Classification June 19, 2024 |
|---|---|---|---|---|---|---|---|
| State Bank of India | Rupee term loan | 6,100 | 5,836 | As set out in Annexure III | • A charge over on all moveable assets and the receivables of the Issuer in relation to certain identified Project SPVs, including but not limited to all receivables of the Issuer from such Project SPVs, loans and advances made by the Issuer to Project SPVs except for the Excluded SPVs, the interest and principal repayment of loans advanced by the Issuer to Project PVs, dividends and any other amounts to be paid / payable by the Project SPVs to the Issuer, inventories, contractual rights, securities, patents, trademarks, other intellectual property, equipment and/or insurances (in each instance, if any); and 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.<br>• A charge over all the Accounts and all other bank accounts of the Issuer in which the free cash flows from the Project SPVs owned by the Issuer will be deposited/ credited or | AAA | Standard |
| ICICI Bank Limited | Rupee term loan | 1,250 | 1,196 | | | AAA | Standard |
| Axis Bank Limited | Rupee term loan | 450 | 430 | | | AAA | Standard |
| HDFC Bank Limited | Rupee term loan | 700 | 670 | | | AAA | Standard |
| NABFID | Rupee term loan | 1,500 | 1,435 | | | AAA | Standard |
| Axis Bank Limited | Working capital facilities | 100 | 85 | | | AAA | Standard |

| Name of the Lender | Type of Facility | Amount Sanctioned (INR Crores) | Principal Amount Outstanding (INR Crores) | Repayment Date / Schedule | Security | Credit Rating | Asset Classification June 19, 2024 |
|---|---|---|---|---|---|---|---|
| | | | | | any other account opened / maintained by the Issuer in relation to such Project SPVs. It is hereby clarified that bank accounts opened by the Issuer in pursuance to Regulation 9(1) of the Securities and Exchange Board of India (Investment Infrastructure) Regulations, 2014 shall not be included for the purposes of this Section.<br>• A charge by way of hypothecation on the debt service reserve amount.<br>• A charge by way of mortgage, over all movable and immoveable assets of the Issuer and assignment thereunder of all loans and advances (and all rights, title, security, and interest thereunder) made by the Issuer to Project SPVs except for the Excluded SPVs, including the rights under the Substitution Agreement – Project SPVs, Escrow Agreement – Project SPVs and all other Project Documents;<br>• An agreement to assign the loans advanced by the Issuer to the Project SPVs (except for the Excluded SPVs) and securities created by the Issuer (including right of substitution & termination and invocation of the provisions of Escrow | | |

| Name of the Lender | Type of Facility | Amount Sanctioned (INR Crores) | Principal Amount Outstanding (INR Crores) | Repayment Date / Schedule | Security | Credit Rating | Asset Classification June 19, 2024 |
|---|---|---|---|---|---|---|---|
| | | | | | Agreement-Project SPVs in case of default by such Project SPVs except for the Excluded SPVs) in relation to such loans granted by the Issuer). Provided that such assignment shall be effective upon occurrence of an Event of Default;<br>• Provided further that such agreement to assign shall be without prejudice to the rights, Security Interest or assignment created/ effected under the Indenture of Mortgage;<br>• A pledge of all bonds, non-convertible debentures, or any other security (except the equity shares) of Project SPVs (other than the Excluded SPVs) held by the Issuer.<br>• A pledge of 100% (one hundred percent) equity shares on a Fully Diluted Basis of all Project SPVs (except for the Excluded SPVs).<br>• A pledge of bonds, non-convertible debentures, or any other security (except equity shares) of the Excluded SPVs held by the Issuer and pledge over 100% (one hundred percent) equity shares of APEL and pledge over 99.97% (ninety-nine point nine seven percent) equity shares of MBEL and a pledge over 100% (one hundred percent) of the equity shares of | | |

| Name of the Lender | Type of Facility | Amount Sanctioned (INR Crores) | Principal Amount Outstanding (INR Crores) | Repayment Date / Schedule | Security | Credit Rating | Asset Classification June 19, 2024 |
|---|---|---|---|---|---|---|---|
| | | | | | the other Excluded SPVs.<br>• In addition to the aforementioned security, there are certain contractual comforts which have been provided in respect of this debt, as more particularly detailed in the definitive documents in respect of the same. | | |

B. **Details of outstanding unsecured loan facilities:** Not Applicable

C. **Details of outstanding non-convertible securities as on March 31, 2024:**

| Series of NCD | ISINs | Tenor or period of maturity | Coupon | Amount outstanding (Amount in INR) | Date of Allotment | Redemption Date/ Schedule | Credit Rating | Secured or Unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|
| N.A. | INE0NR607017 | 31.03.2041 | 7.49% | 1005.28 | 28 June, 2023 | As per Annexure-II | IND AAA/Stable | Secured | As per Annexure-II |

D. **Details of commercial paper issuances as at the end of the last quarter:** NIL

E. **List of top ten holders of non-convertible securities in terms of value (on a cumulative basis):**

| S. No. | Name of holders | Category of holder | Face value of holding | Holding as a % of total outstanding non-convertible securities of the issuer |
|---|---|---|---|---|
| 1. | International Finance Corporation | Financial Institution | 1005.28 | 100/% |

F. **List of top ten holders of Commercial Paper in terms of value (on a cumulative basis):** NIL

G. **Details of the bank fund-based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors:** Not Applicable

**XVII. The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture**

**entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.:** Not Applicable

**XVIII. Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued:** NIL

**XIX. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Issuer, in the past 3 years including the current financial year:** NIL

**XX. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/Sponsor, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the issue or the investor's decision to invest/continue to invest in the Debentures:** Not Applicable

**XXI. Any litigation or legal action pending or taken by a Government Department or a statutory body or a regulatory body during the last three years immediately preceding the year of the circulation of this General Information Document against the Sponsors of the Issuer:** Not Applicable

**XXII. Details of default and non-payment of statutory dues for the preceding three financial years and current financial year:** NIL

**XXIII. Details of pending litigation involving the Issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issuer or the investor's decision to invest /continue to invest in the debt securities and/ or non-convertible redeemable preference shares:** NIL

**XXIV. Details of acts of material frauds committed against the Issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer:** NIL

**XXV. Details of pending proceedings initiated against the Issuer for economic offences, if any:** NIL

**XXVI. Related party transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided:**

As per note number 28 of standalone financial statement of the Issuer attached herewith as Schedule VII.

**XXVII. Details of the Sponsors of the Issuer**

(i) *Details of Sponsors' holding of the Issuer as on the latest quarter end*

The holding of the Sponsor and Sponsor Group in the Issuer as on March 31, 2024, is set out below:

| S. No. | Name of the Unit Holders | Sponsor / Sponsor Group | Total no. of Units held | Total unitholding as % of total no. of Units | Type of encumbrance | No of Units subject to pledge / non disposal undertaking | % of Units subject to pledge / non disposal undertaking with respect to Units owned |
|---|---|---|---|---|---|---|---|
| 1 | Cube Highways and Infrastructure Pte. Ltd. | Sponsor | 103517584 | 8.02 | N.A. | N.A. | N.A. |
| 2 | Cube Highways and Infrastructure III Pte. Ltd. | Sponsor | 246578212 | 19.11 | Lock In | 193551917 | 15% |

**XXVIII. Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts:**

Please see the relevant Key Information Document for consents in relation to issue of Debentures.

**XXIX. Details of the Debenture Trustee**

The Debenture Trustee, respectively, have agreed to act as the debenture trustee for the issue of the Debentures and shall be charging fees as described in the consent letter issued by it. The Debenture Trustee shall also execute the relevant Debt Security Trustee Agreement before opening of the relevant issue as per the relevant Key Information Document. The consent letter issued by the Debenture Trustee shall be annexed to the relevant Key Information Document. The Debenture Trustee confirms that it has undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the Debenture Trustee Master Circular. The due diligence certificate issued by the Debenture Trustee is appended to this General Information Document as Schedule VI.

**XXX. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

As set out in the relevant Key Information Document.

**XXXI. Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention:**

A **The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made**: As per the Key Information Document

B **Procedure and time schedule for allotment and issue of securities**: As per the Key Information Document

C **Cash flows emanating from the non-convertible securities, by way of an illustration**: As per the Key Information Document

**XXXII. Disclosures pertaining to wilful defaulter**

If the Issuer or the Sponsors or the Investment Manager's director is declared willful defaulter: **No**

| | |
|---|---|
| Name of the bank declaring the entity as a wilful defaulter | **NA** |
| The year in which the entity is declared as a wilful defaulter | **NA** |
| Outstanding amount when the entity is declared as a wilful defaulter | **NA** |
| Name of the entity declared as a wilful defaulter | **NA** |
| Steps taken, if any, for the removal from the list of wilful defaulters | **NA** |
| Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions | **NA** |
| Any other disclosure as specified by SEBI | **NA** |

**XXXIII. Project details: Gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project, if any):**

Not applicable.

**XXXIV. Further Issue under existing International Securities Identification Number (ISIN)**

The Issuer reserves right to make multiple issuances under the same ISIN with reference to NCS Master Circular.

The Issue can be made either by way of creation of fresh ISIN or by way of issuance under the existing ISIN at premium/par/discount as the case may be in line with aforesaid SEBI circular, as amended from time to time.

**XXXV. Disclosure pertaining to charge creation**

The security created in relation to the Debentures shall be created and perfected in accordance with Applicable Laws on or prior to the relevant Deemed Date of Allotment, or such other timeline as may be agreed between the eligible investors and the Issuer in accordance with the provisions of the relevant Debt Security Trust Deed.

Debentures shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or Central Registry set up under The Security Interest (Enforcement) Rules, 2002 as applicable, or is independently verifiable by the Debenture Trustee.

**XXXVI. Additional Disclosures and Reports**

A. **If the proceeds, or any part of the proceeds, of the Issue are or is to be applied directly or indirectly:**

a. in the purchase of any business; or

b. in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith,

the Issuer shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the General Information Document) upon:

i. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the General Information Document; and

ii. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the General Information Document.

As per the relevant Key Information Document.

B. **In purchase or acquisition of any immovable property including indirect acquisition of immovable property for which advances have been paid to third parties, disclosures regarding:**

a. the names, addresses, descriptions and occupations of the vendors;

b. the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

c. the nature of the title or interest in such property proposed to be acquired by the company; and

d. the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction;

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location / total area and the number of vendors from whom it is being acquired and the aggregate value being paid.

Details of minimum amount, the maximum amount and the average amount paid / payable should also be disclosed for each immovable property.

As per the relevant Key Information Document.

C. **If:**

a. the proceeds, or any part of the proceeds, of the Issue are or are to be applied directly or indirectly and, in any manner resulting in the acquisition by the Issuer of shares in any other body corporate; and

b. by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the Issuer, a report shall be made by a chartered accountant (who shall be named in the General Information Document) upon:

i. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and

ii. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

As per the relevant Key Information Document.

D. **The said report shall:**

a. indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the Issuer and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the Issuer had at all material times held the shares proposed to be acquired; and

b. where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (C) (b) above.

As per the relevant Key Information Document.

E. **The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including rescheduling, prepayment, penalty, default.**

a. The details in relation to borrowings by way of issuance of non-convertible debentures by the Issuer is as detailed in Point C of Section XVI above.

b. The details in relation to borrowings by way of secured term loan of the Issuer:

i. Re-scheduling: Not Applicable

ii. Pre-payment: Not Applicable

iii. Penalty and default: Not Applicable

c. The details in relation to lending by the Issuer to its Project SPVs is as detailed below as on March 31, 2024:

| Sr. No. | Project SPVs | Loan Provided | Loan Repaid | O/s Balance (INR in Million) |
|---|---|---|---|---|
| **Senior Loan** | | | | |
| 1. | HTPL | 6,498.38 | 23.60 | 6,474.78 |
| 2. | JLTPL | 3,184.97 | 11.80 | 3,173.17 |
| 3. | JVTPL | 1,907.04 | 9.10 | 1,897.94 |
| 4. | KETPL | 3,187.69 | 24.40 | 3,163.29 |
| 5. | KMTPL | 4,763.58 | 46.00 | 4,717.58 |
| 6. | LRTPL | 2,974.65 | 16.00 | 2,958.65 |
| 7. | MKTPL | 4,507.42 | 31.00 | 4,476.42 |
| 8. | NKTPL | 3,577.47 | - | 3,577.47 |
| 9. | SMTPL | 3,320.81 | 29.10 | 3,291.71 |
| 10. | DATRPL | 17,038.15 | 738.33 | 16,299.82 |
| 11. | FRHL | 8,815.94 | 357.03 | 8,458.91 |
| 12. | WVEPL | 1,906.06 | 185.90 | 1,720.16 |

| | | | | |
|---|---|---|---|---|
| 13. | NDEPL | 2,644.87 | 127.00 | 2,517.87 |
| 14. | WUPTPL | 446.28 | 446.28 | - |
| 15. | JMTPL | 1,951.40 | 357.00 | 1,594.40 |
| 16. | GAEPL | 6,948.34 | 198.97 | 6,749.37 |
| **Sub-ordinate Loan** | | | | |
| 17. | HTPL | 3,316.27 | - | 3,316.27 |
| 18. | JLTPL | 1,755.07 | - | 1,755.07 |
| 19. | JVTPL | 1,144.02 | - | 1,144.02 |
| 20. | KETPL | 2,800.60 | - | 2,800.60 |
| 21. | KMTPL | 3,546.45 | - | 3,546.45 |
| 22. | LRTPL | 1,219.59 | - | 1,219.59 |
| 23. | MKTPL | 3,032.26 | - | 3,032.26 |
| 24. | NKTPL | 6,938.49 | - | 6,938.49 |
| 25. | SMTPL | 2,627.84 | - | 2,627.84 |
| 26. | DATRPL | 11,914.88 | - | 11,914.88 |
| 27. | FRHL | 7,825.34 | - | 7,825.34 |
| 28. | WVEPL | 3,320.33 | - | 3,320.33 |
| 29. | NDEPL | 1,451.80 | - | 1,451.80 |
| 30. | WUPTPL | 2,138.87 | 452.69 | 1,686.18 |
| 31. | JMTPL | 23.18 | - | 23.18 |
| 32. | GAEPL | 14,206.26 | - | 14,206.26 |
| 33. | MBEL | 858.44 | - | 858.44 |
| 34. | APEL | 2,050.18 | - | 2,050.18 |

i. Interest: Annual interest rate determined on the basis of transfer pricing..

ii. Re-scheduling: Not Applicable.

iii. Security: The loans which are secured in nature are secured by way of mortgage and hypothecation over the assets of the relevant Project SPVs.

iv. Penalty and default: NIL.

v. Prepayment: Upon the occurrence of certain identified events, the Project SPV can be required to mandatorily prepay the entire loan.

F. **The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company, which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies, shall be disclosed:** Not Applicable

G. **The matters relating to:**

**a. Material contracts:**

The following contracts are or may be deemed material:

i. InvIT Trust Deed of Cube Highway Trust;

ii. Certificate of registration granted by SEBI;

iii. Investment Manager Agreement;

iv. Debenture Trust Agreement entered between the Issuer and Debenture Trustee;

v. Debt Security Trust Deed entered between the Issuer and Debenture Trustee;

vi. Credit rating communication letter dated June 12, 2024 from the Credit Rating Agency;

vii. Consent from Catalyst Trusteeship Limited to act as debenture trustee vide their letter dated June 05, 2024;

viii. Consent from KFin Technologies Limited to act as the Registrar and Transfer Agent vide their letter dated May 16, 2024;

ix. Security Documents in relation to the specific issuance.

**b. Time and place at which the contracts together with documents will be available for inspection from the date of the General Information Document until the date of closing of subscription list:**

These contracts and also the documents for inspection referred to hereunder, may be inspected as follows:

i. Constitutional documents of the Issuer can be inspected at the principal place of business of the Issuer, from 10:00 A.M. to 12:00 P.M., on all Working Days.

ii. Transaction Documents can be inspected at the office of the Debenture Trustee to the specific issuances.

H. **Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document:**

| Financial Year | Page number of the audit report which sets out the details of the related party transactions |
|---|---|
| FY 2023-2024 | Refer Note number 28 of standalone financial statement attached herewith as Schedule VII. |

**Note:** The Issuer being a listed InvIT has been in existence for a period less than three completed years and historical financial statements of the Issuer are not available for some portion of the reporting period of three years, hence provided for one year only.

I. **The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of this General Information Document, and of their impact on the financial statements and financial position of the Issuer, and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remarks:** Not Applicable

J. **The details of:**

a. **any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies' law (as applicable) in**

**the three years immediately preceding the year of issue of issue document in the case of the Issuer being a company and all of its subsidiaries:** Not Applicable

b. **prosecutions filed, if any (whether pending or not) in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries:** Not Applicable

c. **fines imposed or offences compounded, in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries:** Not Applicable

K. **The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer:** Not Applicable

## XXXVII. Other details pertaining to the Issue

### A. Debenture Redemption Reserve - relevant regulations and applicability

The Issuer agrees and undertakes to create a debenture redemption reserve (if required and applicable to the Issuer) in accordance with the Companies Act and the guidelines issued by SEBI, as may be applicable, and if during the currency of these presents any guidelines are formulated (modified or revised) by any Government Authority having authority under Applicable Law in respect of creation of the debenture redemption reserve. The Issuer shall abide by such guidelines and issue supplemental letters, agreements, and deeds of modification, as may be required, by the Debenture Holders or the Debenture Trustee and shall also cause the same to be registered, where necessary subject to the same being applicable. If a debenture redemption reserve is created, the Issuer shall submit to the Debenture Trustee a certificate duly certified by an independent chartered accountant.

### B. Recovery expense fund

The Issuer agrees and undertakes to create and maintain a recovery expense fund, to the extent applicable, in accordance with the regulations, guidelines and circulars issued by SEBI, and if during the currency of these presents any guidelines are formulated (or modified or revised) by any Government Authority having authority under Applicable Law in respect of creation of the recovery expense fund within the timelines prescribed under Applicable Law. The Issuer shall abide by such guidelines and issue supplemental letters, agreements, and deeds of modification, as may be required, by the Debenture Holders or the Debenture Trustee and shall also cause the same to be registered, where necessary subject to the same being applicable.

### C. Issue/instrument specific regulations - relevant details

The Debentures offered are subject to provisions of all applicable laws including SEBI NCS Regulations and circulars enacted thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Companies Act and rules thereunder, SEBI (Debenture Trustees) Regulations, 1993, the Depositories Act, 1996, each as amended, and rules and regulations made under these enactments (as applicable).

### D. Default in Payment

In case of default in payment of the Coupon and/or redemption on the due dates of the Debentures, additional interest shall be payable in accordance with the provisions in the row titled "Default Interest Rate" in the section titled "**Summary of Terms**" of this General Information Document.

### E. Delay in Listing

If the Issuer fails to get Debentures listed on the Stock Exchange within a period of 3 (three) Trading Days from the date of bidding on the EBP Bond Platform, interest shall accrue from the relevant Deemed Date of Allotment till the Debentures are listed on the relevant Stock Exchange on the outstanding Nominal Value of the Debentures at a rate per annum which is the sum of 1% (one per cent) and the Coupon Rate (the "**Listing Default Rate**"). The Issuer shall pay interest at the Listing Default Rate so accrued on the immediately succeeding Coupon Payment Date or on demand by the Debenture Trustee, whichever is earlier.

F. **Delay in execution of Debt Security Trust Deed**

Where the Issuer fails to execute the relevant Debt Security Trust Deed within the period specified under regulation 18 (2) of the SEBI NCS Regulations i.e. prior to the listing of Debentures, without prejudice to any liability arising on account of violation of the provisions of the Companies Act, 2013 and the SEBI NCS Regulations, the Issuer shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by SEBI to the Debenture Holders, over and above the agreed Coupon, till the execution of the relevant Debt Security Trust Deed.

G. **Delay in allotment of Debentures**

The Issuer shall on the relevant Deemed Date of Allotment: (i) allot the relevant series of Debentures; (ii) deliver to the Debenture Trustee, a resolution of the board of directors of the Investment Manager, for the allotment of the Debentures by the Issuer; and (iii) as soon as practicable thereafter but in any event within 2 (two) Business Days from such Deemed Date of Allotment, credit the relevant series of Debentures in dematerialized form to the demat account of the relevant Debenture Holders The Issuer shall not cause any delay in allotment of the Debentures to the successful investors.

H. **Issue Details**

Terms of the offer are set out in the section titled "**Summary of Terms**" of this General Information Document.

I. **Issue Procedure**

The Issuer proposes to issue the Debentures on the terms as set out in this General Information Document subject to the provisions of the SEBI NCS Regulations, Companies Act and rules thereunder, the relevant Debt Security Trust Deed and other applicable laws. This section applies to all applicants.

a. <u>Mode of bidding</u>

The Debentures are proposed to be issued in the open bidding mode in accordance with the EBP Bond Platform Guidelines. There are two modes of bidding prescribed by the EBP Guidelines, namely: (a) open bidding; and (b) closed bidding. Under open bidding there shall be real time dissemination of bids on the EBP Bond Platform.

b. <u>Who can bid/ apply/ invest</u>

All Eligible Investors specifically mapped by the Issuer on the EBP Bond Platform, are eligible to bid / invest / apply for this Issue.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the Issue as per the norms approved by SEBI, RBI or any other statutory body from time to time, including but not limited to EBP Guidelines (as applicable and published by the Stock Exchange on its website) for investing in this Issue. The contents of this General Information Document and any other information supplied in connection with this General

Information Document, or the Debentures are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

The Issue will be under the electronic book mechanism as required in terms of the EBP Guidelines.

However, out of the aforesaid class of investors eligible to invest, this General Information Document is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this General Information Document from the Issuer).

c. Minimum Subscription

As the current issue of Debentures is being made on a private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the Issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

d. Date of Allotment

All benefits relating to the Debentures will be available to the investors from the relevant Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the relevant Deemed Date of Allotment.

e. Interest on Application Money

This Issue does not contemplate payment of any interest on application money till allotment of Debentures.

f. Debenture holder not a Shareholder

The Debenture holders will not be entitled to any of the rights and privileges available to the shareholders of the Issuer.

g. How to bid

All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) with BSE's Bond Platform offered by BSE for participating in electronic book building mechanism. Eligible Investors should refer to the EBP Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE. Eligible Investors will also have to complete the mandatory know-your-customer verification process. Eligible Investors should refer to the EBP Guidelines.

I. The details of the Issue shall be entered on the EBP Bond Platform by the Issuer at least 2 (two) working days prior to the Issue Opening Date, in accordance with the EBP Guidelines.

II. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the EBP Bond Platform, at least 1 (one) working day before the start of the Issue Opening Date.

Some of the key guidelines in terms of the current EBP Guidelines, are as follows:

I. *Modification of Bid*

Eligible Investors may note that modification of bid is allowed during the bidding period. However, in the last 10 minutes of the bidding period, revision of bid is only allowed for improvement of price and upward revision of the bid size. Note that the present Issue is a fixed coupon instrument.

II. *Cancellation of Bid*

Eligible Investors may note that cancellation of bid is allowed during the bidding period. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

III. *Multiple Bids*

Eligible Investors may note that multiple bids are permitted.

IV. *Withdrawal of Issue*

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

(i) Non-receipt of bids up to the issue size;

(ii) The bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the issue size;

(iii) The cut-off price entered by the bidder is higher than the estimated cut-off price disclosed to the EBP Bond Platform.

Provided that the Issuer shall accept or withdraw the Issue on the EBP Bond Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date.

However, Eligible Investors should also refer to the EBP Guidelines, as prevailing on the date of the bid.

h. Right to accept or reject bids

The Issuer reserves its full, unqualified and absolute right to accept or reject any bid(s), in part or in full, without assigning any reason thereof and to make provisional / final allocations at its absolute discretion.

i. Provisional / Final allocation

Allocation shall be made on a multiple yield basis. Post completion of bidding process, the Issuer will upload the provisional allocation on the EBP Bond Platform. Once the allocation is done then the successful bidders can see their respective allocations on the allocation report generated by the EBP Bond Platform.

j. Payment mechanism

Subscription should be as per the final allocation made to the successful bidder as notified by the Issuer. Successful bidders should pay-in the subscription amount into the Bank Account (ICCL) on or before 10:30 am on the Pay In Date, the details of which have been provided in this General Information Document. Successful bidders should ensure that they pay from the bank accounts that they have registered with the EBP Bond Platform at the time of registration.

Note: If the successful bidders fail to pay the subscription monies within the time prescribed, their bid will be liable to be rejected and the Issuer shall not be liable to issue and allot any debentures to such bidders.

Subscription monies will be paid out from the Bank Account (ICCL) into the Subscription Account, the details of which have been provided in this General Information Document. This transfer will be done in accordance with the procedure prescribed by the EBP Guidelines.

Cheque(s), Money orders, postal orders will not be accepted. The bank with which the Bank Account (ICCL) is existing assumes no responsibility for any applications lost in mail. Applications should be for the number of Debentures applied by the investor. Applications not completed in the said manner are liable to be rejected. The applicant or in the case of an application in joint names, each of the applicant, should mention his/her PAN details, or where the same has not been allotted, the GIR No. and the income tax circle/ward/district. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the tax deducted at source certificates. Hence, the investor should mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "*Applied for*" nor in case the applicant is not assessed to income tax, the applicant shall mention '*Not Applicable'* (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "*Category of Investor*" in the Application Form.

*For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the section titled "Application Process" in this General Information Document.*

k. Terms of Payment

The full Issue Price of the Debentures applied for, is to be paid in such process as has been listed in this General Information Document.

l. Force Majeure

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

m. Post-allocation disclosures as per EBP Guidelines

Upon allocation of the Debentures, the Issuer shall disclose the size of the Issue, Issue Price, the number of successful bidder, category of the successful bidders etc., in accordance with the EBP Guidelines. The EBP Bond Platform shall upload the data provided by the Issuer on its website to make it available to the public.

n. Depository arrangements

The Issuer has appointed KFin Technologies Limited having its office at Selenium, Tower B, Plot No- 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500032, Telangana, India as the Registrar and Transfer Agent for the present Issue. The Issuer has entered into necessary depository arrangements with NSDL and CDSL for dematerialization of the Debentures offered under the present Issue, in accordance with the Depositories Act, 1996 and regulations made there under. In this context, the Issuer has signed tripartite agreement with the NSDL dated July 08, 2022, and CDSL dated September 28, 2022, and the Registrar and Transfer

Agent for dematerialization of the Debentures offered under the present Issue.

o. Procedure for applying for the demat facility

I. Applicant(s) must have a beneficiary account with any Depository Participant of NSDL/CDSL prior to making the application.

II. For subscribing to the Debentures, names should be identical to those appearing in the account details of the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

III. If incomplete/ incorrect beneficiary account details are given which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.

IV. The Debentures shall be directly credited to the beneficiary account and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the RTA but the confirmation of the credit of the Debentures to the applicant's depository account will be provided to the applicant by the Depository Participant of the applicant.

V. Coupon or other benefits with respect to the Debentures would be paid to those holders whose names appear on the list of beneficial owners given by the depository to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of Coupon or other benefits, till such time the beneficial owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the Coupon or other benefits to the beneficiaries identified, within a period of 15 calendar days from the date of receiving such intimation.

VI. Applicants may please note that the Debentures shall be allotted and traded on the stock exchange(s) only in dematerialized form.

p. Allotment resolutions and credit of debentures

The beneficiary account of the investor(s) with NSDL/CDSL/Depository Participant will be given initial credit within 2 (two) working days from the date of closure of the Issue and confirmation of the credit of Debentures shall be provided by the relevant Depository within 2 (two) working days from the date of closure of the Issue.

Subject to the completion of all statutory formalities within time frame prescribed in the applicable laws, an allotment resolution shall be passed by the finance committee of the Issuer on the Pay In Date to record the allotment of the Debentures to the relevant investor(s) on the said date and the beneficiary demat account of the investor(s) would be credited with the number of Debentures so allotted. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, SEBI (Depositories and Participants) Regulations, 1996, rules notified by NSDL/CDSL / Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

# APPLICATION PROCESS

## Issue

Issue of listed, rated, secured, redeemable, non-convertible debentures in multiple series/tranches as set out in the Key Information Document, on a private placement basis, not open for public subscription.

## Compliance with laws

The Issue of Debentures is being made in compliance with the Companies Act & rules made thereunder, the SEBI NCS Regulations, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Debenture Trustees) Regulations, 1993 and amendments thereto, circulars enacted thereunder, and other applicable laws in this regard.

## Who Can Apply

This General Information Document, the relevant Key Information Document and the contents hereof are restricted to only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Issuer, and only such recipients are eligible to apply for the Debentures.

## Who Cannot Apply

The entities apart from the "Eligible Investors" as set out in section titled "**Summary of Terms**", shall not be eligible to participate in the Issue and any applications from such persons and entities shall be rejected.

Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue. Prior to making any investment in these Debentures, each investor should satisfy and assure herself/himself/itself that it is authorized and eligible to invest in these Debentures. The Investment Manager shall be under no obligation to verify the eligibility/authority of the investor to invest in these Debentures.

**DISCLAIMER**: AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME SUBJECT TO THE PROVISIONS OF THE CIRCULAR ISSUED BY SEBI DATED OCTOBER 10, 2022, WITH RESPECT TO ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBENTURES ON A PRIVATE PLACEMENT BASIS READ WITH THE APPLICABLE OPERATING GUIDELINES ISSUED BY THE STOCK EXCHANGE. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE ISSUER. THE ISSUER MAY BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE ISSUER DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE ISSUER IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE ISSUER REQUIRED TO CHECK OR CONFIRM THE SAME.

**How to Apply**

Application(s) for the Debentures must be made by submitting the Applications Form which must be completed in block letters in English substantially in the format as set out in Schedule IV. Application Form must be accompanied by electronic fund transfer instruction as per below details.

The payment can be made by Real Time Gross Settlement (RTGS) / NEFT by crediting the funds to the account of the clearing corporation of the Stock Exchange selected by the Issuer for pay-in of subscription monies as prescribed under the electronic book building procedure i.e. the Bank Account (ICCL). The details of the Bank Account (ICCL) are as provided in the relevant Key Information Document.

The subscription monies transferred to the Bank Account (ICCL), by the applicants successful under the electronic book building procedure will be subsequent to the fulfilment of procedural requirements under the applicable law, be transferred to the Subscription Account with the Subscription Account Bank. The details of the Subscription Account are as provided in the relevant Key Information Document.

The applications must be accompanied by certified true copies of (i) a letter of authorization, and (ii) specimen signatures of authorised signatories.

**Instructions for filling up the Application Form**

1) Application must be completed in BLOCK LETTERS IN ENGLISH. A blank must be left between two or more parts of the name.

2) Signatures should be made in English.

3) The Debentures are being issued at par to the face value. Full amount has to be paid on application per Debenture applied for. Applications for incorrect amounts are liable to be rejected.

4) Money orders or postal orders will not be accepted. The payments can be made by NEFT/ RTGS, the details of which are given above. Payment shall be made from the bank account of the person subscribing. In case of joint-holders, monies payable shall be paid from the bank account of the person whose name appears first in the application.

5) No cash will be accepted.

6) The applicant should mention its permanent account number or the GIR number allotted to it under the Income Tax Act, 1961 and also the relevant Income-tax circle/ward/District.

7) Applications under power of attorney/relevant authority.

In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the memorandum and articles of association and/or bye-laws of the investor must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason therefore. Further any modifications / additions in the power of attorney or authority should be notified to the Issuer at its registered office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

8) An application once submitted cannot be withdrawn.

9) The applications would be scrutinised and accepted as per the terms and conditions specified in this General Information Document read with the relevant Key Information Document.

10) Any application, which is not complete in any respect, is liable to be rejected.

11) The investor / applicant shall apply for the Debentures in electronic, i.e., dematerialised form only. Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the Application Form. In case of any discrepancy in the information of Depository/Beneficiary Account, the Issuer shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

The applicant is requested to contact the office of the Issuer as mentioned above for any clarifications.

**Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018**

The Issue is governed by the provisions of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Over and above the aforesaid terms and conditions, the Debentures, if any issued under this General Information Document and/ or the relevant Key Information Document, shall be subject to this General Information Document and or the relevant Key Information Document, the Debt Security Trust Deed and also be subject to the provisions of the constitutional documents of the Issuer.

**Option to Subscribe**

The Issuer has made arrangements for issue and holding of the Debentures in dematerialized form.

**Right to NCD holders:**

The Debentures shall not, confer upon the Debenture Holders thereof any rights or privileges available to the unitholder of the Issuer.

**Right to accept or reject applications**

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof subject to the provisions of the Applicable Law with respect to electronic book mechanism for issuance of debentures on a private placement basis read with the applicable operating guidelines issued by the stock exchange. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

1) incomplete application forms;

2) applications exceeding the Issue size;

3) bank account details have not been provided;

4) details for issue of Debentures in electronic / dematerialised form not given;

5) PAN or GIR No. and the income tax circle / ward / district is not given;

6) in case of applications made through power of attorneys, if the relevant documents are not submitted.

The full amount of Debenture has to be submitted along with the Application Form.

**Allotment**

The Debentures allotted to investor in dematerialized form would be directly credited to the beneficiary account as given in the Application Form after verification. The Debentures will be credited to the account of the allottee(s) as soon as practicable but in any event within 2 (two) working days from the date of closure of the Issue.

**Register of Debentures Holder(s)**

A register of all Debenture Holder(s) containing necessary particulars of the Debenture holders will be maintained with the Depository. The Issuer shall at all times duly maintain all details of Debenture Holders in the form and manner as required under Applicable Laws.

**Tax Deduction at Source**

All payments to be made by the Issuer to a Debenture Holder in accordance with the provisions of the Debt Security Trust Deed and other transaction documents, including any outstanding nominal value, all other payments upon redemption of the Debentures, shall be made free and clear of and without any deduction or withholding for or on account of tax unless the Issuer is required to make a tax deduction by the applicable law in which case the Issuer shall make that tax deduction in accordance with and within the time prescribed by the applicable law and deliver to the relevant Debenture Holder a tax deduction certificate in the format prescribed and within the time prescribed under the applicable laws.

**Transfer/Transmission/Trading of Debentures**

The Debentures shall be transferable freely to all classes of Eligible Investors. It is clarified that the Debentures are not intended to be held by any category of persons who are not Eligible Investors. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the applicable laws. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by depositories and the relevant Depository Participants of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Coupon will be paid/redemption will be made to the person, whose name appears in the register of Debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer.

Provided further that nothing in this section shall prejudice any power of the Issuer to register as Debenture holder any person to whom the right to any Debenture of the Issuer has been transmitted by operation of law.

Subject to the terms of the Debt Security Trust Deed, the normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to its Depository Participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of debentures.

The Debentures shall be issued only in dematerialised form in compliance with the provisions of the Depositories Act, 1996 (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued.

**Authority for the placement**

This private placement of Debentures is being made pursuant to the resolution passed by the board of directors of Cube Highways Trust (acting through its investment manager, Cube Highways Fund Advisors Private Limited) dated May 22, 2024, authorising the Issuer to borrow monies by way of issue of non-convertible debentures. Further, this private placement of Debentures is being made in compliance with the borrowing policy adopted by the Investment Manager.

The Issuer can carry on its existing activities and future activities planned by it in view of the existing approvals, and no further approvals from any Government authority are required by the Issuer to carry on its said activities. No prior consent of any Government authority or any third party, including any existing lender, is required for the creation and perfection of the Transaction Security, as on the date of this General Information Document.

**Record Date**

In respect of a Debenture, for first Coupon Payment Date, the Record Date shall mean the Deemed Date of Allotment. Thereafter, for the subsequent Redemption Date or Coupon Payment Date, the Record Date shall mean the day falling 15 (fifteen) calendar days before such Redemption Date or Coupon Payment Date, as applicable. The list of beneficial owner(s) provided by the Depository as at the end of day of Record Date shall be used to determine the name(s) of person(s) to whom the Coupon and/or principal instalment is to be paid notwithstanding any subsequent transfer by the existing Debenture Holders after the Record Date.

**Effect of Holidays**

As specified in Rows 63 (*Business Day*) and 64 (*Business Day Convention*) in section titled "**Summary of Terms**" of this General Information Document.

**Redemption on Maturity of Debenture**

The Issuer shall pay, in respect of each outstanding Debenture, an amount that is equal to the outstanding principal amount of that Debenture as on the Final Redemption Date and any accrued but unpaid Coupon applicable to the principal amount of each Debenture shall be payable on each Coupon Payment Date.

The details of the settlement mechanism upon redemption of Debentures have been specified under section titled "**Summary of Terms**" of this General Information Document.

**Resolution for pre and post issue related difficulties**

The investor may contact the Issuer in case of any pre -issue / post-issue related problems such as non-receipt of credit of debentures / refund orders etc.

**Debentures to Rank Pari-Passu**

The Debentures of this Issue shall rank *pari-passu* inter-se without preference or priority of one other or others.

**Payments at Par**

Payment of the principal, all Coupon and other monies will be made to the registered Debenture holder(s)/ beneficial owner(s) and in case of joint holders to the one whose name stands first in the register of Debenture holder(s) / in the list of beneficial owner(s) provided to the Issuer by the Depository. Such payment shall be made through electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT). Upon failure of the Issuer

to make the relevant payments through the aforesaid mode, the Issuer shall pay the redemption, Coupon and all other amounts to the registered debenture holders by way of demand draft(s)/credit in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/ CDSL and accordingly the account of the Debenture Holder(s) with NSDL/ CDSL will be adjusted.

**Tax Benefits**

There are no specific tax benefits attached to the Debentures. Investors are advised to consider the tax implications of their respective investment in the Debentures.

All the rights and remedies of the Debenture holder(s) shall vest in and shall be exercised by the Debenture Trustees without having it referred to the Debentures holder(s).

**Payment Instruments (if applicable)**

Loss of any payment instrument, if applicable, should be intimated to the Issuer along with the request for issue of a duplicate payment instrument(s), if applicable. If any payment instrument(s), if applicable, is lost, stolen, or destroyed, then upon production of proof thereof, to the satisfaction of the Issuer and upon furnishing such indemnity, as the Issuer may deem adequate and upon payment of any expenses incurred by the Issuer in connection thereof, new payment instrument(s), if applicable shall be issued. Payments shall be made through electronic mode only. Upon failure of the Issuer to make the relevant payments through the aforesaid mode, the Issuer shall pay the redemption, Coupon, and all other amounts to the registered debenture holders by way of demand draft(s)/credit in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/ CDSL and accordingly the account of the Debenture Holder(s) with NSDL/ CDSL will be adjusted.

**Refunds**

In accordance with the SEBI NCS Regulations read with the NCS Master Circular, the Issuer confirms that in the event there is any delay in listing of the Debentures beyond 3 (three) Working Days from the date of bidding on the EBP Bond Platform, the Issuer will pay to the Debt Security Holders, penal interest of 1% (one percent) per annum over the Coupon Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures on the Stock Exchange.

**Notices**

Any communication to be made under or in connection with the Debentures and the Transaction Documents shall be in accordance with the provisions of 'Notice' clause under the relevant Debt Security Trust Deed.

All transfer related documents, tax exemption certificates, intimation for loss of allotment resolutions/Debenture(s), etc., requests for issue of duplicate documents and/or any other notice / correspondence by the Debenture holder(s) to the Issuer with regard to the Issue should be sent in the manner and to the persons specified by the Issuer in the Transaction Documents.

**Sharing of Information**

The Issuer may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the Debenture holders available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer or its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

**Debentures subject to the Debt Security Trust Deed, etc.**

Over and above the aforesaid terms and conditions, the Debentures, issued under this General Information Document and/ or the relevant Key Information Document, shall be subject to prevailing guidelines/regulations of RBI and other authorities and also be subject to the provisions of the Debt Security Trust Deed and all documents to be entered into by the Issuer in relation to the Issue, including this General Information Document, the Debt Security Trust Deed and other transaction documents.

**Governing Law**

The Debentures are governed by and will be construed in accordance with Indian law. The Issuer and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of RBI, SEBI and stock exchanges and other applicable regulations from time to time. The applicable jurisdiction has been specified in Row 84 (*Governing Law and Jurisdiction*) in section titled "**Summary of Terms**" of this General Information Document and shall be set out under the relevant Key Information Document.

**Conflict**

This General Information Document and/ or the relevant Key Information Document supersedes all previous deeds, documents arrangements, agreements, memoranda of understanding including any term sheet that may have been entered into by the Issuer with the Debenture Holders and/or the Debenture Trustee in connection with the Debentures and in the event of any conflict or inconsistency with such documents, deeds and agreements the provisions of this General Information Document and/ or the relevant Key Information Document shall prevail. However, in case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in this General Information Document and/ or the relevant Key Information Document and the Debt Security Trust Deed executed by the Issuer, the provisions as contained in the Debt Security Trust Deed shall prevail and override the provisions of such General Information Document and/ or the relevant Key Information Document.

**Investor Relation and Grievance Redressal**

Arrangements have been made to redress investor grievances expeditiously. The Issuer endeavours to resolve the investors' grievances within promptly upon receipt. All grievances related to the Issue quoting the application number (including prefix), number of Debentures applied for, amount paid on application, may be addressed to the Registrar and Transfer Agent / Compliance Officer. All investors are hereby informed that the Issuer has appointed a Registrar and Transfer Agent / Compliance Officer who may be contacted in case of any problem related to this Issue.

## SUMMARY OF TERMS

| S. No. | Terms | Details |
|---|---|---|
| 1. | Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) | As per the relevant Key Information Document. |
| 2. | Issuer | Cube Highway Trust (also the INVIT), an Infrastructure Investment Trust registered and bearing Registration Number IN/InvIT/22-23/0022 under the SEBI InvIT Regulations. |
| 3. | Debenture Trustee | Catalyst Trusteeship Limited |
| 4. | Type of Instrument | As per the relevant Key Information Document |
| 5. | ISIN | As per the relevant Key Information Document. |
| 6. | Nature of Instrument (Secured or Unsecured) | As per the relevant Key Information Document |
| 7. | Seniority | As per the relevant Key Information Document |
| 8. | Eligible Investors | As per the relevant Key Information Document |
| 9. | Listing (name of stock Exchange(s) where it will be listed and timeline for listing) | As per the relevant Key Information Document |
| 10. | Rating of the Instrument | As per the relevant Key Information Document |
| 11. | Issue Size | As per the relevant Key Information Document |
| 12. | Face Value | As per the relevant Key Information Document |
| 13. | Option to retain oversubscription | As per the relevant Key Information Document |
| 14. | Minimum subscription / application size in and multiples of thereafter | 1 Debenture and in the multiples of 1 Debenture thereafter |
| 15. | Method of allotment | As per the relevant Key Information Document |
| 16. | Issuance mode of Instrument | As per the relevant Key Information Document |
| 17. | Trading mode of Instrument | As per the relevant Key Information Document |
| 18. | Anchor Portion Details | As per the relevant Key Information Document |
| 19. | Total Amount Anchor Portion (not exceeding 30% of Base Issue size) | As per the relevant Key Information Document |
| 20. | Non-Anchor Portion (remaining portion of Base Issue Size under non-anchor portion available for bidding on EBP Bond Platform) | As per the relevant Key Information Document |

| | | |
|---|---|---|
| 21. | Name of Anchor Investor(s) | As per the relevant Key Information Document |
| 22. | Quantum for each Anchor Investor (Rs.) | As per the relevant Key Information Document |
| 23. | Terms of Anchor Investor | At par with Face Value of the Debentures |
| 24. | Option to retain oversubscription (Amount) | Not applicable |
| 25. | Objects of the Issue / Purpose for which there is requirement of funds | As per the relevant Key Information Document. |
| 26. | In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format | Not Applicable |
| 27. | Details of the utilization of the Proceeds | Same as the row titled "Objects of the Issue / Purpose for which there is requirement of funds" |
| 28. | Coupon Rate | As per the relevant Key Information Document. |
| 29. | Coupon | As per the relevant Key Information Document. |
| 30. | Delay in listing penalty mechanism | In case of delay in listing of the Debentures beyond 3 (three) Trading Days from the date of closure of the Issue or such other timelines as prescribed under the Applicable Laws, whichever is earlier, the Issuer shall pay additional interest on the Nominal Value of the Debentures to the Debenture Holders at the rate of 1% (one per cent.) per annum over and above the Coupon on the Outstanding Dues commencing from the Deemed Date of Allotment until the actual date on which the Debentures are listed on the Stock Exchange. |
| 31. | Step Up/Step Down Coupon Rate | As per the relevant Key Information Document. |
| 32. | Coupon Payment Frequency | As per the relevant Key Information Document. |
| 33. | Coupon Payment Date(s) | As per the relevant Key Information Document. |
| 34. | Cumulative / non-cumulative, in case of dividend | Not applicable |
| 35. | Coupon Type (Fixed, floating, or other structure) | As per the relevant Key Information Document. |
| 36. | Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc). | As per the relevant Key Information Document. |
| 37. | Day Count Basis (Actual/Actual) | Actual / Actual |
| 38. | Interest on Application Money | Not applicable |
| 39. | Default Interest Rate | As per the relevant Key Information Document. |
| 40. | Tenor | As per the relevant Key Information Document. |

| | | |
|---|---|---|
| 41. | Final Redemption Date | As per the relevant Key Information Document. |
| 42. | Redemption Amount | As per the relevant Key Information Document. |
| 43. | Mandatory Redemption | As per the relevant Key Information Document. |
| 44. | Redemption Premium /Discount | As per the relevant Key Information Document. |
| 45. | Issue Price | As per the relevant Key Information Document. |
| 46. | Manner of bidding | As per the relevant Key Information Document. |
| 47. | Discount at which security is issued and the effective yield as a result of such discount. | Not applicable |
| 48. | Premium/ Discount at which security is redeemed and the effective yield as a result of such premium/ discount. | Not applicable |
| 49. | Put Date | As per the relevant Key Information Document. |
| 50. | Put Price | As per the relevant Key Information Document. |
| 51. | Call Date | As per the relevant Key Information Document. |
| 52. | Call Price | As per the relevant Key Information Document. |
| 53. | Put Notification Time (Timelines by which the investor needs to intimate Issuer before exercising the put) | As per the relevant Key Information Document. |
| 54. | Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call) | As per the relevant Key Information Document. |
| 55. | Issue/ bidding Timing | As per the relevant Key Information Document. |
| 56. | Issue Opening Date | As per the relevant Key Information Document. |
| 57. | Issue Closing Date | As per the relevant Key Information Document. |
| 58. | Date of earliest closing of the issue, if any. | As per the relevant Key Information Document. |
| 59. | Pay-in Date | As per the relevant Key Information Document. |
| 60. | Deemed Date of Allotment | As per the relevant Key Information Document. |
| 61. | Settlement mode of the Instrument | RTGS, NEFT, electronic clearing services, direct credit |
| 62. | Settlement Cycle | As per the relevant Key Information Document. |
| 63. | Depository | NSDL and CDSL |
| 64. | Disclosure of Coupon/ Redemption dates | As per the relevant Key Information Document. |
| 65. | Business Day | A day (other than a Saturday or a Sunday) on which banks are open for general business in Mumbai. |
| 66. | Business Day Convention | As per the relevant Key Information Document. |
| 67. | Settlement/Details of Subscription Account | As per the relevant Key Information Document. |

| | | |
|---|---|---|
| 68. | Record Date | As per the relevant Key Information Document. |
| 69. | All covenants of the issue (including side letters, accelerated payment clause, etc.) | As per the relevant Key Information Document. |
| 70. | Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover | As per the relevant Key Information Document. |
| 71. | Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document | As per the relevant Key Information Document. |
| 72. | Security Testing Date | As per the relevant Key Information Document. |
| 73. | Transaction Documents | As per the relevant Key Information Document. |
| 74. | Security Documents | As per the relevant Key Information Document. |
| 75. | Conditions Precedent to Disbursement | As per the relevant Key Information Document. |
| 76. | Condition Subsequent to Disbursement | As per the relevant Key Information Document. |
| 77. | Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement) | As per the relevant Key Information Document. |
| 78. | Financial Covenants | As per the relevant Key Information Document. |
| 79. | Creation of recovery expense fund | (a) The Issuer agrees and undertakes to create a Recovery Expense Fund, to the extent applicable, in accordance with Regulation 11 of the SEBI NCS Regulations and the Debenture Trustee Master Circular and inform the Debenture Trustee about the same.<br>(b) The Debenture Trustee shall follow the procedure set out in the Debenture Trustee Master Circular for utilisation of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Encumbrance or legal proceedings. |

| | | |
|---|---|---|
| | | (c) The balance in the Recovery Expense Fund shall be refunded to the Issuer on repayment of the Debt in accordance with the terms of the Transaction Documents for which a 'no objection certificate' shall be issued by the Debenture Trustee to the Stock Exchange. The Debenture Trustee shall satisfy itself that there is no 'default' on any other listed debt securities of the Issuer before issuing such 'No Objection Certificate'. |
| 80. | Conditions for breach of covenants (as specified in Debt Security Trust Deed) | As per the relevant Key Information Document. |
| 81. | Provisions related to Cross Default Clause | As per the relevant Key Information Document. |
| 82. | Roles and Responsibilities of Debenture Trustee | As per the relevant Key Information Document. |
| 83. | Risk factors pertaining to the issue | Please refer to the section titled "Risk Factors" above. |
| 84. | Governing Law and Jurisdiction | As per the relevant Key Information Document. |
| 85. | Information Provision | The Issuer undertakes to provide information pertinent to a credit assessment of the Issuer by the potential investors in a timely fashion. This information will include, but not be limited to, latest financial information, rating letter and rating rationale, copies of the resolutions authorizing the borrowing and the latest profile of the Issuer. |
| 86. | Terms and conditions of the Debt Security Trustee Agreement including fees charged by the Debenture Trustee, details of security to be created and process of due diligence carried out by Debenture Trustee | As per the relevant Key Information Document. |
| 87. | Due Diligence Certificate | Due diligence certificate from the Debenture Trustee as per the format specified in Annexure II-A of the Debenture Trustee Master Circular.<br><br>Due diligence certificate from the Debenture Trustee as per the format specified in Annexure II-B of the Debenture Trustee Master Circular.<br><br>Due diligence certificate from the Debenture Trustee in the format as specified in Schedule IV of the SEBI NCS Regulations enclosed as Schedule VI.<br><br>The due diligence certificate in Annexure II-A of the Debenture Trustee Master Circular and Schedule IV of the SEBI NCS Regulations as mentioned above will be submitted to the Stock Exchange along with the General Information Document. |

**Notes:**

a. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change shall be duly disclosed.

b. The list of documents which has have been executed in connection with the issue and subscription of debt securities shall be annexed to the relevant Key Information Document.

c. While the Debentures will be secured to the extent of 100% of the amount of principal and interest as per the terms of this General Information Document, in favour of the Debenture Trustee, it is the duty of the Debenture Trustee in respect of the Debentures to monitor that the security is maintained.

d. The Issuer shall provide granular disclosures in their issue document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

## DECLARATION

The Investment Manager hereby declares that this General Information Document contains full disclosure in accordance with SEBI NCS Regulations, the Companies Act and rules thereunder and circulars issued thereunder, as may be applicable.

The Investment Manager also confirms that this General Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The General Information Document also does not contain any false or misleading statement in any material respect.

The Investment Manager having made all reasonable inquiries, accepts responsibility for and confirms that the information contained in this General Information Document is true and correct in all material aspects and is not misleading in any material respect and that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Investment Manager hereby undertakes that the relevant Secured Assets on which relevant Transaction Security is proposed to be created are either free from any encumbrances as on date or in case the relevant Secured Assets are encumbered, the permission or consent to create any further charge on the relevant Secured Assets, as detailed in the relevant Key Information Document, has been obtained from the existing creditors of the Issuer to whom the relevant Secured Assets are charged, prior to creation of the charge.

The Investment Manager accepts no responsibility for the statements made otherwise than in this General Information Document or in any other material issued by or at the instance of the Investment Manager and that anyone placing reliance on any other source of information would be doing so at his own risk. The Investment Manager declares that all the relevant provisions of the relevant regulations or guidelines issued by SEBI and other applicable laws have been complied with and no statement made in this General Information Document is contrary to the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder.

The Investment Manager also confirms that the permanent account number, aadhaar number, driving license number, bank account number(s) and passport number of the Sponsor (as applicable) and permanent account number of directors / trustees / officers of Sponsors (as applicable) have been submitted to the Stock Exchange on which the Debentures are proposed to be listed, at the time of filing the draft General Information Document.

The Issuer has no side letter with any Debenture Holder except the one(s) disclosed in the General Information Document. Any covenants later added shall be disclosed on the Stock Exchange website where the Debentures are listed.

The Investment Manager accepts no responsibility for statements made otherwise than in this General Information Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk. The information contained in this General Information Document is as applicable to privately placed debt securities and subject to information available with the Issuer. The extent of disclosures made in the General Information Document is materially consistent with disclosures permitted by regulatory authorities to the issue of securities made by companies in the past.

CUBE HIGHWAYS FUND ADVISORS

**Declaration by the Authorized Signatory of the Investment Manager**

I am authorized by the board of directors of the Investment Manager of the Issuer *vide* resolutions dated May 22, 2024, to sign this General Information Document and declare that the subject matter of this General Information Document and matters incidental thereto have been complied with. I further declare that:

a. the Issuer is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder and nothing in this General Information Document is contrary to the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder;

b. the compliance with the Securities and Exchange Board of India Act, 1992 and the rules made thereunder does not imply that payment of Coupon or repayment of the Debentures, is guaranteed by the central government;

c. the monies received under the Issue shall be used only for the purposes and objects indicated in the General Information Document; and

d. whatever is stated in this General Information Document and in the attachments thereto is true, correct, and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained in the Trust Deed of the Issuer. It is further declared and verified that all the required attachments have been completely, correctly, and legibly attached to this form.

**For Cube Highways Fund Advisors Private Limited**
**(acting as Investment Manager to Cube Highways Trust, InvIT)**

Cube Highways Fund Advisors Pvt. Ltd.

**Name:** Mridul Gupta
**Designation:** Compliance Officer and Company Secretary

**Date:** JUNE 26, 2024
**Place:** NOIDA

**Schedule I**

**Credit rating communication letter and rating rationale from the Credit Rating Agency**

[*annexed separately*]

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

June 12, 2024

***Dear Sir/Madam,***

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

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

| Instrument Type | Maturity Date | Size of Issue (billion) | Rating/Outlook | Rating Action |
|---|---|---|---|---|
| Proposed Non-convertible debentures | - | INR7.0 | IND AAA/Stable | Assigned |
| Non-convertible debentures* | - | INR10.05 | IND AAA/Stable | Affirmed |
| Bank guarantee^ | | INR1.0 | IND AAA/Stable | Affirmed |
| Rupee term loan | 31 March 2042 | INR95.69 | IND AAA/Stable | Affirmed |

*Details in annexure

^Bank guarantee (BG) can be provided for a period exceeding 12 months with a maximum period of two years. BG of INR0.85 billion has been issued.

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

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

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody

assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

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

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

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

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

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

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

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

Sincerely,

India Ratings

**Vishal Kotecha**
**Director**

**Annexure: Facilities Breakup**

| Instrument Description | Banks Name | Ratings | Outstanding/Rated Amount(INR million) |
|---|---|---|---|
| Rupee Term Loan | State Bank of India | IND AAA/Stable | 58364.00 |
| Rupee Term Loan | Axis Bank Limited | IND AAA/Stable | 4305.00 |
| Rupee Term Loan | ICICI Bank | IND AAA/Stable | 11963.00 |
| Rupee Term Loan | HDFC Bank Limited | IND AAA/Stable | 6699.00 |
| Rupee Term Loan | National Bank for Financing Infrastructure and Development (NaBFID) | IND AAA/Stable | 14355.00 |
| Bank Guarantee | Axis Bank Limited | IND AAA/Stable | 1000.00 |

**Annexure: ISIN**

| Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Ratings | Outstanding/Rated Amount(INR million) |
|---|---|---|---|---|---|---|
| NCDs | INE0NR607017 | 28/06/2023 | 7.49 | 15/04/2041 | IND AAA/Stable | 10053 |

## Details of Instruments

| Instrument Type | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (billion) | Rating/Outlook | Rating Action |
|---|---|---|---|---|---|---|
| Proposed Non-convertible debentures | - | - | - | INR7.0 | IND AAA/Stable | Assigned |
| Non-convertible debentures* | - | - | - | INR10.05 | IND AAA/Stable | Affirmed |
| Bank guarantee^ | | | | INR1.0 | IND AAA/Stable | Affirmed |
| Rupee term loan | - | - | 31 March 2042 | INR95.69 | IND AAA/Stable | Affirmed |

*Details in annexure

^Bank guarantee (BG) can be provided for a period exceeding 12 months with a maximum period of two years. BG of INR0.85 billion has been issued.

## Analytical Approach

CHT is an infrastructure investment trust (InvIT) sponsored by Cube Highways and Infrastructure Pte Ltd and Cube Highways and Infrastructure III Pte Ltd (sponsor, Cube Highways) for holding operational road assets in India. The InvIT houses 18 road assets with an aggregate length of 1,424km spread across 11 states. It has recently acquired the majority stake in six hybrid annuity model (HAM) based projects. For the rating purpose, Ind-Ra has fully consolidated the cash flows of all 24 special purpose vehicles (SPVs; tranche I and tranche II SPVs, whose details are in the Annexure) under the InvIT. As per the InvIT regulations, the trust has appointed Axis Trustee Services Limited as trustee, Cube Highways Fund Advisors Private Limited (CHFAPL) as the investment manager (IM), and Cube Highways and Transportation Assets Advisors Private Limited as project manager (PM). Considering majority of the debt is at the InvIT level, which was used towards payment of SPVs' debt except Mahua Bharatpur Expressway Limited (MBEL, debt rated at 'IND AAA'/Stable) and Andhra Pradesh Expressways Ltd (APEL; debt rated at 'IND AAA'/Stable), with cumulative senior debt of less than 2% of InvIT debt continuing at the SPV level, the debt servicing ability continues to be strong amid pooling of cashflows from all the projects.

## Detailed Rationale of the Rating Action

CHT has acquired six of the seven assets part of Tranche II, comprising six HAM projects and one toll project, in June 2024. The assets are geographically diversified with stable annuity cashflows in HAM assets from the strong counterparty – National Highways Authority of India (NHAI, 'IND AAA'/Stable), adding comfort to the cashflows. The acquisition will be funded by a mix of

total distribution of INR13.02 billion to unitholders. As per the Securities and Exchange Board of India's (SEBI) InvIT norms, the InvIT will limit external debt to 49% of its valuation until certain conditions are met post which the debt has been capped at 60% as per the financing documents.

The ratings are constrained by the risk emanating from the upcoming alternate routes or the mode of transportation that would impact the revenue, susceptibility of DSCR to volatility in interest rates and operation and maintenance (O&M) costs, and the presence of a put option.

The ratings assigned by Ind-Ra is not a comment on CHT's ability to meet distribution/dividend payouts to unitholders/investors, neither should it be construed as a comment on the debt servicing ability of the individual assets or SPVs held by the trust.

## List of Key Rating Drivers

**Strengths**

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

**Weaknesses**

- Acquisitions remain key

## Detailed Description of Key Rating Drivers

**InvIT Structure Provides Diversification Benefits:** The pooled structure of the InvIT results in the availability of cashflows from a pool of 17 toll road assets and seven Tranche II assets. The 24 projects are located across Rajasthan, Uttar Pradesh, Jharkhand, Bihar, Tamil Nadu, Kerala, West Bengal, Karnataka, Haryana, Telangana and Andhra Pradesh, minimising the impact of any one-time event-related risks at isolated locations to an extent. The seven HAM/annuity project are backed by NHAI; however, the majority of EBITDA is contributed by toll projects.

The acquisition by the trust comprises six HAM assets with an estimated EV net of cash of above INR25 billion. The net debt/EV post Tranche II acquisition is in the range of 45%-46%, well below the debt ceiling of 49% of the InvIT's valuation, in accordance with the Regulation 20(3) of the SEBI (Infrastructure Investment Trust) Regulations, 2014 (InvIT Regulations).

**Healthy Track Record of Operational Assets with Geographical Diversification:** The portfolio comprising 25 road projects (including proposed acquisition of NAMEL) is spread across 11 states with 18 toll road projects having a long tolling track record of five-to-15 years, while the seven annuity/HAM projects have a track record of receiving 59 semi-annual annuities without any material deduction. No asset contributes more than 20% to the overall revenue generated by the InvIT, thus mitigating any concentration risk.

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

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

**Experienced Developers; Strong and Reputed Investors:** CHT is backed by global investors – Cube Highways (I Squared Capital, Japan Highways International BV, Abu Dhabi Investment Authority being major investors in CH Group), British Columbia Investment Management Corporation and Mubadala Investment Company together have 85% shareholding in Cube Highways Trust. CHT's IM has a well-equipped team of professionals with an extensive experience in the infrastructure space. The PM also comprises a senior management team with an extensive knowledge and understanding of technical aspects related to the maintenance of roads and use of modern methods to resolve maintenance-related issues. The IM and PM are 100% subsidiaries of the Cube Highways Group. Cube Highways has a portfolio of 29 road assets of over 10,000km, of which 24 assets were part of CHT as on 10 June 2024.

**Robust Debt Protection Features:** The debt majorly resides at the InvIT level, except INR2.40 billion of debt (about 2% of consolidated debt) as on 31 March 2024, which continues at the SPV level. The existing rupee term loan (RTL) is long term in nature, and is amortised over 20 years ending FY42, with the interest being linked to the marginal cost of lending rate of the lender(s) and repo rate for one lender. This exposes the trust to volatility in interest rates, although the cushion in the cash flow will partially help absorb the impact of such fluctuations. The non-convertible debentures are also long term in nature with an amortising structure and a fixed interest rate, thus mitigating the risk of interest rate volatility to an extent. The RTL will have a healthy tail period of eight years, the difference between the loan maturity and the concession maturity, considering that the concession period of certain road assets is likely to expire in FY50.

The existing debt terms provides adequate liquidity cushion in the form of a three-month DSRA and a major maintenance reserve (MMR) for the next three months, equivalent to major maintenance (MM) expenses, which have been created. Furthermore, in the years of significant MM requirement, MMR is created from the prior year surplus cashflows post debt servicing, thereby mitigating cash flow mismatches. The debt structure includes debt protection features, including a cash trap when the DSCR breaches 1.25x for the trailing 12 months, and a requirement for the InvIT to limit external debt to 49% of its valuation. Any transfer to the distribution account will be made only after meeting external debt obligations of InvIT and at the SPV level, DSRA and MMR requirement. The refinancing risk of the project due to the presence of a put option at the end of the 10th and 15th year is mitigated, to some extent, given the strong coverages, healthy revenue visibility, given the strong track record of toll collections and the presence of the reputed sponsor. The project life coverage ratio in the year of the put option is more than 2.0x, as per Ind Ra's base case.

The proposed NCDs and RTL totalling to around INR22,500 million will be raised at the InvIT level and used towards repayment of external debt in SPVs, retiring sponsor loans and towards meeting capex requirement in TOT3 assets. The net debt/EV including the proposed debt funded acquisition will continue to be lower than 49%, however, the proposed debt term allows increasing the debt limit to 60% post fulfilling SEBI's regulatory requirements.

portfolio. Cube Highways employs scientifically advanced measures to test and monitor the quality of the road before undertaking the MM activity, enabling Cube Highways to take up preventive and corrective measures ahead of the players who use conventional methods.

**Acquisitions Remain Key:** CHT has scaled up its portfolio in FY25 as it has acquired six HAM assets and is in process of acquiring one toll road project – NAMEL pending approval from authority which are part of the Tranche II portfolio. CHT, over the near-to-medium term, shall continue to explore opportunities for adding assets and diversifying the trust portfolio. Although the SEBI InvIT regulations 2014 allow CHFAPL to acquire pre-commercial operation date projects, the IM intends to acquire revenue-generating assets based on yield thresholds, traffic characteristics and geographic diversity, among others. The strength of acquisitions and its funding pattern will determine the credit strength of the InvIT. The IM will assess the potential acquisitions and propose the same to the unitholders for their approval. The agency will evaluate all acquisitions which will be a key monitoring event for a rating review.

## Liquidity

**Adequate:** Ind-Ra expects CHT to generate healthy surplus cash flows annually, given the strong average DSCR of over 1.90x post adding Tranche II assets to the InvIT. These coverages are resilient to the stress applied on the toll revenue, operating costs and interest expenses. CHT has maintained an upfront DSRA of INR4,223 million, equivalent to one quarter of debt servicing to meet any contingencies throughout the debt term apart from keeping aside MMR equivalent to the next three months' MM requirement before distribution to unitholders. CHT also maintains liquidity of INR5,002 million earmarked towards capex requirement in Ghaziabad Aligarh Expressway Private Limited (GAEPL) and TOT-3 assets apart from surplus cash of INR10,346 million as on 31 March 2024. The liquidity is also supported by the provision for trapping of cash if the DSCR falls below 1.25x for the trailing 12 months, checked on a quarterly basis. This cash will not be distributed to unitholders until the DSCR is restored to 1.25x. Also, an additional quarter of DSRA is required to be maintained in the event external credit rating fall to 'AA' or below.

## Rating Sensitivities

**Positive:** Not applicable

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

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

## Any Other Information

**Key terms of RTL debt:**

| | |
|---|---|
| conditions | No breach of financial covenants has occurred or any other terms and conditions as provided in the financing documents unless the same has been cured to the satisfaction of the lenders;<br>· All minimum reserve requirements including but not limited to DSRA and MMR are funded adequately to the satisfaction of the lender across the portfolio<br>· Minimum rating of 'AA-' is maintained.<br>· All statutory dues due and payable have been paid or adequate reserves have been made in respect of these;<br>· Debt/EV is within the cap as stipulated by SEBI |

**Key terms of Proposed NCDs debt:**

| Key Financial Covenants (NCDs) | CHT |
|---|---|
| **Facility Amount** | Upto INR7 billion |
| **Tenure** | The door-to-door tenure of 20 years from the date of disbursement |
| **Financial covenants** | · Annual minimum DSCR of 1.25x<br>· Net debt/EV capped at 60% |
| **DSRA** | Equivalent to one-quarter interest and principal obligations for the debt maintained at InvIT level |
| **Put/Call Option** | At the end of FY26 |
| **Permitted Indebtedness** | **Permitted Indebtedness at InvIT level:**<br>· Rating of AAA from a credit rating agency<br>· Consolidated borrowing (after considering the additional debt) to EV shall remain below 60%. Any increase in indebtedness beyond 60% shall require prior consent of lenders.<br>· The facility should not have been accelerated by the lenders and no notice of event of default in relation to a subsisting event of default should have been served by the lenders.<br>· Permitted indebtedness does not allow to load debt on the InvIT for distribution to unitholders. |

| | |
|---|---|
| | Subject to the conditions for availing permitted indebtedness, the trust shall be permitted to provide sponsor support/ guarantee for any senior debt at SPV level debt which is permitted under permitted indebtedness subject to escrow waterfall provisions. |

## ESG Issues

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

## About the Company

CHT is an InvIT managed by IM, CHFAPL. It has been registered as an InvIT under the SEBI InvIT Regulations on 5 April 2022. CHT owns a portfolio of 24 operational road projects with a total length of 1,845km across 12 states. CHT was listed on the National Stock Exchange of India Ltd and the BSE Ltd on 19 April 2023 with an initial portfolio of 18 road assets which further increased to 24 assets in June 2024. The fund raising was done through a private placement. The trust was set up by CH I and CH III as the sponsor and is backed by global investors – I Squared Capital, Japan Highways International BV, Abu Dhabi Investment Authority, British Columbia Investment Management Corporation and Mubadala Investment Company as significant unitholders in the trust. Cube Highways Group held around 60% in CHT as on 31 March 2024.

**KEY FINANCIAL INDICATORS**

| **Particulars (INR million)** | **FY24** |
|---|---|
| Revenue from operations | 30,741.05 |
| EBITDA | 19,560.43 |
| EBITDA margin (%) | 63.6 |
| Profit after tax | -7.059.15 |
| Net worth | 129,489.91 |
| Interest service coverage ratio (x) | 2.71 |
| Source: CHT Audited financials (Basis IndAS Financials) | |

## Status of Non-Cooperation with previous rating agency

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Non-convertible debentures | Long-term | INR17.00 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | | | |

## Bank wise Facilities Details

Click here to see the details

## Complexity Level of the Instruments

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

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

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

## Annexure

**Annexure I:**

**Following assets are part of the InvIT:**

| SPVs | Project Type | Counterparty | State | Length (km) | Lane | Provisional COD |
|---|---|---|---|---|---|---|
| **Tranche 1 SPVs** | | | | | | |
| Jaipur Mahua Tollway Private Limited (JMTL) | Toll | NHAI | Rajasthan | 109.1 | 4 | 2009 |
| Mahua Bharatpur Expressway Limited (MBEL) | Toll | NHAI | Rajasthan | 57.3 | 4 | 2009 |
| DA Toll Road Private Limited (DATRPL) | Toll | NHAI | Uttar Pradesh and Haryana | 179.5 | 6 | 2012 |
| Nelamangala Devihalli Expressway Private Limited (NDEPL) | Toll | NHAI | Karnataka | 80.3 | 4 | 2012 |
| Walayar Vadakkencherry Expressways Private Limited (WVEPL) | Toll | NHAI | Kerela | 53.5 | 4 | 2015 |
| Farakka Raiganj Highway Limited (FRHL) | Toll | NHAI | West Bengal | 100.1 | 4 | 2016 |
| Western UP Tollway Private Limited (WUPTL) | Toll | NHAI | Uttar Pradesh | 78.1 | 4 | 2011 |
| Ghaziabad Aligarh Expressway Private Limited (GAEPL) | Toll | NHAI | Uttar Pradesh | 125.3 | 4 | 2015 |
| Hazaribagh Tollway Private Limited (HTL, TOT-3 | Toll | NHAI | Jharkhand | 73.5 | 4 | 2019 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Private Limited (SMTL, TOT-3) | | | | | | |
| Andhra Pradesh Expressway Limited (APEL) | Annuity | NHAI | Andhra Pradesh and Telangana | 74.6 | 4 | 2009 |
| **Tranche II SPVs** | | | | | | |
| KNR Tirumala Infra Private Limited (KTIPL) | HAM | NHAI | Rajasthan | 61.13 | 6 | 2021 |
| KNR Shankarampet Projects Private Limited (KSPPL) | HAM | NHAI | Rajasthan | 46.81 | 4 | 2021 |
| KNR Srirangam Infra Private Limited (KSIPL) | HAM | NHAI | Uttar Pradesh and Haryana | 38.7 | 4 | 2021 |
| Borgaon Watambare Highways Private Limited (BOR) | HAM | NHAI | Karnataka | 52 | 4 | 2021 |
| Mangloor Highways Private Limited (MH) | HAM | NHAI | Kerela | 56.5 | 4 | 2021 |
| Mangalwedha Solapur Highways Private Limited (MS) | HAM | NHAI | West Bengal | 48.96 | 4 | 2021 |
| NAM Expressway Limited (NAMEL)^ | Toll | AP/TL State Road Authority | Andhra Pradesh and Telangana | 212.5 | 4 | 2014 |

^NAMEL is yet to be acquired by InvIT

**Annexure II – List of entities consolidated**

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

*99.97% of MBEL acquired by CHT

^51% stake acquired by CHT

**Rating Criteria for Availability-Based Projects**

**Evaluating Corporate Governance**

**The Rating Process**

**Rating Criteria for Infrastructure and Project Finance**

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

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

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For more information, visit www.indiaratings.co.in.

## Solicitation Disclosures

## Schedule II
## Board and Unit Holders resolutions

[*annexed separately*]

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF CUBE HIGHWAYS FUND ADVISORS PRIVATE LIMITED IN ITS MEETING HELD ON WEDNESDAY, MAY 22, 2024 AT UNIT 1901, 19TH FLOOR, TOWER-B, WORLD TRADE TOWER, PLOT NO. C-1, SECTOR -16, NOIDA, U.P – 201301**

"**RESOLVED THAT**, in accordance with Regulations 20, 22 and all applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("**InvIT Regulations**") and the circulars and guidelines issued thereunder, and other applicable laws, including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time (to the extent applicable), the requisite approvals (if any) from Securities and Exchange Board of India ("**SEBI**"), the stock exchanges, any relevant governmental, statutory or regulatory authorities, and pursuant to the approvals of the ordinary unitholders of Cube Highways Trust ("**InvIT**") dated June 16, 2023 and March 5, 2024 in this regard, subject to such terms and conditions as may be prescribed by any such authority while granting such approvals as may be necessary, in accordance with the amended and restated trust deed of Cube Highways Trust dated March 11, 2024 entered into between Cube Highways and Transportation Assets Advisors Private Limited the (as the Settlor), Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd. (as the Sponsors) and Axis Trustee Services Limited (as the Trustee) and amended and restated investment management agreement dated March 7, 2024 entered into between the Trustee, the Company (as the investment manager) and the Project SPVs in respect of InvIT and as recommended by the Investment Committee, the consent of the board of directors of the Company, be and is hereby granted for availing the financial assistance of an amount aggregating up to Rs. 5100,00,00,000/- (Indian Rupees Five Thousand One Hundred Crores) by way of:

(a) rupee facilities (both fund and non-fund based facilities) of upto Rs. 3100,00,00,000/- (Rupees Thirty One Hundred Crores only) from certain banks and/or financial institutions (collectively, the "**Lenders**", which expression shall include their successors, novates, transferees and assignees) ("**Rupee Facilities**"); and/or
(b) offer, issue and allotment of secured, rated, listed, redeemable, non-convertible debt securities of the InvIT, each having a face value of up to Rs. 1,00,000 (Rupees One Lakh) aggregating up to Rs. 2000,00,00,000/- (Rupees Two Thousand Crores only), on a private placement basis in one or more tranches from time to time to the eligible investors ("**Holders**" which expression shall include their successors, novates, transferees and assignees) ("**Debt Securities**").

The Rupee Facilities and the Debt Securities are collectively referred to as "**Debt**" and in each instance for doing all such acts, deeds and things and to execute all such documents, instruments and writings, and register all charges as may be required in this regard.

(The Lenders and the Holders shall hereinafter collectively referred to as "**Creditors**")

**RESOLVED FURTHER THAT** the approval of the board of directors be and is hereby accorded to:

(a) to enter into, execute, perform and deliver the following documents (as applicable):
  (i) the offer document/information memorandum;
  (ii) the facility agreement(s);
  (iii) the debt securities trustee agreement for the appointment of a debt securities trustee;
  (iv) the debt securities trust deed(s);
  (v) deed(s) of accession and/or amendment to the common security trustee agreement for the appointment of a security trustee;
  (vi) the escrow agreement and/or amendment agreement(s)/supplement agreement to the escrow agreement;
  (vii) the security documents, including the deed(s) of hypothecation, the pledge agreement(s), the supplemental deed(s) of hypothecation, the pledge extension deed(s) and, in each case, any associated power(s) of attorney;
  (viii) the tripartite agreement amongst the registrar and transfer agent of the InvIT and each of National Securities Depository Limited and Central Depository Services Limited;
  (ix) the debt listing agreement between the InvIT and BSE Limited and/or such other stock exchange as may be finalised by the InvIT ("**Stock Exchange**");

(x) consent letter(s) and agreement(s) with rating agencies, the registrar and transfer agent and any other intermediary(ies) as may be appointed in connection with the Debt Securities;
(xi) the agreement to assign and/or amendment agreement(s) to the agreement to assign and related power(s) of attorney;
(xii) the agency appointment agreement and/or amendment agreement(s) to the agency appointment agreement;
(xiii) the negative lien undertaking and/or any amendment agreement(s) to the negative lien undertaking;
(xiv) the InvIT's confirmation to the inter-creditor agreement;
(xv) fee letters in relation to the issue; and
(xvi) any other documents, deeds, notices, letters, agreements, powers of attorney, declarations, memorandums, indentures, undertakings, instruments and forms as may be required (including by the Debt Securities Trustee, the Security Trustee or the Creditors) in relation to or in connection with or pursuant to the abovementioned Debt and any amendments, modifications, supplements of the documents specified in Paragraph (i) to (xv) above),

collectively, the "**Debt Documents**".

(b) negotiate, finalise, enter into, execute, perform and deliver the Debt Documents and give effect to any transactions contemplated thereunder; and
(c) amend, novate, supplement, extend, restate or make any other modification to the Debt Documents, as may be required, from time to time, in relation to or in connection with or pursuant to the Debt Documents or to give effect to any transactions contemplated thereunder.

**RESOLVED FURTHER THAT** for securing the Debt, the approval of the board of directors be and is hereby accorded to create, *inter alia*, the security over its assets (including its movable assets, fixed assets, current assets, receivables, cash flows, accounts, its rights, title, interest and benefit in the loans/debt that the InvIT provides to its identified special purpose vehicles ("**InvIT to SPV Debt**"), its rights, title, interest and benefit in the financing documents executed in relation to the InvIT to SPV Debt, shares, securities, bonds held by it in identified special purpose vehicles and all such other security as is required to be created for securing the Debt) in favour of the Security Trustee, Debt Securities Trustee and/or the Creditors (collectively referred to as the "**InvIT Debt Security**") and the Debt will have the benefit of the contractual comforts mutually agreed between the InvIT and the Creditors.

**RESOLVED FURTHER THAT** any director, Mr. Vinay C. Sekar, CEO, Mr. Pankaj Vasani, CFO, Mr. Mridul Gupta, Compliance Officer and Company Secretary and Mr. Saurabh Bansal, Authorised Signatory of the Company (collectively the "**Authorised Representatives**") be and are hereby severally authorized to:

(a) negotiate, finalise, execute and deliver the Debt Documents on behalf of the Company, in its capacity as investment manager of the InvIT and/or (if required) on behalf of the Company, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future);
(b) do all such acts, matters, deeds and things and to execute all documents, file forms with, make applications to, receive approvals from, any governmental or regulatory authorities and other persons, including but not limited to the applicable depository(ies), National Highways Authority of India, the Reserve Bank of India, the stock exchanges, the SEBI and/or income tax authorities;
(c) make payment of stamp duty, notarization, registration fees and other fees and charges (if any) in relation to the Debt Documents;
(d) register documents or charges with the relevant sub-registrar of assurances, where required, and also to sign and submit the necessary forms with relevant government authorities;
(e) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company, in its capacity as investment manager of the InvIT and/or (if required) on behalf of the Company, under or in connection with the Debt Documents;
(f) take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the Debt Documents, the transactions contemplated therein;
(g) appoint various intermediaries including but not limited to the credit rating agency, registrar and transfer agents, arranger, valuer, Security Trustee, Debt Securities Trustee, legal counsel as required for the relevant Debt, or any persons in replacement thereof as mutually agreed with the Creditors;
(h) to sign and/or to authorise the Company to execute powers of attorney authorizing the Creditors and/or their respective representatives/agents to take actions on behalf of and in the name of the

Company and InvIT, as may be required pursuant to the Debt Documents, and any actions taken by such attorney shall bind the Company and the InvIT;

(i) open and operate such bank accounts for receipt of issue proceeds and escrow accounts with any banks or financial institutions, as may be required in furtherance of the relevant Debt;

(j) finalise and file the information memorandum with BSE Limited, SEBI and or any other statutory authorities in compliance with applicable laws and regulations;

(k) approve, decide on and finalize the terms and conditions applicable to the Debt Securities and the Rupee Facilities;

(l) execute, file and deliver all necessary documents, instruments and do all acts necessary in relation to the Debt Securities, including obtaining in-principal approval, listing approval, trading approval and processing corporate actions in respect of the Debt Securities, taking other actions as may be required in connection with the listing of the Debt Securities on BSE Limited and executing necessary agreements, undertaking, declaration, affidavits, indemnities with BSE Limited and National Securities Depository Limited and/or Central Depository Services (India) Limited;

(m) to negotiate, coordinate, liaise, deal with the relevant concessioning authorities and to settle any questions or doubts that such concessioning authorities and / or their consultants may raise with respect to the Debt or the Debt Documents;

(n) to settle or give instructions and directions for settling any questions, difficulties or doubts that may arise in this regard and to give effect to such modifications, changes, variations, alterations, deletions or additions as may be deemed fit and proper in the best interests of InvIT to execute the Debt Documents;

(o) take all actions as may be required in connection with the creation of InvIT Debt Security in order to secure the obligations of the InvIT in relation to the Debt; and

(p) do all such acts, deeds, matters and things as deemed necessary, proper or desirable, to give effect to the aforesaid resolutions or as may be deemed necessary and expedient in this regard including executing all such other documents connected therewith and ancillary thereto.

**RESOLVED FURTHER THAT** consent of the Board is hereby accorded to appoint SBICAP Trustee Company Limited or any substitutes/replacement as required by Lenders thereof from time to time (the "**Security Trustee**"), to act as the security trustee for the benefit of the Lenders on terms and conditions mutually acceptable to the Company/InvIT and the Lenders including payment of remuneration to the Security Trustee.

**RESOLVED FURTHER THAT** consent of the Board is hereby accorded to appoint Catalyst Trusteeship Limited or any substitutes/replacement as required by the Holders thereof from time to time (the "**Debt Securities Trustee**"), a debt securities trustee registered with SEBI in compliance with applicable rules of the Companies (Share Capital and Debentures) Rules, 2014 and Kfin Technologies Limited or any substitutes/replacement thereof from time to time as a registrar and transfer agent, each registered with SEBI, for the Debt Securities.

**RESOLVED FURTHER THAT** consent of the Board is hereby accorded to continue with the appointment of the State Bank of India or appoint any other person in replacement thereof as the escrow bank in relation to the Debt.

**RESOLVED FURTHER THAT** the Board hereby severally authorises the Authorised Representatives, to make a request to any person to furnish any undertaking(s) or enter into any other agreement(s), as may be required, in connection with the Debt.

**RESOLVED FURTHER THAT** a certified true copy of this resolution be furnished to the Creditors, or any other person as may be required in this regard."

**Certified to be true**
**For Cube Highways Fund Advisors Private Limited**

**Mridul Gupta**
**Company Secretary & Compliance Officer**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE ORDINARY UNITHOLDERS OF CUBE HIGHWAYS TRUST ON FRIDAY, JUNE 16, 2023 THROUGH POSTAL BALLOT**

"**RESOLVED THAT** in accordance with Regulation 20, 22 and all applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("**InvIT Regulations**"), and the circulars and guidelines issued thereunder, and other applicable laws, including any statutory modifications, amendments or re-enactments to each of the foregoing, and applicable notifications, clarifications, circulars, rules and regulations issued by any competent authority in India from time to time (to the extent applicable), the requisite approvals (if any) from Securities and Exchange Board of India, the stock exchanges and any relevant governmental, statutory or regulatory authorities and subject to such terms and conditions as may be prescribed by any such authority(ies) while granting such approvals as may be necessary, the consent of the Ordinary Unitholders, be and is hereby granted to Cube Highways Trust ("**InvIT**"), its Special Purpose Vehicle(s)/SPVs (as defined under SEBI InvIT Regulations) including any other entity(ies) set up or acquired by the InvIT, in future, to borrow from time to time, any sum or sums of money (in one or more tranches) not exceeding such amounts such that the aggregate consolidated borrowing and deferred payments of the InvIT and SPVs, net of cash and cash equivalents, do not exceed 49% of the aggregate value of the assets of the InvIT assets (as set out under Regulation 20(3)(a) of the InvIT Regulations) from time to time, in whatever form, including but not limited to issuance of debt securities, debentures, term loans, advances or such other instruments, facilities and arrangements as permitted under applicable law, whether secured or unsecured, on such terms and conditions as the Axis Trustee Services Limited (the "**Trustee**") and/or Cube Highways Fund Advisors Private Limited ("**Investment Manager**") may deem fit in the best interest of the InvIT and the Ordinary Unitholders, and on such security, including by way of hypothecation, pledge, charge, mortgage and/or other lien, in addition to the hypothecation, pledge, charge, mortgage and/or other lien already created, in such form, manner and ranking and on such terms as the Trustee and/or Investment Manager may deem fit, on all or any of the movable and/or immovable properties of the InvIT and/or the InvIT Assets, both present and future and/ or any other assets or properties, either tangible or intangible, of the InvIT and/or the InvIT Assets, for securing the borrowings availed or to be availed by the InvIT and/or the InvIT Assets, including the provision of any undertakings and/or guarantees by the InvIT and/or the InvIT Assets as may be required in connection therewith, and to do all such acts, deeds and things and to execute all such documents, instruments and writings, and register all charges as may be required in this regard.

**RESOLVED FURTHER THAT** in relation to the aforesaid transactions, the Trustee and/or Investment Manager be and are hereby severally authorised to do all such acts, deeds, matters and things and execute, modify or amend all such deeds, agreements or other documents, as may be necessary from time to time for giving effect to the above resolution on such terms and conditions as the Trustee and/or Investment Manager may deem fit in the best interest of the InvIT and the Ordinary Unitholders, and to settle any questions, difficulty or doubt that may arise with regard to giving effect to the above resolution, as it may deem necessary in its discretion.

**RESOLVED FURTHER THAT** the Board of Directors of the Investment Manager and/or Trustee, be and is hereby authorised to delegate all or any of the powers herein conferred upon the Investment Manager and/or Trustee, to any validly constituted committee of its directors or any other person authorized by Investment Manager and/or Trustee so as to give effect to the aforesaid resolution."

**Certified to be true**
**For Cube Highways Fund Advisors Private Limited**

Cube Highways Fund Advisors Pvt. Ltd.

**Mridul Gupta**
**Company Secretary & Compliance Officer**

**Schedule III**

**Financial Statements (Standalone), and Financial Statements (Consolidated & Combined)**

[*annexed separately*]

**S. B. Billimoria & Co. LLP**

Chartered Accountants
7th floor, Building 10
Tower B
DLF Cyber City Complex
DLF City Phase II
Gurugram-122 002
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

**INDEPENDENT AUDITOR'S REPORT**

**To the Unitholders of Cube Highways Trust**
**Report on the Audit of the Financial Statements**

## Opinion

We have audited the accompanying financial statements of Cube Highways Trust ("the Trust"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Unitholders' Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time, including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 (the "InvIT regulations") in the manner so required to the extent applicable (read with Notes 1 and 2(b) to the financial statements) and give a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India to the extent not inconsistent with the InvIT Regulations, of the state of affairs of the Trust as at March 31, 2023, and its loss including other comprehensive loss, its cash flows, its changes in unitholders' equity for the year ended March 31, 2023 and other financial information of the Trust.

## Basis for Opinion

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

## Information Other than the Financial Statements and Auditor's Report Thereon

- Cube Highways Fund Advisors Private Limited (the "Investment Manager") acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information included in the Annual Report but does not include financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

**Management's Responsibility for the Financial Statements**

The Board of Directors of the Investment Manager (the "Board") is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in unitholders' equity in accordance with requirements of the InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India to the extent not inconsistent with the InvIT Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Trust ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the InvIT or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the Trust financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

Based on our audit and as required by InvIT regulations, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Unitholder's Equity dealt with by this Report are in agreement with the relevant books of account.

c) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations.

For **S.B. Billimoria & Co. LLP**
Chartered Accountants
(Firm's Registration No. 101496W/ W-100774)

PRAMOD BAIJNATH SHUKLA
Digitally signed by PRAMOD BAIJNATH SHUKLA
Date: 2023.05.23 20:51:11 +05'30'

**Pramod B. Shukla**
(Partner)
(Membership No. 104337)
(UDIN: 23104337BGYEZL3267)

Place: Noida
Date: May 23, 2023

**CUBE HIGHWAYS TRUST**
**Balance Sheet as at March 31, 2023**
**(All amounts in ₹ lacs unless otherwise stated)**

| | Notes | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Other current assets | 3 | 2.36 | - |
| **Total current assets** | | **2.36** | **-** |
| **Total assets** | | **2.36** | **-** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Unit capital | | - | - |
| Other equity | 4 | (2,899.66) | (120.82) |
| **Total equity** | | **(2,899.66)** | **(120.82)** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Trade payables | | | |
| - total outstanding dues of micro enterprises and small enterprises | | - | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 5 | 2,659.68 | 120.82 |
| Other current liabilities | 6 | 242.34 | - |
| **Total current liabilities** | | **2,902.02** | **120.82** |
| **Total liabilities** | | **2,902.02** | **120.82** |
| **Total equity and liabilities** | | **2.36** | **-** |

**The above Balance sheet should be read in conjunction with the accompanying notes**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

PRAMOD BAIJNATH SHUKLA
Digitally signed by PRAMOD BAIJNATH SHUKLA
Date: 2023.05.23 20:48:53 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: 23-05-2023

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(in its capacity as the Investment Manager of Cube Highways Trust)

HARIKISHAN REDDY KOPPULA
Digitally signed by HARIKISHAN REDDY KOPPULA
Date: 2023.05.23 20:32:14 +05'30'

**Harikishan Reddy Koppula**
Director
DIN: 01386693
Place : Hyderabad
Date: 23-05-2023

Vinay C Sekar
Digitally signed by Vinay C Sekar
Date: 2023.05.23 20:38:20 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: 23-05-2023

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2023.05.23 20:34:25 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place : Noida
Date: 23-05-2023

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2023.05.23 20:30:05 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: 23-05-2023

**CUBE HIGHWAYS TRUST**
**Statement of Profit and Loss for the year ended March 31, 2023**
**(All amounts in ₹ lacs unless otherwise stated)**

| | Notes | For the year ended March 31, 2023 | From December 07, 2021 to March 31, 2022 |
|---|---|---|---|
| **Income and gains** | | - | - |
| **Total income** | | **-** | **-** |
| **Expenses** | | | |
| Investment Management Fees | 7 | 2,738.78 | 120.82 |
| Other expenses | 8 | 40.06 | - |
| **Total expenses** | | **2,778.84** | **120.82** |
| **Loss before tax** | | **(2,778.84)** | **(120.82)** |
| **Less: Tax expense** | 16 | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| | | **-** | **-** |
| **Loss for the year/period** | | **(2,778.84)** | **(120.82)** |
| **Other comprehensive income** | | | |
| Items that will not be reclassified to profit or loss | | - | - |
| Income tax relating to these items | | - | - |
| **Total other comprehensive income/(loss) for the year/period** | | **-** | **-** |
| **Total comprehensive loss for the year/period** | | **(2,778.84)** | **(120.82)** |

**Earnings per unit- Refer Note 18**

**The above Statement of Profit and loss should be read in conjunction with the accompanying notes**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

PRAMOD BAIJNATH SHUKLA
Digitally signed by PRAMOD BAIJNATH SHUKLA
Date: 2023.05.23 20:48:22 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: 23-05-2023

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(in its capacity as the Investment Manager of Cube Highways Trust)

HARIKISHAN REDDY KOPPULA
Digitally signed by HARIKISHAN REDDY KOPPULA
Date: 2023.05.23 20:32:34 +05'30'

**Harikishan Reddy Koppula**
Director
DIN: 01386693
Place : Hyderabad
Date: 23-05-2023

Vinay C Sekar
Digitally signed by Vinay C Sekar
Date: 2023.05.23 20:38:47 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: 23-05-2023

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2023.05.23 20:34:56 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place : Noida
Date: 23-05-2023

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2023.05.23 20:30:30 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: 23-05-2023

**CUBE HIGHWAYS TRUST**
**Statement of Cash Flows for the year ended March 31, 2023**
**(All amounts in ₹ lacs unless otherwise stated)**

| | | For the year ended March 31, 2023 | From December 07, 2021 to March 31, 2022 |
|---|---|---|---|
| **A.** | **Cash flows from operating activities** | | |
| | **Loss before tax** | (2,778.84) | (120.82) |
| | **Working capital changes and other adjustments:** | | |
| | (Decrease)/Increase in trade payables | 2,538.86 | 120.82 |
| | (Decrease)/Increase in other liabilities | 242.34 | - |
| | Decrease/(Increase) in other current assets | (2.36) | - |
| | **Cash flow from operating activities post working capital changes** | - | - |
| | Income tax (paid) / refund | | |
| | **Net cash flow from operating activities (A)** | - | - |
| **B.** | **Cash flows from investing activities** | | |
| | **Net cash used in investing activities (B)** | - | - |
| **C.** | **Cash flows from financing activities** | | |
| | **Net cash from financing activities (C)** | - | - |
| **D.** | **Net increase/(decrease) in Cash and cash equivalents (A+B+C)** | - | - |
| **E.** | Cash and cash equivalents at the beginning of the year/period | - | - |
| | **Cash and cash equivalents at the end of the year/period (D+E)** | - | - |

**Note:**
The above cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

**The above Statement of Cash flows should be read in conjunction with the accompanying notes**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

PRAMOD BAIJNATH SHUKLA
Digitally signed by PRAMOD BAIJNATH SHUKLA
Date: 2023.05.23 20:47:50 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: 23-05-2023

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(in its capacity as the Investment Manager of Cube Highways Trust)

HARIKISHAN REDDY KOPPULA
Digitally signed by HARIKISHAN REDDY KOPPULA
Date: 2023.05.23 20:32:51 +05'30'

**Harikishan Reddy Koppula**
Director
DIN: 01386693
Place : Hyderabad
Date: 23-05-2023

Vinay C Sekar
Digitally signed by Vinay C Sekar
Date: 2023.05.23 20:39:06 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: 23-05-2023

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2023.05.23 20:35:20 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place : Noida
Date: 23-05-2023

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2023.05.23 20:30:46 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: 23-05-2023

**CUBE HIGHWAYS TRUST**
**Statement of Changes in Unitholder's Equity for the year ended March 31, 2023**
**(All amounts in ₹ lacs unless otherwise stated)**

**A Unit capital (Refer note 1)**

**i) As at March 31, 2023**

| Balance as at April 01, 2022 | Issue of unit capital during the current year | Balance as at March 31, 2023 |
|---|---|---|
| - | - | - |

**ii) As at March 31, 2022**

| Balance as at December 07, 2021 | Issue of unit capital during the period | Balance as at March 31, 2022 |
|---|---|---|
| - | - | - |

**B Other equity**

| Particulars | Reserves and Surplus<br>Retained earnings | Total |
|---|---|---|
| **Balance as at April 01, 2022** | (120.82) | **(120.82)** |
| Net loss for the year | (2,778.84) | **(2,778.84)** |
| Other comprehensive income/(loss) | - | **-** |
| **Total comprehensive income/(loss) for the year** | **(2,778.84)** | **(2,778.84)** |
| **Balance as at March 31, 2023** | **(2,899.66)** | **(2,899.66)** |
| **Balance as at December 07, 2021** | **-** | **-** |
| Net loss for the period | (120.82) | **(120.82)** |
| Other comprehensive income/(loss) | - | **-** |
| **Total comprehensive income/(loss) for the period** | **(120.82)** | **(120.82)** |
| **Balance as at March 31, 2022** | **(120.82)** | **(120.82)** |

**The above statement of changes in unitholder's equity should be read in conjunction with the accompanying notes**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
**Chartered Accountants**

PRAMOD BAIJNATH SHUKLA
Digitally signed by PRAMOD BAIJNATH SHUKLA
Date: 2023.05.23 20:47:08 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: 23-05-2023

**Cube Highways Fund Advisors Private Limited**
(in its capacity as the Investment Manager of Cube Highways Trust)

HARIKISHAN REDDY KOPPULA
Digitally signed by HARIKISHAN REDDY KOPPULA
Date: 2023.05.23 20:33:11 +05'30'

**Harikishan Reddy Koppula**
Director
DIN: 01386693
Place : Hyderabad
Date: 23-05-2023

Vinay C Sekar
Digitally signed by Vinay C Sekar
Date: 2023.05.23 20:39:25 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: 23-05-2023

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2023.05.23 20:35:43 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place : Noida
Date: 23-05-2023

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2023.05.23 20:31:04 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: 23-05-2023

**Cube Highways Trust**
**Notes forming part of Financial Statements for the year ended March 31, 2023**

## 1. Trust Information

Cube Highways Trust (the "Trust") was set up pursuant to the Trust Deed dated December 7, 2021(as amended and restated on July 8, 2022), as a contributory irrevocable trust under the provision of the Indian Trusts Act, 1882. The Trust was registered as an infrastructure investment trust under the Securities Exchange Board of India ("SEBI") (Infrastructure Investment Trust) Regulations, 2014 as amended read together with circulars and guidelines issued thereunder (the "InvIT Regulations") on April 5, 2022, having registration number IN/InvIT/22-23/0022. The principal place of business of the Trust is B-376, UGF, Nirman Vihar, New Delhi 110092. The Trustee to the Trust is Axis Trustee Services Limited (the "Trustee"). Investment manager for the Trust is Cube Highways Fund Advisors Private Limited (the "Investment Manager").

The objective of the Trust is to carry on the activities of an infrastructure investment trust, as permissible under the InvIT Regulations. The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. All the Road projects of entities proposed to be included in the Proposed Trust Group held through 18 special purpose vehicles ("Initial SPVs" together with the Trust referred as "Proposed Trust Group"). Due to certain commercial considerations, on December 16, 2022 the Investment Manager concluded that N.A.M. Expressway Limited (NAMEL) will not be part of the Proposed Trust Group.

The Trust has entered into Share Purchase Agreements dated March 30, 2023, with the shareholders of the following Initial SPVs:

| Sr. No. | Name of the Initial SPVs | Name of the shareholders along with percentage of Shareholding as at March 31, 2023 |
|---|---|---|
| 1 | Western UP Tollway Limited (WUPTL) | Cube Highways and Infrastructure Pte Limited, along with nominees – 100% |
| 2 | Andhra Pradesh Expressway Limited (APEL) | Cube Highways and Infrastructure Pte Limited, along with nominees – 100% |
| 3 | Jaipur- Mahua Tollway Limited (JMTL) | Cube Highways and Infrastructure Pte Limited, along with nominees – 100% |
| 4 | Mahua Bharatpur Expressways Limited (MBEL) | Cube Highways and Infrastructure Pte Limited, Singapore along with nominees – 99.97% |
| 5 | Farakka- Raiganj Highways Limited (FRHL) | Cube Highways and Infrastructure II Pte Limited, Singapore along with its nominees – 100% |
| 6 | DA Toll Road Private Limited (DATRL) | Cube Highways and Infrastructure-III Pte Limited, along with nominee – 100% |
| 7 | Ghaziabad Aligarh Expressway Private Limited (GAEPL) | Cube Highways and Infrastructure Pte Ltd along with Nominee holds 100% (w.e.f May 25, 2022) |
| 8 | Walayar Vaddakencherry Expressways Private Limited (WVEPL) | Cube Highways and Infrastructure-III Pte Limited, along with nominees – 100% |
| 9 | Nelamangala Devihalli Expressway Private Limited (NDEPL) | Cube Highways and Infrastructure I-D Pte. Limited, along with nominees – 100% |
| 10 | Hazaribagh Tollway Limited (HTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 11 | Jhansi-Lalitpur Tollway Limited (JLTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 12 | Jhansi- Vigakhet Tollway Limited (JVTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 13 | Kanyakumari- Etturavattam Tollway Limited (KETL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 14 | Kotwa- Muzaffarpur Tollway Limited (KMTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 15 | Lucknow- Raebareli Tollway Limited (LRTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |

| Sr. No. | Name of the Initial SPVs | Name of the shareholders along with percentage of Shareholding as at March 31, 2023 |
|---|---|---|
| 16 | Madurai- Kanyakumari Tollway Limited (MKTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 17 | Lucknow- Raebareli Tollway Limited (LRTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |
| 18 | Madurai- Kanyakumari Tollway Limited (MKTL) | Cube Mobility Investment Pte Limited along with its nominees – 100% |

Subsequent to the year end the shareholding of the above SPVs were acquired by the Trust on April 17, 2023. Further, the Trust has issued the Ordinary and Subordinate Units on April 17, 2023 on a Private Placement basis and got the Ordinary Units listed on National stock exchange (NSE) and Bombay stock exchange (BSE) on April 19, 2023. Also refer Note 15.

## 2. Basis of preparation and significant accounting policies

### a) Statement of Compliance

The financial Statements have been prepared in accordance with InvIT Regulations to the extent applicable, the Indian Accounting Standard (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India to the extent not inconsistent with the InvIT Regulations.

### b) Basis of preparation and presentation

The financial statements of the Trust comprising of the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Unitholders' Equity for the year then ended, and a summary of significant accounting policies and other explanatory information have been prepared in accordance with the requirements of Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended to the extent not consistent with the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 (SEBI Circular) issued thereunder ("InvIT Regulations") to the extent applicable. The Trust has uniformly applied the accounting policies during the periods presented.

Since the Ordinary Units of Cube Highways Trust (the "Trust") are listed on NSE and BSE subsequent to the year-end; accordingly following disclosures pertaining to the financial statements as prescribed under SEBI Circular are not applicable:
a) Statement of Net Assets at Fair Value
b) Statement of Total returns at Fair Value
c) Statement of Net Distributable Cash Flows

The financial statements are presented in India Rupees which is also the functional currency of the Trust, and all values are rounded to the nearest lakhs, unless otherwise indicated.

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis using uniform policies as explained above for like transactions and other events in similar circumstances, except for certain financial instrument and contingent consideration which are measured at fair value at the end of each reporting period as explained in the accounting policy related to certain financial liabilities measured at fair value (refer accounting policy regarding financial instruments).

### c) Critical accounting judgements and key sources of estimation uncertainty

The preparation of these financial statements is in conformity with Ind AS and requires the management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures, and the disclosure of contingent liabilities.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

Information about significant areas of critical judgements in preparation of the Financial Statements is included in note 11 relating to costs incurred by the Reimbursing Parties towards setting up the Trust and listing thereof which have been borne by them considering that they are ultimate beneficiaries, and note 12 relating to management fees accrued (prior to issue of Units referred to in note 15) as an expense in the Statement of Profit and Loss being administrative and recurring in nature.

### d) Current and non-current classification

The Trust represents assets and liabilities in the financial statements based on current/non-current classification.

An asset is current when:

- It is expected to be realised, or is intended to be sold or consumed in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is expected to be settled in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within 12 months after the reporting period; or
- The Proposed Trust Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of activities of the Trust and the normal time between acquisitions of assets and their realisation in cash or cash equivalents, the Trust has determined its operating cycle as twelve months for the purpose of classifications of its assets and liabilities as current and non-current.

### e) Statement of cash flows

Statement of cash flows is prepared segregating the cash flows from operating, investing, and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of transactions of a non-cash nature; any deferrals or accruals of past or future operating cash receipts or payments and, all other items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Trust are segregated based on the available information.

**f) Provisions**

Provisions are recognized when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**g) Taxation**

**Income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

**Deferred Tax**

Deferred tax is recognised on temporary differences, being the differences between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for temporary differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is reasonable certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the deferred tax assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each reporting date for their realisability.

**h) Impairment of non-financial assets**

The carrying values of assets / cash generating units at each reporting date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

**i) Earnings per unit**

Basic earnings per unit are calculated by dividing the net profit / (loss) for the period attributable to unit holders of the Trust by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per units are included.

## j) Segment Reporting

The Trust identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments based on their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

## k) Financial Instrument - Financial liabilities

Financial liabilities are classified at initial recognition, as financial liabilities as fair value through profit or loss, loans and borrowings, payables as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

### De-recognition of financial liabilities

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability.

## l) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

### Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Trust does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Trust does not expect the amendment to have any significant impact in its financial statements.

### Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Trust does not expect the amendment to have any significant impact in its financial statements.

**CUBE HIGHWAYS TRUST**
**Notes forming part of Financial Statements for the year ended March 31, 2023**
**(All amounts in ₹ lacs unless otherwise stated)**

| | | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|
| **3** | **Other current assets** | | |
| | Prepaid expenses | 2.36 | - |
| | | **2.36** | **-** |
| **4** | **Other equity** | | |
| | **i) Reserves & Surplus** | | |
| | **a) Retained Earnings** | | |
| | -Opening Balance | (120.82) | - |
| | Net loss for the year/ period | (2,778.84) | (120.82) |
| | Other comprehensive income/(loss) | - | - |
| | **Total comprehensive loss for the year/period** | **(2,778.84)** | **(120.82)** |
| | **Closing Balance** | **(2,899.66)** | **(120.82)** |
| **5** | **Trade payables** | | |
| | **Current** | | |
| | Total outstanding dues of micro and small enterprises | - | - |
| | Total outstanding dues to creditors other than micro enterprises and small enterprises (Refer note 13 for payable to Related Parties) | 2,659.68 | 120.82 |
| | | **2,659.68** | **120.82** |
| | Note: The above amount are not due for payment as on March 31, 2023 and March 31, 2022 (Refer note 12). | | |
| **6** | **Other current liabilities** | | |
| | Statutory dues payable | 242.34 | - |
| | | **242.34** | **-** |
| **7** | **Investment Management Fee** | | |
| | Investment Management fee (Refer note 12) | 2,738.78 | 120.82 |
| | | **2,738.78** | **120.82** |
| **8** | **Other expenses** | | |
| | Trustee fees | 9.44 | - |
| | Filing fees | 20.00 | - |
| | Payment to auditors (including taxes): | | |
| | - As auditors | 10.62 | - |
| | | **40.06** | **-** |

**9 Contingent Liabilities**

There are no contingent liabilities as at March 31, 2022 and March 31, 2023.

**10 Capital Commitments**

There are no capital commitments as at March 31, 2022 and March 31, 2023.

**11** The Investment Manager has entered into a reimbursement agreement dated September 07, 2022 (the "Reimbursement Agreement") with Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd. (referred to as "Sponsors"), Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd. (collectively referred as "Reimbursing Parties") in relation to reimbursement of certain costs {Trust setup cost, offer expenses (including merchant banker fees) etc.} in relation to the Trust, by "Incurring Parties" as defined in the Reimbursement Agreement.

The costs incurred by the Reimbursing Parties towards setting up the Trust and listing thereof, have been borne by them considering that they are ultimate beneficiaries from the Listing of Ordinary Units referred to in note 1. Accordingly, these costs have not been recognised in the books of account of the Trust.

**12 Investment Management Fees**

In terms of the InvIT Regulations, the Trust has entered into Investment Management Agreement dated March 11, 2022 with Cube Highways Fund Advisors Private Limited ("the Investment Manager"), which got amended on May 30, 2022 and on December 16, 2022 (herein after referred to as IM Agreement).

As per Schedule II of the IM Agreement as amended from time to time, the Investment Manager shall be entitled to a fee from the funds of the Trust in accordance with the IM Agreement ("Management Fee") as under:

| For the period March 11, 2022 to May 30 2022 (in terms of IM agreement dated March 11, 2022) | For the period May 31, 2022 to December 15, 2022 (in terms of Amended and Restated IM agreement dated May 30, 2022) | For the period after December 16, 2022 (in terms of Amended and Restated IM agreement dated December 16, 2022 ) |
|---|---|---|
| Higher of:<br><br>(a) 1% of the consolidated revenue of the Project SPVs * ("Fee Percentage");<br>or<br>(b) ₹ 210 million subject to an escalation of 9% per annum | Higher of:<br><br>(a) Subsequent to the Initial Offer, the Management Fee shall be 0.88% of the revenue of the Initial SPVs * ("Fee Percentage");<br>or<br>(b) ₹ 190 million ("Minimum Threshold") subject to an escalation of 7% per annum | Higher of:<br><br>(a) Subsequent to the Initial Offer, the Management Fee shall be 0.94% of the revenue of the Initial SPVs ("Fee Percentage");<br>or<br>(b) ₹ 190 million ("Minimum Threshold") subject to an escalation of 7% per annum |

* Project SPVs/ Initial SPVs include Initial SPVs listed in Note 1 and includes revenue of N.A.M. Expressway Limited upto December 15, 2022

Further in terms of the IM agreement, notwithstanding the foregoing, the Management Fee payable by the Trustee shall accrue from the Agreement Date until the date of acquisition of the Initial SPVs and the Investment Manager shall raise its first invoice only upon acquisition of the Initial SPVs. The Management Fee shall be calculated annually and invoiced on monthly basis by the Investment Manager to the Trust.
Subsequent to the balance sheet date, upon listing of Ordinary Units on April 19, 2023 the Investment Manager has raised invoice towards the above management fees including taxes aggregating Rs. 2,859.60 lacs (Rs. 2,738.78 lacs pertaining to financial year 2022-23 and Rs. 120.82 lacs pertaining to period ended March 31,2022 recognised as an expense in the Statement of Profit and Loss in the respective year/period) and the Trust has paid the same to the Investment Manager.

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

Following are the related parties and transactions entered with related parties:

**(A) Name of related parties and nature of relationship:**

| S. No. | Name of the related party | Nature of relationship |
|---|---|---|
| 1 | Axis Trustee Services Limited | Trustee |
| 2 | Cube Highways Fund Advisors Private Limited | Investment Manager |
| 3 | Cube Highways and Infrastructure Pte. Ltd. | Sponsor |
| 4 | Cube Highways and Infrastructure III Pte. Ltd. | Sponsor |
| 5 | Cube Highways and Infrastructure I-D Pte. Ltd. | Shareholder of Initial SPVs (Refer Note 1) |
| 6 | Cube Highways and Infrastructure II Pte. Ltd. | Shareholder of Initial SPVs (Refer Note 1) |
| 7 | Cube Mobility Investments Pte. Ltd. | Shareholder of Initial SPVs (Refer Note 1) |

Note: The name of the related parties and the nature of relationship are as identified by the management of the Investment Manager.

**(B) Details of transactions with related parties**

| S. No. | Name of the related party | Nature of relationship | Nature of transactions | For the year ended March 31, 2023 | From December 07, 2021 to March 31, 2022 |
|---|---|---|---|---|---|
| 1 | Cube Highways Fund Advisors Private Limited | Investment Manager | Investment Management fee (Refer note 12) | 2,738.78 | 120.82 |
| 2 | Cube Highways Fund Advisors Private Limited | Investment Manager | Reimbursement of issue expenses | 2.36 | - |
| 3 | Cube Highways Fund Advisors Private Limited | Investment Manager | Reimbursement of filing fee & trustee fee | 29.44 | - |

Also refer Note 11 for agreements entered into by the Trust with the Sponsors & Shareholders of Initial SPVs.

**(C) Outstanding balances**

| S. No. | Name of the related party | Nature of relationship | Nature of balances | As at March 31, 2023 (Payable) / Receivable | As at March 31, 2022 (Payable) / Receivable |
|---|---|---|---|---|---|
| 1 | Cube Highways Fund Advisors Private Limited | Investment Manager | Trade Payable (Refer note 12) | (2,649.06) | (120.82) |

## 14 Financial risk management

### i) Financial instruments by category

| Particulars | As at March 31, 2023 Amortised cost | As at March 31, 2022 Amortised cost |
|---|---|---|
| **Financial liabilities** | | |
| Trade payables | 2,659.68 | 120.82 |
| **Total** | **2,659.68** | **120.82** |

### ii) Risk Management

The Trust activities expose it to variety of financial risks : credit risk, liquidity risk and market risk. Trust focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors of the Investment Manager have overall responsibility for the establishment and oversight of Trust risk management framework. The Board of Directors of the Investment Manager have established a risk management policy to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and Trust activities. The Board of Directors of the Investment Manager oversee compliance with Trust risk management policies and procedures, and reviews the risk management framework.

### A) Credit risk management

Credit risk is the risk of financial loss to Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Trust receivables from customers. As at reporting date, there is no concentration of credit risk as there are no financial asset as on balance sheet date.

### B) Liquidity risk

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. Trust is exposed to liquidity risk due to borrowings and trade and other payables. Trust measures risk by forecasting cash flows. The Trust's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Trust's reputation. The Trust ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

**Maturities of financial liabilities**

The tables below analyse the Trust financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities:

The amounts disclosed in the table are the contractual undiscounted cash flows .

| As at March 31, 2023 | Less than 1 year | 1-2 year | 2-5 year | More than 5 years | Total |
|---|---|---|---|---|---|
| Trade payables (Refer note 12 and 13) | 2,659.68 | - | - | - | 2,659.68 |
| **Total** | **2,659.68** | **-** | **-** | **-** | **2,659.68** |
| **As at March 31, 2022** | | | | | |
| Trade payables (Refer note 12 and 13) | 120.82 | - | - | - | 120.82 |
| **Total** | **120.82** | **-** | **-** | **-** | **120.82** |

### C) Market risk

### a) Interest rate risk

**Liabilities**

As at balance sheet date, there is no debt at Trust level, accordingly Trust does not have any Interest rate risk.

### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust has no significant exposure to the risk of changes in foreign exchange rates, since all the transactions entered by the Trust are denominated in Indian Rupees.

**CUBE HIGHWAYS TRUST**
**Notes forming part of Financial Statements for the year ended March 31, 2023**
**(All amounts in ₹ lacs unless otherwise stated)**

**15 Material Subsequent Event**

Subsequent to year end on April 17, 2023 initial offer by Cube Highways Trust (the "Trust") of 522,582,727 ordinary units through a private placement offer at a price of ₹ 100 per unit (the "Offer Price"), aggregating to ₹ 522,582.73 lacs (the "Offer"). The Offer comprises of fresh issue of 380,259,172 ordinary units aggregating to ₹ 380,259.17 lacs by the Trust (the "Fresh Issue") and an offer for sale of 142,323,555 ordinary units aggregating to ₹ 142,323.55 lacs by the Selling Unitholders viz. Cube Highways and Infrastructure Pte. Ltd., Cube Highways and Infrastructure II Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd.

Further on April 17, 2023 , the Trust has acquired all the equity interest held by existing shareholders of SPVs by allocating 925,263,385 units at a price of Rs. 100 each amounting to Rs. 925,263.39 lacs.

**16 Tax expense**

| **Particulars** | **For the year ended March 31, 2023** | **From December 07, 2021 to March 31, 2022** |
|---|---|---|
| Loss before Tax | (2,778.84) | (120.82) |
| Domestic tax rate | 42.74% | 42.74% |
| Tax using the Domestic Tax Rate | (1,187.68) | (51.64) |
| Effect of non-deductible expenses | 1,187.68 | 51.64 |
| **Tax expense for the year/ period** | **-** | **-** |

**17** The Trust does not have any Operating segments as at March 31, 2023. Hence disclosure under Ind AS 108 (Operating segments) has not been provided in the financial statements.

**18 Earnings Per Unit (EPU)**

The number of units that Cube Highways Trust will issue to investors in connection with the proposed private placement is subsequent to March 31, 2023. Hence, the disclosures in respect of Earnings per Unit have not been given.

**19** As on March 31, 2023, the Trust has accumulated losses of Rs 2,899.66 Lacs. The Trust does not have any income and gains during the year and as detailed in Note 1 above, the Trust has issued Units and acquired Initial SPVs subsequent to year end and will be receiving interest and dividend income from these SPV's in the subsequent financial years. The income from these diversified sources is expected to contribute significantly to the Trust's financial performance and support its ongoing operations.

Subsequent to year end the Trust has paid all liabilities which are due for payment from the proceeds received on issuance of Units. The Trust's management has performed a detailed assessment of the portfolio's financial viability and ability of the underlying assets to generate expected returns.

On the basis of the above assessment the management is confident that the Trust has the ability to generate cash flows and meet its financial obligations in the foreseeable future. Accordingly, the management of IM have prepared these financial statements on a going concern basis.

**20** The financial statements were approved by the Board of Directors of Cube Highways Fund Advisors Private Limited (in its capacity as the "Investment Manager" of the Trust) on May 23, 2023.

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(in its capacity as the Investment Manager of Cube Highways Trust)

HARIKISHAN REDDY KOPPULA
Digitally signed by HARIKISHAN REDDY KOPPULA
Date: 2023.05.23 20:33:34 +05'30'

**Harikishan Reddy Koppula**
Director
DIN: 01386693
Place : Hyderabad
Date: 23-05-2023

Vinay C Sekar
Digitally signed by Vinay C Sekar
Date: 2023.05.23 20:39:51 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: 23-05-2023

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2023.05.23 20:36:08 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place : Noida
Date: 23-05-2023

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2023.05.23 20:31:27 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: 23-05-2023

**S. B. Billimoria & Co. LLP**

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**INDEPENDENT AUDITOR'S REPORT**

**To the Unitholders of Cube Highways Trust**
**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of Cube Highways Trust ("the Trust"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Unitholders' Equity for the year ended on that date, the Standalone Statement of Net Assets at Fair Value as at March 31, 2024, the Standalone Statement of Total Returns at Fair Value and the Statement of Net Distributable Cash Flows for the year then ended as an additional disclosure in accordance with Section A of Chapter 4 of the SEBI Circular No. Securities Exchange Board of India (SEBI) Circular No. SBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023, and notes to the standalone financial statements including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time including any guidelines and circulars issued thereunder read with Securities Exchange Board of India (SEBI) Master Circular No. SBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023, (hereinafter referred to as "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations, of the state of affairs of the Trust as at March 31, 2024, and its profit, total comprehensive profit, its cash inflows, its changes in unitholders' equity for the year ended on that date, its net assets at fair value as at March 31, 2024, total returns at fair value and the net distributable cash flows for the year ended as on that date and other financial information of the Trust.

## Basis for Opinion

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

## Emphasis of Matter

We draw attention to Note 12 of the standalone financial statements, which describes the presentation of "Unit Capital" as "Equity" to comply with the SEBI InvIT Regulations.

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter | Auditor's Response |
|---|---|
| **A) Impairment of investment in and loans given to subsidiaries**<br><br>The Trust has aggregate investments in subsidiaries of Rs.100,412.79 millions (net of impairment) carried at cost and loans given to subsidiaries amounting to Rs.136,684.70 million (net of impairment) outstanding as at March 31, 2024. At each reporting period end, Management of the Investment Manager assesses the existence of indicators of impairment in investments in subsidiaries and loans given to subsidiaries. In case of existence of impairment indicators, the investment and loan balances are subjected to impairment test, where the fair value is compared with the carrying value of investments and loans given to such subsidiaries.<br><br>The fair value of the aforesaid investments in and loan given to subsidiaries is determined by the Management of the Investment Manager on the basis of valuation report of the independent valuer, using discounted cash flow method which involves significant management judgement in respect of various key assumptions used as inputs such as determination of future cash flows, discount rates, revenue growth rate and inflation rates amongst others. The determination of fair value involve judgement due to inherent high estimation uncertainty in the underlying assumptions.<br><br>Considering the significant judgement involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this matter is considered as a key audit matter.<br><br>Refer Notes 2 (m) and 2(c)(iii) for material accounting policy and Notes 4, 5 and 36 of the standalone financial statements of the Trust as at March 31, 2024. | Principal audit procedures performed included the following:<br>• We obtained an understanding of the Trust's process to identify indicators of impairment of investments in subsidiaries and loans to subsidiaries, and process for determination of fair value of these investments and loans.<br>• We obtained and read the valuation report of the independent valuer used by the Trust to determine fair value, and assessed their competence, capability and objectivity.<br>• We reviewed the reasonableness of the valuation methodology and assumptions (including those provided by the Management of the Investment Manager) used by the independent valuer in determining the fair valuation.<br>• We assessed the reliability of management's cashflow forecast through the review of actual performance against previous forecasts.<br>• In performing the above procedures, we involved our internal specialists, who assessed the reasonableness of (i) management's forecast of revenue which mainly included traffic growth and inflation factor for assessing user toll fee and (ii) discount rate used in valuation, by challenging underlying assumptions used in such estimates and the methodology to determine the fair value.<br>• We tested the arithmetical accuracy of the data used in determination of fair value and also of computation of impairment loss.<br>• We evaluated the appropriateness and adequacy of disclosures made by Management of the Investment Manager. |

| | |
|---|---|
| **B) Computation and disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per SEBI InvIT Regulations**<br><br>In accordance with the SEBI InvIT Regulations, the Trust discloses Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value, carried out by independent valuer appointed by the Trust. As at March 31, 2024, fair value of total assets was Rs.275,436.04 million; out of which fair value of investments in subsidiaries is Rs. 273,366.79 million representing 99.25% of the fair value of total assets.<br><br>The fair value of investments in subsidiaries is determined by the Management of the Investment Manager on the basis of valuation report of the independent valuer, using discounted cash flow method which involves significant management judgement in respect of various key assumptions used as inputs such as determination of future cash flows, discount rates, revenue growth rate and inflation rates amongst others. The determination of fair value involve judgement due to inherent high estimation uncertainty in the underlying assumptions.<br><br>Considering the importance of disclosure required under the SEBI InvIT Regulations, significant judgement involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this matter is considered as a key audit matter.<br><br>Refer Note 2(c)(ii) for material accounting policy, Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value in the standalone financial statements. | Principal audit procedures performed included the following:<br><br>• We read the requirements of the SEBI InvIT Regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.<br>• We obtained understanding of the Trust's process for preparation of Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per SEBI InvIT Regulations and the assumptions used by the Management of the Investment Manager.<br>• We obtained and read the valuation report of the independent valuer used by the Trust to determine fair value, and assessed their competence, capability and objectivity.<br>• We reviewed the reasonableness of the valuation methodology and assumptions (including those provided by the Management of the Investment Manager) used by the independent valuer in determining the fair valuation.<br>• We assessed the reliability of management's cashflow forecast through the review of actual performance against previous forecasts.<br>• In performing the above procedures, we involved our internal specialists, who assessed the reasonableness of (i) management's forecast of revenue which mainly included traffic growth and inflation factor for assessing user toll fee and (ii) discount rate used in valuation, by challenging underlying assumptions used in such estimates and the methodology to determine the fair value.<br>• We tested the arithmetical accuracy of the data used in determination of fair value and also of computation of Net Assets at Fair Value and Total Returns at Fair Value.<br>• We evaluated the appropriateness and adequacy of disclosures made by Management of the Investment Manager for compliance with the relevant requirements of the SEBI InvIT Regulations. |

**Information Other than the Financial Statements and Auditor's Report Thereon**

- Cube Highways Fund Advisors Private Limited (the "Investment Manager") acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include standalone financial statements, consolidated financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements**

The Board of Directors of the Investment Manager is responsible for preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, changes in unitholders' equity, net assets at fair value , total returns at fair value, net distributable cash flows of the Trust and other financial information of Trust in accordance with requirements of the SEBI InvIT regulations, the Indian Accounting Standards ('Ind AS') as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management of the Investment Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Investment Manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Investment Manager is also responsible for overseeing the Trust's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management of the Investment Manager.

- Conclude on the appropriateness of Management of the Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

Based on our audit and as required by SEBI InvIT Regulations, we report that:

a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

b) The Standalone Balance Sheet and the Standalone Statement of Profit and Loss (including Other Comprehensive Income) are in agreement with the books of account of the Trust.

c) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations.

For **S.B. Billimoria & Co. LLP**
Chartered Accountants
(Firm's Registration No. 101496W/ W-100774)

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:19:54 +05'30'

**Pramod B Shukla**
(Partner)
(Membership No. 104337)
UDIN: 24104337BKFNMR8591

Place: Noida
Date: May 22, 2024

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Standalone Balance Sheet as at March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 1.15 | - |
| Financial assets: | | | |
| Investments | 4 | 1,00,412.79 | - |
| Loans | 5 | 1,36,684.70 | - |
| Other financial assets | 6 | 1,442.95 | - |
| **Total non-current assets** | | **2,38,541.59** | **-** |
| **Current assets** | | | |
| Financial assets | | | |
| Investments | 7 | 2,826.22 | - |
| Cash and cash equivalents | 8 | 1.41 | - |
| Loans | 9 | 3,682.15 | - |
| Other financial assets | 10 | 334.84 | - |
| Other current assets | 11 | 18.54 | 0.24 |
| **Total current assets** | | **6,863.16** | **0.24** |
| **Total assets** | | **2,45,404.75** | **0.24** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Unit capital | 12 | 1,44,773.67 | - |
| Other equity | 13 | (4,747.63) | (289.96) |
| **Total unit holder's equity** | | **1,40,026.04** | **(289.96)** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 14 | 1,01,284.59 | - |
| Deferred tax liabilities (net) | 15 | 0.64 | - |
| **Total non-current liabilities** | | **1,01,285.23** | **-** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 16 | 3,860.50 | - |
| Trade payables | 17 | | |
| - total outstanding dues of micro enterprises and small enterprises | | 1.13 | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 57.70 | 265.97 |
| Other financial liabilities | 18 | 167.35 | - |
| Other current liabilities | 19 | 6.78 | 24.23 |
| Current tax liabilities (net) | 20 | 0.02 | - |
| **Total current liabilities** | | **4,093.48** | **290.20** |
| **Total liabilities** | | **1,05,378.71** | **290.20** |
| **Total equity and liabilities** | | **2,45,404.75** | **0.24** |

**The above Standalone Balance Sheet should be read in conjunction with the accompanying notes 1 to 44**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:17:09 +05'30'

**Pramod B. Shukla**
Partner
Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity
as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:12:49 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:17:30 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:17:57 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:22:29 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Standalone Statement of Profit and Loss for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | Notes | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **Incomes and gains** | | | |
| Revenue from operations | | | |
| Interest income on loan given to subsidiaries | 33 | 17,334.88 | - |
| Dividend income from subsidiaries | 33 | 1,513.26 | - |
| Realised/unrealised gain on mutual funds | | 99.17 | - |
| Interest on fixed deposits | | 22.07 | - |
| **Total income** | | **18,969.38** | **-** |
| **Expenses** | | | |
| Legal & professional fees | | 31.87 | - |
| Finance costs | 22 | 8,286.04 | - |
| Investment Management fees | 34 | 299.17 | 273.88 |
| Trustee fees | | 0.94 | 0.94 |
| Custodian fees | | 3.51 | - |
| Insurance expense | | 0.05 | - |
| Audit fees | 21B | 29.33 | 1.06 |
| Valuation expense | | 15.12 | - |
| Impairment of investment in subsidiaries | 36 | 6,345.90 | - |
| Impairment loss allowance of loan to subsidiary (expected credit loss) | | 421.86 | - |
| Other expenses | 21A | 5.80 | 2.00 |
| **Total expenses** | | **15,439.59** | **277.88** |
| **Profit/(loss) before tax** | | **3,529.79** | **(277.88)** |
| **Less: Tax expense** | 24 | | |
| Current tax | | 51.19 | - |
| Deferred tax | | 0.64 | - |
| **Total Tax Expense** | | **51.83** | **-** |
| **Profit/(loss) for the year** | | **3,477.96** | **(277.88)** |
| **Other comprehensive income** | | | |
| Items that will not be reclassified to profit or loss | | - | - |
| Income tax relating to these items | | - | - |
| **Total other comprehensive income/(loss) for the year** | | **-** | **-** |
| **Total comprehensive income/(loss) for the year** | | **3,477.96** | **(277.88)** |
| **Earnings per unit (Rs. per unit)** | 23 | | |
| Basic (Rs. absolute amount) | | 2.82 | - |
| Diluted (Rs. absolute amount) | | 2.82 | - |

**The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes 1 to 44**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:14:54 +05'30'

**Pramod B. Shukla**
Partner
Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity
as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:13:10 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:17:14 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:18:27 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:22:10 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Standalone Statement of Changes in Unit Holder's Equity for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**A. Unit capital**

**a) Ordinary unit capital**

| | Unit in Nos. | Amount |
|---|---|---|
| **Balance as at April 01, 2023** | - | - |
| Add: Units issued during the year (Refer note 12) | 1,29,03,46,112 | 1,29,034.61 |
| Less: Issue expenses | - | (10.94) |
| **Balance as at March 31, 2024 (A)** | **1,29,03,46,112** | **1,29,023.67** |
| | | |
| **Balance as at April 01, 2022** | - | - |
| Add: Units issued during the year | - | - |
| Less: Issue Expenses | - | - |
| **Balance as at March 31, 2023** | **-** | **-** |

**ii) Subrdinate unit capital**

| | Unit in Nos. | Amount |
|---|---|---|
| **Balance as at April 01, 2023** | - | - |
| Add: Units issued during the year (Refer note 12) | 15,75,00,000 | 15,750.00 |
| Less: Issue expenses | - | - |
| **Balance as at March 31, 2024 (B)** | **15,75,00,000** | **15,750.00** |
| | | |
| **Balance as at April 01, 2022** | - | - |
| Add: Units issued during the year | - | - |
| Less: Issue expenses | - | - |
| **Balance as at March 31, 2023** | **-** | **-** |

| | |
|---|---|
| **Total Unit Capital as at March 31, 2024** | **1,44,773.67** |
| **Total Unit Capital as at March 31, 2023** | **-** |

**B. Other equity**

| | Retained earnings | Total |
|---|---|---|
| **Balance as at April 01, 2023** | **(289.96)** | **(289.96)** |
| Net profit for the year | 3,477.96 | **3,477.96** |
| Other comprehensive income | - | **-** |
| Distribution during the year (refer note below) | (7,935.63) | **(7,935.63)** |
| **Total comprehensive loss for the year** | **(4,457.67)** | **(4,457.67)** |
| **Balance as at March 31, 2024** | **(4,747.63)** | **(4,747.63)** |

| | | |
|---|---|---|
| **Balance as at April 01, 2022** | **(12.08)** | **(12.08)** |
| Net loss for the year | (277.88) | **(277.88)** |
| Other comprehensive income | - | **-** |
| Distribution during the year | - | **-** |
| **Total comprehensive loss for the year** | **(277.88)** | **(277.88)** |
| **Balance as at March 31, 2023** | **(289.96)** | **(289.96)** |

**Notes:**

(i) The distribution relates to the distributions made during the financial year and does not include the distribution relating to the last quarter of FY 2023-24 which will be paid after March 31, 2024.

(ii) The distributions made by the Trust to its unitholders are based on the Net Distributable Cash Flows (NDCFs) of the Trust under the InvIT Regulations and include interest and dividend.

**The above Standalone Statement of Changes in Unitholder's Equity should be read in conjunction with the accompanying notes 1 to 44**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:12:39 +05'30'

**Pramod B. Shukla**
Partner
Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity
as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:13:28 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:16:59 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:18:42 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:21:55 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Standalone Statement of Cash Flows for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **A. Cash flows from operating activities** | | |
| **Loss before tax** | **3,529.79** | **(277.88)** |
| **Adjustments for:** | | |
| Net gain on sale of mutual funds | (97.68) | - |
| Unrealised gain on mutual funds | (1.49) | - |
| Interest income on loans given to subsidiaries | (17,334.88) | - |
| Interest income on fixed deposits | (22.07) | - |
| Impairment of investment in subsidiaries | 6,345.90 | - |
| Impairment loss allowance of loan to subsidiary (expected credit loss) | 421.86 | |
| Finance cost | 8,286.04 | - |
| Dividend income from subsidiaries | (1,513.26) | - |
| **Operating Profit/(Loss) before working capital changes and other adjustments** | **(385.79)** | **(277.88)** |
| **Working capital changes and other adjustments:** | | |
| Decrease/(Increase) in other financial assets | (1.03) | - |
| Decrease/(Increase) in other assets | (18.30) | (0.24) |
| (Decrease)/Increase in trade payables | (207.13) | 253.89 |
| (Decrease)/Increase in other liabilities | (17.45) | 24.23 |
| **Cash flow from/(used) operating activities post working capital changes** | **(629.70)** | **-** |
| Income tax paid | (51.17) | - |
| **Net cash flow used in operating activities (A)** | **(680.87)** | **-** |
| **B. Cash flows from investing activities** | | |
| Payment (net of proceeds) for property, plant and equipment | (1.15) | - |
| Loans given to subsidiaries | (1,43,842.92) | - |
| Loans repaid by the subsidiaries | 3,054.20 | - |
| Investment/(net redemption) from mutual funds (net) | (2,727.05) | - |
| Interest received on investment in fixed deposits | 22.07 | - |
| Interest received on loans given to subsidiaries | 15,558.12 | - |
| Dividend received from subsidiaries | 1,513.26 | - |
| **Net cash used in investing activities (B)** | **(1,26,423.47)** | **-** |
| **C. Cash flows from financing activities** | | |
| Proceeds from issue of unit capital | 38,025.92 | - |
| Expense incurred towards issue of units | (10.94) | - |
| Proceeds from long term borrowings | 1,08,800.00 | - |
| Processing fees paid | (638.00) | |
| Repayment of Long term borrowings | (3,069.92) | - |
| Finance costs paid | (8,065.68) | - |
| Distributions to unitholders | (7,935.63) | - |
| **Net cash used in financing activities (C)** | **1,27,105.75** | **-** |
| **D. Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **1.41** | **-** |
| **E.** Cash and cash equivalents at the beginning of the year | - | - |
| **Cash and cash equivalent at the end of the year (D+E) (refer note 8)** | **1.41** | **-** |
| **Reconciliation of cash and cash equivalents as per Standalone Statement of Cash Flows** | | |
| Cash and cash equivalents as per above comprise of the following: | | |
| Cash and cash equivalents (Refer note 8) | 1.41 | - |
| **Cash and cash equivalent** | **1.41** | **-** |

**Notes:**

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

ii) The Trust has isssued units in exchange for investments in SPVs' during the year ended March 31, 2024. The same has not been reflected in Standalone Statement of Cash Flow since these were non-cash transaction [Refer note 1(ii)(a)].

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Standalone Statement of Cash Flows for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**(iv) Changes in liabilities arising from financing activities**

**For the year ended March 31, 2024**

| Particulars | Balance as at April 01, 2023 | Cash flows from financing activities | | Processing fees paid | Ind AS Adjustment | Balance as at March 31, 2024 |
|---|---|---|---|---|---|---|
| | | Inflow | Outflow | | | |
| **Long Term Borrowings** | | | | | | |
| Term loan | - | 98,500.00 | (2,822.72) | (609.02) | 51.04 | 95,119.30 |
| Non Convertible Debt Securities | - | 10,300.00 | (247.20) | (28.98) | 1.97 | 10,025.79 |
| **TOTAL** | **-** | **1,08,800.00** | **(3,069.92)** | **(638.00)** | **53.01** | **1,05,145.09** |

**For the year ended March 31, 2023**

| Particulars | Balance as at April 01, 2022 | Cash flows from financing activities | | Processing fees paid | Ind AS Adjustment | Balance as at March 31, 2023 |
|---|---|---|---|---|---|---|
| | | Inflow | Outflow | | | |
| **Long Term Borrowings** | | | | | | |
| Term loan | - | - | - | | - | - |
| Non Convertible Debt Securities | - | - | - | | - | - |
| **TOTAL** | **-** | **-** | **-** | | **-** | **-** |

**The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes 1 to 44**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla Digitally signed by Pramod Baijnath Shukla Date: 2024.05.22 23:03:47 +05'30'

**Pramod B. Shukla**
Partner
Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal Digitally signed by Sandeep Lakhanpal Date: 2024.05.22 22:13:44 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR Digitally signed by VINAY CHANDRAMOULI SEKAR Date: 2024.05.22 22:16:40 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI Digitally signed by PANKAJ VASANI Date: 2024.05.22 22:18:59 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA Digitally signed by MRIDUL GUPTA Date: 2024.05.22 22:21:37 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 5 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**A) Statement of Net Assets at Fair Value as at March 31, 2024**

| Particulars | Book value | Fair value |
|---|---|---|
| A. Assets[4] | 2,45,404.75 | 2,75,436.04 |
| B. Liabilities (at book value) | 1,05,378.71 | 1,05,378.71 |
| **C. Net Assets (A-B)** | **1,40,026.04** | **1,70,057.33** |
| D. Number of Ordinary units | 1,290.35 | 1,290.35 |
| **E. Net Asset Value ("NAV") (C/D)** | **108.52** | **131.79** |
| F. Number of Ordinary units | 1,290.35 | 1,290.35 |
| Add: Estimated Subordinate units to be reclassified to Ordinary units [(2)(i)] | 52.50 | 52.50 |
| Total Number of Ordinary and estimated reclassified Subordinate units | 1,342.84 | 1,342.84 |
| **F. NAV {C/F)** | **104.28** | **126.64** |

**Notes :**

1 Fair values of subsidiaries/SPVs are calculated based on the valuation done by independent valuer appointed by the Trust under SEBI (Infrastructure Investments Trust) Regulations, 2014, as amended and after making necessary adjustments to arive at fair value of all assets.

2 i) Estimated reclassification of Subordinate Units to Ordinary Units on acheivement of actual performance matrix in respect of DATRPL (Entitlement Event A as per terms defined in note 12) and projected acheivable actual performance matrix in respect of JMTPL and MBEL ( Entitlement Event B as per terms defined in note 12).

ii) NAV at book value and fair value, after considering the acheived actual performance matrix in respect of DATRPL Entitlement Event A (pending subordinate units reclassification), 104.93 per unit and Rs. 127.44 per unit respectively.

3 Statement of Net Assets at Fair Value is not given for March 31, 2023 as the Trust has acquired all the SPVs with effect from April 17, 2023.

4 Assets at book value are after provision for impairment on investment in subsidiaries.

**B) Statement of Total Returns at Fair Value:**

| Particulars | For the year ended March 31, 2024 |
|---|---|
| Total Comprehensive Income for the year (as per the Standalone Statement of Profit and Loss) | 3,477.96 |
| Add/Less: Other changes in fair value not recognized in Total Comprehensive Income [(2)] | 30,031.29 |
| **Total return** | **33,509.25** |

**Notes:**

(i) Statement of Total Returns at Fair Value is not given for March 31, 2023 as the Trust has acquired all the SPVs with effect from April 17, 2023.

(ii) Computed based on difference in fair value and book value of total assets as at March 31, 2024 based on the valuation done by independent valuer appointed by the Trust.

**The above Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value should be read in conjunction with the accompanying notes 1 to 44**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla Digitally signed by Pramod Baijnath Shukla Date: 2024.05.22 22:58:47 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal Digitally signed by Sandeep Lakhanpal Date: 2024.05.22 22:14:01 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR Digitally signed by VINAY CHANDRAMOULI SEKAR Date: 2024.05.22 22:16:26 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI Digitally signed by PANKAJ VASANI Date: 2024.05.22 22:19:16 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA Digitally signed by MRIDUL GUPTA Date: 2024.05.22 22:21:20 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**A) Statement of Net Distributable Cash Flows (NDCFs) of the Trust**

| **Particulars** | **For the year ended March 31, 2024** |
|---|---|
| Cash flows received from the SPVs in the form of: | |
| -Interest (net of applicable taxes, if any) | 15,558.12 |
| -Dividend (net of applicable taxes, if any) | 1,513.26 |
| -Repayment of the debt issued to the SPVs by the Trust or redemption of debentures issued by the SPVs to the Trust | 3,054.20 |
| Add: Proceeds from the SPVs for any capital reduction / buy back / redemption subject to Applicable Laws (net of applicable Taxes, if any) | - |
| Add: Proceeds from sale or transfer or liquidation or redemption or otherwise realization of investments, assets or shares of/interest in SPVs (net of applicable taxes and / or directly attributable transaction costs , if any) | - |
| Add: Proceeds from sale of assets of the SPVs not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently | - |
| Add: Any other income accruing at the Trust level and not captured above, including but not limited to interest / return on surplus cash invested by the Trust | 119.75 |
| **Total cash inflow at the Trust level (A)** | **20,245.33** |
| Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the Investment Manager fees, security trustee fees, annual fees for traffic, technical and other studies and fees for annual valuation. | (8,696.53) |
| Less: Any capital expenditure at any SPV level where sufficient cash is not available | - |
| Less: Costs/retention associated with sale of assets of the SPVs, including transaction costs paid on sale of the assets of the SPVs | - |
| Add: Additional borrowings (including debentures / other securities) adjusted for the following:(1) | 1,46,176.98 |
| · any prepayment of borrowings if deemed necessary by the Investment Manager; | - |
| · any identified end use as specified in the lender agreement or as deemed necessary by the Investment Manager. | - |
| Less: Repayment of external debt | (3,069.92) |
| Less: Income tax (if applicable) at the standalone Trust Level (including capital gains taxes on sale of assets / share in SPVs / other investments) (net of any tax refunds) | (51.17) |
| Less: Related debts settled or due to be settled from sale proceeds of SPVs | - |
| Less: Investment in shares or debentures of SPVs or other similar investments or lending to SPVs (2) | (1,43,842.92) |
| Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations | - |
| Less: Net cash set aside (i) to comply with reserve requirements under the loan agreements (including but not limited to DSRA and MMRA) adjusted for amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee, and/or (ii) on a prudential basis for repayments of borrowings etc., as appropriate. | - |
| Less: Any cash reserve deemed necessary by the IM Board for expenses which may be due but for which there may not be commensurate cash available by the date such expenses become due | - |
| Less: Any other adjustment to be undertaken by the Investment Manager to ensure that there is no double counting of the same item for the above calculations | - |
| **Total Adjustments (B)** | **(9,483.56)** |
| **Net Distributable Cash Flows (C) = (A+B)** (3) | **10,761.77** |

**Note:-** The Trust has issued units on April 17, 2023, hence the NDCF is not presented for the year ended March 31, 2023.

(1) Includes proceeds from issue of Ordinary Unit Capital (net of issue expenses) and excludes processing costs.
(2) Includes Subordinate loan of Rs. 3,083.20 million being given to NKTPL (SPV) for maintaining Debt Service Reserve Account (DSRA) at InvIT level.
(3) The difference between SPV level NDCF and InvIT level NDCF is primarily on account of utilization of opening cash at the SPV level.

**The above Statement of Net Distributable Cash Flows (NDCFs) should be read in conjunction with the accompanying notes 1 to 44**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 22:52:11 +05'30'

**Pramod B. Shukla**
Partner
Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:14:19 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:16:12 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:19:40 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:21:05 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**Cube Highways Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**

## 1. Trust Information

(i) Cube Highways and Transportation Assets Advisors Private Limited ("Settlor") set up Cube Highways Trust (the "Trust") by way of the Original Trust Deed dated December 7, 2021 as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882. The registered office address of the Trust is B-376, UGF, Nirman Vihar, New Delhi 110092.

On April 5, 2022, the Trust got registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, having registration number IN/InvIT/22-23/0022. The Original Trust Deed was amended and restated by way of the Trust Deed dated July 8, 2022. The Trustee to the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment Manager for the Trust is Cube Highways Fund Advisors Private Limited (the "Investment Manager").

The objective of the Trust is to carry on the activities of an infrastructure investment trust, in accordance with the SEBI regulations and Trust Deed. The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India.

(ii)(a) In April 2023, the Trust has made an Initial offer of 522,582,727 Ordinary Units through a private placement at a price of ₹ 100 per Ordinary Unit (the "Offer Price"), aggregating to ₹ 52,258.27 million (the "Offer"). The Offer comprises a fresh issue of 380,259,172 Ordinary Units aggregating to ₹ 38,025.92 million by the Trust (the "Fresh Issue") and an offer for sale of 142,323,555 Ordinary Units aggregating to ₹ 14,232.36 million by the Selling Unitholders (viz. Cube Highways and Infrastructure Pte. Ltd.; Cube Highways and Infrastructure II Pte. Limited and Cube Highways and Infrastructure III Pte. Ltd (the "Offer for Sale"). The Offer has been fully subscribed.

On April 17,2023, the first allotment of 910,086,940 Ordinary Units of Rs. 100 each (including above referred Offer for Sale of 142,323,555 Ordinary Units) and 157,500,000 Subordinate Units of Rs. 100 each aggregating to ₹ 106,758.69 million to the Sponsors (viz. Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd., collectively referred to as "Sponsors") and/or their associates (viz. Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd., collectively referred to as "Associates") has been made by the Trust to the Sponsors and/or their associates (on the date of closing under the Share Purchase Agreements ("SPA") entered amongst the Sponsors, their associates, the Trustee, acting on behalf of the Trust, the Investment Manager and the Special Purpose Vehicles ("SPVs") (referred below) in accordance with the respective SPA. Further, pursuant to a fresh issue, the Trust allotted 380,259,172 Ordinary Units of Rs. 100 each.

(ii)(b) On April 17, 2023, the Trust, acting through the Trustee, has acquired the entire equity shareholding of each of the following SPVs (except for 0.03% of the equity share capital of MBEL) from the Sponsors and the other shareholders pursuant to the SPAs referred above, in exchange of 910,086,940 Ordinary Units of Rs. 100 each and 157,500,000 Subordinate Units of Rs. 100 each, both aggregating to Rs. 106,758.69 million:

| Sr. No. | Name of the SPVs/ Project SPVs |
|---|---|
| 1 | Western UP Tollway Private Limited (WUPTPL) {formerly known as Western UP Tollway Private Limited)} |
| 2 | Andhra Pradesh Expressway Limited (APEL) |
| 3 | Jaipur-Mahua Tollway Private Limited (JMTPL) (formerly known as Jaipur-Mahua Tollway Limited) |
| 4 | Mahua Bharatpur Expressways Limited (MBEL) |
| 5 | Farakka- Raiganj Highways Limited (FRHL) |
| 6 | DA Toll Road Private Limited (DATRPL) |
| 7 | Ghaziabad Aligarh Expressway Private Limited (GAEPL) |
| 8 | Walayar Vaddakencherry Expressways Private Limited (WVEPL) |
| 9 | Nelamangala Devihalli Expressway Private Limited (NDEPL) |
| 10 | Hazaribagh Tollway Private Limited (HTPL) {formerly known as Hazaribagh Tollway Limited } |

| Sr. No. | Name of the SPVs/ Project SPVs |
|---|---|
| 11 | Jhansi-Lalitpur Tollway Private Limited (JLTPL) {formerly known as Jhansi-Lalitpur Tollway Limited (JLTL)} |
| 12 | Jhansi-Vigakhet Tollway Private Limited (JVTPL) {formerly known as Jhansi-Vigakhet Tollway Private Limited (JVTL)} |
| 13 | Kanyakumari-Etturavattam Tollway Private Limited (KETPL) {formerly known as Kanyakumari-Etturavattam Tollway Limited (KETL)} |
| 14 | Kotwa-Muzaffarpur Tollway Private Limited (KMTPL) {formerly known as Kotwa-Muzaffarpur Tollway Limited (KMTL)} |
| 15 | Lucknow-Raebareli Tollway Private Limited (LRTPL) {formerly known as Lucknow-Raebareli Tollway Limited (LRTL)} |
| 16 | Madurai-Kanyakumari Tollway Private Limited (MKTPL) {formerly known as Madurai-Kanyakumari Tollway Limited (MKTL)} |
| 17 | Nanguneri-Kanyakumari Tollway Private Limited (NKTPL) {formerly known as Nanguneri-Kanyakumari Tollway Limited (NKTL)} |
| 18 | Salaipudhur-Madurai Tollway Private Limited (SMTPL) {formerly known as Salaipudhur-Madurai Tollway Limited (SMTL)} |

(ii)(c) 1,290,346,112 Ordinary units of Rs. 100 each {comprising of 380,259,172 Ordinary Units (Fresh Issue) and 910,086,940 Units including 142,323,555 Ordinary Units (Offer for Sale) issued in terms of SPA} got admitted to National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) for listing on April 19, 2023.

**2. Basis of preparation and material accounting policies**

**a) Basis of preparation and presentation**

The Standalone Financial Statements of the Trust comprising of the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, the Standalone Statement of Changes in Unitholders' Equity for the year then ended, the Statement of Net Assets at Fair Value as at March 31, 2024, the Statement of Total return at Fair Value, and the Standalone Statement of Net Distributable Cash Flows (NDCFs) for the year then ended and a summary of material accounting policies and other explanatory notes have been prepared in accordance with the requirements of Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended to the extent not consistent with the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("SEBI InvIT Regulations").

The Standalone Financial Statements of the Trust for the Year ended March 31, 2024 has been prepared in accordance with Indian Accounting Standard, as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 herein after referred to as "SEBI Master Circular". Refer note 20 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32- Financial Instruments: Presentation). The Trust has applied the accounting policies during the periods presented.

The Standalone Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the Standalone Financial Statements have been prepared on historical cost basis using uniform policies as explained in the accounting policies below for like transactions and other events in similar circumstances, except for certain financial instrument and contingent consideration which are measured at fair value at the end of each reporting period as explained in relevant accounting policies.

The Standalone Financial Statements are presented in India Rupees which is also the functional currency of the Trust, and all values are rounded to the nearest million, unless otherwise indicated.

**Impact of the initial application of new and amended IND ASs that are effective for current year:**

In the current year, the Trust has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after April 1, 2023.

(a) The Trust has adopted the amendments to Ind AS 1 – "Presentation of Financial Statements" for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

(b) The Trust has adopted the amendments to Ind AS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

The above amendments had no impact on these Standalone Financial Statements.

**b) Statement of Compliance**

The Standalone Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations as more fully prescribed above and as given in Note 12 to the Standalone Financial Statements.

**c) Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures.

The Management believes that the estimates used in preparation of the Standalone Financial Statements are prudent and reasonable. Actual Statements could differ due to these estimates and the differences between the actual Statements and the estimates are recognised in the periods in which the Statements are known / materialise.

**i) Classification of Unitholders' funds:**

The Unit Capital has been presented as "Equity" in accordance with the SEBI InvIT Regulations instead of compound financial instrument. Refer note 12 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32- Financial Instruments: Presentation.

**ii) Fair valuation and disclosures**

SEBI Master Circular issued under the SEBI InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the valuation model. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs

such as weighted average cost of capital ("WACC"), tax rates, inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

**iii) Impairment of investments in and loans to subsidiaries**

Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments are based on value in use of the underlying SPVs as determined by an independent valuer using discounted cash flow method which involves management judgement in respect of various key assumptions used as inputs such as determination of future cash flows, discount rates, revenue growth rates and inflation rates amongst other. The cash flows are derived from forecasts over the remaining SCA period of the SPVs.

**d) Current and non-current classification**

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Trust has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

**e) Property, plant, and equipment**

The Trust has freehold land which is classified as Property, plant and equipment and stated at historical cost less impairment loss, if any.

**f) Provisions and contingencies**

A provision is recognized when the Trust has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in notes in case of a possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation arising from past events but is not recognized because it is not probable that an outflow of embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

**g) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**h) Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:
(a) transactions of a non-cash nature;
(b) any deferrals or accruals of past or future operating cash receipts or payments and,
(c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Group are segregated based on the available information. Cash and cash equivalents are reflected as such in the Statement of Cash Flows and excludes balances which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure. The interest received and income from mutual fund has been considered as investing activity for the purpose of Statement of Cash Flows.

## i) Taxation

### Income tax

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

### Deferred Tax

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realized or settled.

Deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits (if any) only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

## j) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Trust expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, excluding the estimates of variable consideration that is allocated to that performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

### Recognition of dividend income and interest income

Dividend income is recognised when the Trust’s right to receive dividend is established.

Interest income is recognised using the effective interest method. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset.

## k) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using an effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Trust has an unconditional right to defersettlement of the liability for at least 12 months after the reporting period. Where there is breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity doesnot classify the liability as current, if lender agreed, after the reporting period and before the approval of the Standalone Financial Statements for issue, not to demand payment as a consequence of the breach.

**l) Borrowing costs**

Borrowing costs include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust incurs in connection with the borrowing of funds.

Borrowing costs are expensed in the period in which they are incurred.

**m) Investments in subsidiaries**

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements.

The details of such investments are given in note 4.

Assets representing investments in SPVs are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable, such circumstances include, through are not limited to, significant or sustained decline in revenue or earnings and material adverse changes in the economic environment.

**n) Earnings per unit**

Basic earnings per unit are calculated by dividing the net profit / (loss) for the period attributable to unit holders of the Trust by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per units are included.

**o) Distribution to unit holders**

The Trust recognises a liability to make distribution to Unit holders when the distribution is approved by the Board of Directors of the Investment Manager to the Trust and a legal obligation has been created as per the SEBI InvIT Regulations. A corresponding amount is recognised directly in other equity.

**p) Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108- Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Chief Operating Decision Maker to allocate resources to the segments and assess their performance. An operating segment is a component of the Trust that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Trust's other component.

Based on an analysis of Trust structure and powers conferred to the Investment Manager to Trust, the Board of Directors of the Investment Manager has been identified as the Chief Operating Decision Maker ('CODM'), since they are empowered for all major decisions w.r.t. the management, administration, investment, disinvestment, etc.

As the Trust is primarily engaged in the business of toll operations and maintenance in India, CODM reviews the entire business as a single operating in respect of reportable segments are not applicable.

**q) Financial Instruments**

Financial assets and financial liabilities are recognized when the Trust becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the Standalone Statement of Profit and Loss.

If the Trust determines that the fair value at initial recognition differs from the transaction price, the Trust accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Trust recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Trust recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

**a) Financial Assets**

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**(i) <u>Classification of Financial Assets</u>**

Financial Assets that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at FVTPL is a residual category for debt instruments and all changes are recognized in profit or loss.

**(ii) Amortized cost and effective interest method**

Income is recognized on an effective interest method as per Ind AS 109 for financial assets other than those financial assets classified as at FVTPL. Interest income is recognized in the Standalone Statement of Profit and Loss for the period.

**(iii) Impairment of financial assets (Expected credit loss model)**

An impairment loss on financial asset is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables. Impairment loss, if any, are recognised in Statement of Profit or Loss for the period.

**(iv) De-recognition of financial assets**

The Trust derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been

recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the Standalone Statement of Profit or Loss on disposal of that financial asset.

**b) Financial Liabilities**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

**De-recognition of financial liabilities**
Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carried amount is recognized in the Statement of Profit and Loss

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**c) Classification as debt or equity**
Debt and equity instruments issued by Trust are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**r) Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 01,2024.

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **3 Property, plant and equipment** | | |
| Net carrying value of property, plant and equipment | 1.15 | - |
| | **1.15** | **-** |

| **Description** | **Land** | **Total** |
|---|---|---|
| **Gross carrying value** | | |
| **Balance as at April 01, 2023** | **-** | **-** |
| Additions for the year | 1.15 | 1.15 |
| Disposals for the year | - | - |
| **Balance as at March 31, 2024** | **1.15** | **1.15** |
| | | |
| **Accumulated depreciation** | | |
| **Balance as at April 01, 2023** | **-** | **-** |
| Charge for the year | - | - |
| Disposals for the year | - | - |
| **Balance as at March 31, 2024** | **-** | **-** |
| | | |
| **Net carrying value:** | | |
| **As at March 31, 2023** | **-** | **-** |
| **As at March 31, 2024** | **1.15** | **1.15** |

The land has been mortgaged for the borrowings subsequent to the year end vide Indenture of Mortgage dated April 12, 2024.

*(This space has been intentionally left blank)*

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|---|
| **4** | **Investments (Non-current)** | | | |
| | **Unquoted, Investment in equity shares of subsidiaries at cost (fully paid)** | | | |
| | **WUPTPL** | | | |
| | 114,875,204 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 262.52 | - |
| | **APEL** | | | |
| | 11,900,060 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | 169.21 | | - |
| | Less: Provision for Impairment (refer note 36) | (169.21) | - | |
| | **JMTPL** | | | |
| | 131,051,026 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 7,577.46 | - |
| | **MBEL** | | | |
| | 99,334,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 1,709.83 | - |
| | **FRHL** | | | |
| | 250,221,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | 14,028.29 | | - |
| | Less: Provision for Impairment (refer note 36) | (3,986.93) | 10,041.36 | |
| | **DATRPL** | | | |
| | 9,018,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 39,807.48 | - |
| | **GAEPL** | | | |
| | 194,000,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | 10,351.76 | | - |
| | Less: Provision for Impairment (refer note 36) | (1,421.00) | 8,930.76 | |
| | **WVEPL** | | | |
| | 900,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 3,461.01 | - |
| | **NDEPL** | | | |
| | 9,482,986 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | 2,465.51 | | - |
| | Less: Provision for Impairment (refer note 36) | (361.69) | 2,103.82 | |
| | **HTPL** | | | |
| | 4,505,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 4,328.37 | - |
| | **JLTPL** | | | |
| | 2,218,500 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 3,858.57 | - |
| | **JVTPL** | | | |
| | 1,452,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 2,595.63 | - |
| | **KETPL** | | | |
| | 3,640,500 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 1,012.39 | - |
| | **KMTPL** | | | |
| | 4,760,500 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 3,868.21 | - |
| | **LRTPL** | | | |
| | 2,701,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | 4,274.12 | | - |
| | Less: Provision for Impairment (refer note 36) | (407.07) | 3,867.05 | |
| | **MKTPL** | | | |
| | 3,825,500 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 4,022.83 | - |
| | **NKTPL** | | | |
| | 5,018,500 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 1,253.28 | - |
| | **SMTPL** | | | |
| | 3,359,000 (March 31, 2023: Nil) equity shares of Rs.10 each fully paid up | | 1,712.22 | - |
| | | | **1,00,412.79** | **-** |
| | Aggregate amount of unquoted investments | | **1,06,758.69** | **-** |
| | Aggregate amount of impairment in the value of unquoted investments | | **(6,345.90)** | **-** |
| | | | **1,00,412.79** | |

**Notes:**

(i) On April 17, 2023, the Trust, acting through the Trustee, has acquired the entire equity shareholding of each of the above SPVs (except for 0.03% of the equity share capital of MBEL) from the Sponsors and the other shareholders pursuant to the Share Purchase Agreements ("SPA") entered amongst the Sponsors, their associates, the Trustee, acting on behalf of the Trust, the Investment Manager and the SPVs (referred above) in accordance with the respective SPA, in exchange of 910,086,940 Ordinary Units of Rs. 100 each and 157,500,000 Subordinate Units of Rs. 100 each, both aggregating to Rs. 106,758.69 million.

(ii) For details of shares of the SPV's hypothecated as security for borrowings refer note 14.

| 5 | **Non-current loans** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|---|
| | **Measured at Amortised cost** | | |
| | Loan to related parties (refer note 28) | | |
| | Loans receivables considered good-Secured (i) | 71,071.53 | - |
| | Loans receivables considered good-Unsecured (ii) | 69,295.32 | - |
| | Loans receivables-credit impaired | 421.86 | |
| | Less: Provision for Impairment loss allowance (expected credit loss) | (421.86) | |
| | **Sub-Total (A)** | **1,40,366.85** | **-** |
| | **Less: Current maturities of loans*** | | |
| | Loan to related parties-Secured | 1,900.55 | - |
| | Loan to related parties-Unsecured | 1,781.60 | - |
| | **Total (B)** | **3,682.15** | **-** |
| | **Total (A-B)** | **1,36,684.70** | **-** |

*The current maturities of loans have been bifurcated on the basis of cash availability at each SPV level.

**Notes:**

**(i) Details of Secured Facility Loan to the Subsidiaries:**

| **Name of the Subsidiaries** | **Rate of Interest** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|---|
| JMTPL | 11.30% | 1,594.40 | - |
| FRHL | 11.61% | 8,458.92 | - |
| DATRPL | 11.09% | 16,299.84 | - |
| GAEPL | 11.77% | 6,749.37 | - |
| WVEPL | 11.74% | 1,720.15 | - |
| NDEPL | 11.74% | 2,517.87 | - |
| HTPL | 11.94% | 6,474.78 | - |
| JLTPL | 11.94% | 3,173.16 | - |
| JVTPL | 11.94% | 1,897.93 | - |
| KETPL | 12.65% | 3,163.28 | - |
| KMTPL | 11.94% | 4,717.58 | - |
| LRTPL | 11.94% | 2,958.65 | - |
| MKTPL | 12.65% | 4,476.42 | - |
| NKTPL | 11.94% | 3,577.47 | - |
| SMTPL | 12.65% | 3,291.71 | - |
| **Total** | | **71,071.53** | **-** |

Repayment of the principal amount of loan by SPV's shall be as per the repayment schedule agreed under the facility agreement, subject to availability of sufficient cashflows.
1 Prepayment in part or full is also permitted in case of availability of additional cashflow.
2 For details of Loans to the SPV's hypothecated as security for borrowings refer note 14.

**(ii) Details of Unsecured Subordinate Loan to the Subsidiaries (net of impairment loss allowance):**

| **Name of the Subsidiaries** | **Rate of Interest** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|---|
| WUPTPL | 13.38% | 1,686.18 | - |
| APEL | 11.74% | 1,628.32 | - |
| JMTPL | 13.53% | 23.18 | - |
| MBEL | 13.53% | 858.44 | - |
| FRHL | 15.24% | 7,825.34 | - |
| DATRPL | 13.49% | 11,914.88 | - |
| GAEPL | 14.79% | 14,206.26 | - |
| WVEPL | 14.29% | 3,320.33 | - |
| NDEPL | 14.29% | 1,451.80 | - |
| HTPL | 14.67% | 3,316.27 | - |
| JLTPL | 14.67% | 1,755.07 | - |
| JVTPL | 14.67% | 1,144.02 | - |
| KETPL | 15.61% | 2,800.59 | - |
| KMTPL | 14.67% | 3,546.45 | - |
| LRTPL | 14.67% | 1,219.59 | - |
| MKTPL | 16.56% | 3,032.26 | - |
| NKTPL | 14.14%/7.57% | 6,938.49 | - |
| SMTPL | 15.61% | 2,627.84 | - |
| **Total** | | **69,295.32** | **-** |

1 The SPV's shall repay the principal amount of the subordinated facility to theTrust on such date(s) as may be agreed between the SPV's and theTrust from time to time as and when surplus cash is available with the SPV, but in any case not later than the last day of the Concession Period.

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **6** | **Other financial assets** | | |
| | **Non-current** | | |
| | **Unsecured, considered good (carried at amortised cost)** | | |
| | Security deposits | 1.03 | - |
| | Interest receivable from subsidiaries | 1,441.92 | - |
| | | **1,442.95** | **-** |
| **7** | **Investments** | | |
| | **Current** | | |
| | **Unquoted** | | |
| | **Investment at fair value through profit or loss (FVTPL):(i)** | | |
| | 8,57,100.122 (March 31, 2023: Nil) units in SBI Magnum Low Duration Fund - Direct Growth | 2,826.22 | - |
| | **Total** | **2,826.22** | **-** |
| | **Notes:** | | |
| | (i) Carrying value of unquoted investments is same as the fair value which is based on the net asset value ('NAV') | | |
| **8** | **Cash and cash equivalents** | | |
| | Balances with banks: | | |
| | - In current accounts | 1.41 | - |
| | | **1.41** | **-** |
| **9** | **Loans (refer note 5)** | | |
| | **Current** | | |
| | **Measured at Amortised cost** | | |
| | Loan to Related parties (refer note 28) | | |
| | Loans receivables considered good-Secured | 1,900.55 | - |
| | Loans receivables considered good-Unsecured | 1,781.60 | - |
| | | **3,682.15** | **-** |
| **10** | **Other financial assets** | | |
| | **Current - Secured, considered good** | | |
| | Interest receivable from subsidiaries (refer note 28) | 214.16 | - |
| | **Current - Unsecured, considered good** | | |
| | Interest receivable from subsidiaries (refer note 28) | 120.68 | - |
| | | **334.84** | **-** |
| **11** | **Other current assets** | | |
| | **Unsecured, considered good** | | |
| | Prepaid expenses | 18.54 | 0.24 |
| | | **18.54** | **0.24** |

*(This space has been intentionally left blank)*

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **12 Unit capital** | | |
| 1,290,346,112 (March 31, 2023: Nil units) Ordinary units of Rs.100 each (fully paid) | 1,29,023.67 | - |
| 157,500,000 (March 31, 2023: Nil units) Subordinate units of Rs.100 each (fully paid) | 15,750.00 | - |
| | **1,44,773.67** | **-** |

**(a) Reconciliation of units outstanding at the beginning and at the end of the year:**

| | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| **Ordinary unit capital of Rs.100 each fully paid up** | **No. of units** | **Rs. in million** | **No. of units** | **Rs. in million** |
| Opening Balance | - | - | - | - |
| Add:Ordinary units issued during the year | 1,29,03,46,112 | 1,29,034.61 | - | - |
| Units issue Expenses | | (10.94) | | - |
| **Closing Balance** | **1,29,03,46,112.00** | **1,29,023.67** | **-** | **-** |

| | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| **Subordinate unit capital of Rs.100 each fully paid up** | **No. of units** | **Rs. in million** | **No. of units** | **Rs. in million** |
| Opening Balance | - | - | - | - |
| Add:Subordinate units issued during the year | 15,75,00,000 | 15,750.00 | - | - |
| Units issue Expenses | | - | | - |
| **Closing Balance** | **15,75,00,000.00** | **15,750.00** | **-** | **-** |

**Notes:**

(i) On April 17,2023, the aquisition of equity interest in the SPV has been done by the first allotment of 910,086,940 Ordinary Units of Rs. 100 each and 157,500,000 Subordinate Units of Rs. 100 each aggregating to Rs. 106,758.69 million to the Sponsors (viz. Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd., collectively referred to as "Sponsors") and/or their associates (viz. Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd., collectively referred to as "Associates"). (Refer note 1 (ii).

**Details of Numbers of Units alloted for aquiring all the equity interest held by the sponsor and its associates in the SPVs:**

| Name of SPVs | Ordinary Units | | | Subordinate Units |
|---|---|---|---|---|
| | Sponsor | Sponsor associates | Total Ordinary Units | Sponsor |
| MBEL | 1,01,94,395 | - | 1,01,94,395 | 69,03,914 |
| JMTPL | 4,51,78,514 | - | 4,51,78,514 | 3,05,96,086 |
| WUPTPL | 26,25,197 | - | 26,25,197 | - |
| APEL | 16,92,117 | - | 16,92,117 | - |
| GAEPL | 10,35,17,584 | - | 10,35,17,584 | - |
| NDEPL | - | 2,46,55,095 | 2,46,55,095 | - |
| FRHL | - | 14,02,82,874 | 14,02,82,874 | - |
| DATRPL | 27,80,74,813 | - | 27,80,74,813 | 12,00,00,000 |
| WVEPL | 3,46,10,065 | - | 3,46,10,065 | - |
| HTPL | - | 4,32,83,656 | 4,32,83,656 | - |
| JLTPL | - | 3,85,85,743 | 3,85,85,743 | - |
| JVTPL | - | 2,59,56,285 | 2,59,56,285 | - |
| KETPL | - | 1,01,23,890 | 1,01,23,890 | - |
| KMTPL | - | 3,86,82,134 | 3,86,82,134 | - |
| LRTPL | - | 4,27,41,236 | 4,27,41,236 | - |
| MKTPL | - | 4,02,28,259 | 4,02,28,259 | - |
| NKTPL | - | 1,25,32,849 | 1,25,32,849 | - |
| SMTPL | - | 1,71,22,234 | 1,71,22,234 | - |
| **Total** | **47,58,92,685** | **43,41,94,255** | **91,00,86,940** | **15,75,00,000** |

(ii) The Trust alloted 380,259,172 Ordinary Units of Rs. 100 each as Fresh Issue aggregating to Rs. 38,025.92 million, utilisation of fresh proceeds is as follows:-

| **Particulars** | **Proposed Utilisation** | **Actual Utilisation upto March 31, 2024** | **Unutilised Amount as at March 31, 2024** |
|---|---|---|---|
| Providing loans to SPV's for repayment or pre-payment of debt, including any accrued interest, availed by them from certain banks and financial institutions and sponsor and its associates (including all accrued interest), certain capital expenditure and creation of debt service reserve account for the InvIT Loan. | 34,742.92 | 34,742.92 | - |
| General Purposes including funding of expenses of the InvIT (including interest on InvIT Loan) and refinance fees | 3,268.00 | 3,268.00 | - |
| Offer Expense | 15.00 | 15.00 | - |
| **Total** | **38,025.92** | **38,025.92** | **-** |

(iii) Issue expenses of Rs. 10.94 million incurred in connection with issue of units had been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

(iv) Under the provisions of the InvIT Regulations, the Trust is required to distribute to Unitholders not less than 90% of the Net Distributable Cash Flows of the Trust for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Trust to pay to its unitholders as cash distributions. Hence, the Unit Capital is a compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars issued under the InvIT Regulations, the Unit Capital has been presented as "Equity" in order to comply with the requirements of Section H of chapter 3 to the SEBI Master Circular dated July 06, 2023 dealing with the minimum disclosures for key financial information/statements. Consistent with Unit Capital being classified as "Equity", the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

(v) **Sponsor lock-in**
In terms of the SEBI InvIT Regulations, the Sponsors are required to, collectively, hold not less than 15% (fifteen per cent) of the Ordinary Units on a post-Offer basis. Cube Highways and Infrastructure III Pte. Ltd. ("CH-III") holds 246,578,212 Ordinary Units, aggregating to 19.11% of the Ordinary Units on a post-Offer basis, out of which 193,551,917 Ordinary Units held by CH-III, aggregating to 15% of the Ordinary Units on a post-Offer basis, shall be locked-in for a period of three years from the date of listing of the Ordinary Units. Further, the unitholding of Ordinary Units of the Sponsors, exceeding 15% (fifteen per cent) on a post-Offer basis, shall be locked-in for a period of not less than one year from the date of listing of the Ordinary Units.

**(b) Terms and rights attached to units:**

The Trust has two class of units having a par value of Rs. 100 per unit namely Ordinary Unit and Subordinate Unit.

**Terms in relation to Ordinary unit**: Each unit represents an undivided beneficial interest in the Trust . Each holder of Ordinary unit is entitled to one vote per unit. The Ordinary Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in each financial year in accordance with the SEBI InvIT Regulations. The Board of Directors of the Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distributions in Indian rupees. The distributions will be as per the distribution policy of the Trust.

The Unitholder(s) shall not have any personal liability or obligation with respect to the Trust.

**Terms in relation to Subordinate unit**: The Subordinate Unitholders shall not be entitled to any distribution rights or other economic rights or any other rights available in relation to the Ordinary Units.

The Subordinate Unitholders shall not be entitled to any voting rights in relation to the Trust and/or its Project SPVs. Further, the Subordinate Unitholders shall not be entitled to receive notices of or participate in, any meeting of the Unitholders holding Ordinary Units, including the annual meeting of Unitholders, in their capacity as holders of the Subordinate Units, unless it is proposed to vary the terms of the Subordinate Units. Further, subject to applicable law and except as required for the purposes of Trust Deed, the Subordinate Unitholders shall not be considered, for the purposes of the rights of unitholders under Regulation 22 of the InvIT Regulations.

The Sponsors shall not transfer the Subordinate Units to any entity which is not a sponsor of the Trust or an Associate of the Sponsors. The Subordinate Units shall remain unlisted at all times unless if mandated under applicable law or by any regulatory and statutory authority.

Subject to compliance with Applicable Law, the Subordinate Units shall become entitled to same rights as the Ordinary Units of the Trust and be reclassified as Ordinary Units ("Reclassified Units"), pursuant to a resolution passed by the Board of Directors of the Investment Manager, in tranches upon achievement of certain pre-defined performance metrics (Entitlement event A and Entitlement event B detailed below) by DATRPL, JMTPL & MBEL subsequent to the Offer (the "Performance Parameters"), as applicable for each tranche of Subordinate Units. This would result in an increase in the number of issued and outstanding Ordinary Units of the Trust and a concurrent decrease in the number of issued and outstanding Subordinate Units.

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**(1) Entitlement Event A**

| | |
|---|---|
| Date of Trigger | June 30, 2024 |
| Underlying Reference Initial Portfolio Asset | DATRPL |
| Actual Performance Metric | Cumulative actual toll revenues (excluding Overloading Revenue and Penalty Revenue) for financial years ended March 31, 2023 and March 31, 2024, as provided under the audited financials of DATRPL, rounded off to the nearest multiple of one lakh. |
| Base Performance Metric | Rs. 9,900 million |
| Entitlement Terms | For every additional Rs. 0.10 million of Actual Performance Metric over and above the Base Performance Metric, number of Initial Tranche Subordinate Units as defined below will be entitled to carry the same rights as Ordinary Units, subject to limit defined under Maximum Entitlement Event A<br>Number of Initial Tranche Subordinate Units = 425,000/ issue price per Ordinary Unit allotted in the Initial Offer |
| Maximum Entitlement Event A | Maximum number of initial Tranche Subordinate Units that can be entitled to carry the same rights as Ordinary Units based on occurrence of Entitlement Event A = 12,000 million/ issue price per Ordinary Unit allotted in the Initial Offer |

**(2) Entitlement event B:**

| | |
|---|---|
| Date of Trigger | June 30, 2025 |
| Underlying Reference Portfolio Assets | JMTPL & MBEL |
| Actual Performance Metric | Cumulative actual toll revenues (excluding Overloading Revenue and Penalty Revenue) for the financial years ended March 31, 2023, March 31, 2024 and March 31, 2025, as provided under the audited financials of JMTPL and MBEL, rounded off to the nearest multiple of one lakh. |
| Base Performance Metric A | Rs. 9,375 million |
| Base Performance Metric B | Rs. 9,750 million |
| Entitlement Terms | 1. For every additional Rs. 0.1 million of Actual Performance Metric over the Base Performance Metric A and up to Base Performance Metric B, number of Initial Tranche Subordinate Units as defined below will be entitled to carry the same rights as Ordinary Units<br>Number of Initial Tranche Subordinate Units = 1,40,000/ issue price per Ordinary Unit allotted in the Initial Offer.<br><br>2. For every additional Rs. 0.1 million of Actual Performance Metric over and above the Base Performance Metric B, number of Initial Tranche Subordinate Units as defined below will be entitled to carry the same rights as Ordinary Units.<br>Number of Initial Tranche Subordinate Units = 220,000/ issue price per Ordinary Unit allotted in the Initial Offer. |
| Maximum Entitlement Event B | Maximum number of Initial Tranche Subordinate Units that can be entitled to carry the same rights as Ordinary Units based on occurrence of Entitlement Event B = 3,750 million/ issue price per Ordinary Unit allotted in the Initial Offer |

**(c) Unitholders holding more than 5% units as at balance sheet date**

**(i) Ordinary units**

| **Name of the Unitholders** | **As at March 31, 2024** | | **As at March 31, 2023** | |
|---|---|---|---|---|
| | **No. of units** | **% holding** | **No. of units** | **% holding** |
| Cube Mobility Investment Pte. Ltd. | 26,92,56,286 | 20.87% | - | - |
| Cube Highways and Infrastructure-III Pte Ltd. | 24,65,78,212 | 19.11% | - | - |
| BCI IRR India Holdings INC. | 23,90,33,801 | 18.52% | - | - |
| Cube Highways and Infrastructure II Pte Ltd. | 12,37,56,208 | 9.59% | - | - |
| Cube Highways and Infrastructure Pte Ltd | 10,35,17,584 | 8.02% | - | - |
| Seventy Second Investment Company LLC | 7,74,19,854 | 6.00% | - | - |

**(ii) Subordinate units**

| **Name of the Unitholders** | **As at March 31, 2024** | | **As at March 31, 2023** | |
|---|---|---|---|---|
| | **No. of units** | **% holding** | **No. of units** | **% holding** |
| Cube Highways and Infrastructure-III Pte Ltd. | 12,00,00,000 | 76.19% | - | - |
| Cube Highways and Infrastructure Pte Ltd | 3,75,00,000 | 23.81% | - | - |

**(d)** The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date.

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **13** | **Other equity** | | |
| **i)** | **Reserves & surplus** | | |
| | **Retained earnings** | | |
| | Opening Balance | (289.96) | (12.08) |
| | Net Profit/(loss) for the year | 3,477.96 | (277.88) |
| | Distribution during the year (Refer note 36) | (7,935.63) | - |
| | **Closing Balance** | **(4,747.63)** | **(289.96)** |

**Nature and purpose of components of Other Equity are as follows:**

**Retained earnings**
Retained earnings are created from the profits/ loss earned by the Trust as adjusted for distribution to the unitholders .The distributions by the Trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations.

| | | | |
|---|---|---|---|
| **14** | **Borrowings - Non-current** | | |
| | **At amortised cost** | | |
| | **Secured:** | | |
| | **a) Term loans (refer note 14 (i)(a))** | | |
| | - From Banks | 80,836.17 | - |
| | - From Financial institution | 14,283.13 | - |
| | **Sub-total (A)** | **95,119.30** | **-** |
| | **b) Non - convertible Debt Securities (refer note 14 (i) (b)** | | |
| | Rated , listed and redeemable | 10,025.79 | - |
| ` | **Sub-total (B)** | **10,025.79** | **-** |
| | **Current maturities of borrowing (refer note 16)** | | |
| | **Secured:** | | |
| | **a) Term loans** | | |
| | - From Banks | 2,975.00 | - |
| | - From Financial institution | 525.00 | - |
| | **b) Non - convertible Debt Securities** | | |
| | Rated , listed and redeemable | 360.50 | - |
| | **Sub-total (C)** | **3,860.50** | **-** |
| | **Total non-current borrowings (A+B-C)** | **1,01,284.59** | **-** |

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**14 (i) Terms of Secured loans**

**a) Term loan from Banks and Financial Institution**

During the year ended March 31, 2024, the Trust has availed Secured Rupee Term Loan facility from Banks and a Financial Institution amounting to Rs. 98,500 million. The aforesaid loan has been utilised by the Trust for onward lending to its subsidiaries for refinancing of existing secured loans and existing Subordinate debts of the subsidiaries.
**Maturity date**: March 30, 2042

**Interest rate:**

| Banks/Financial Institution | Interest Rate* | Rate as at March 31, 2024 |
|---|---|---|
| State Bank of India ("SBI") | 3M SBI MCLR plus spread | 8.30% |
| HDFC Bank limited ("HDFC") | 1M T-bill plus spread | 8.30% |
| ICICI Bank Limited ("ICICI") | 3M T-bill plus spread | 8.30% |
| Axis Bank Limited ("AXIS") | Repo Rate plus spread | 8.20% |
| National Bank for financing Infrastructure and Development ("NABFID") | 1 year NLR plus spread | 8.20% |

**Repayment**: As at March 31, 2024, Rs. 95,677.28 million repayable in remaining 72 structured quarterly instalments ending on March 31, 2042.

**Put Option available with the Lenders**

At the end of the 10th year and the 15th year from the Initial Drawdown Date (each such date being "Put Option Exercise Date"), each of the Lenders shall have the option to, within a period of 120 days from each such Put Option Exercise Date ("Put Option Exercise Period"), require the Trust to mandatorily prepay the Outstanding Obligations in respect of its Commitment, in full, without any Prepayment Premium (the "Put Option"), by issuing a notice to the Trust requesting for such prepayment ("Put Option Exercise Notice"). Upon exercise of the Put Option, the Trust shall mandatorily prepay the entire Outstanding Obligations in relation to the Commitment of such Lender within 120 days of the date of Put Option Exercise Notice.

*The Spread is based on external credit rating.

However ICICI Bank Limited will revise the Spread (increase or decrease) on Benchmark Reset Dates, subject to the Lending Rate of ICICI Bank Limited being equivalent to the prevailing SBI 3M MCLR + 0.10% (zero point one zero percent) on such Benchmark Reset Date, subject to revision in Spread basis external credit rating as above.

Axis Bank Limited interest rate is linked to the Repo Rate. Repo Rate component of Lending Rate for all tranches disbursed by Axis Bank Limited shall be reset after every 3 (three) month following the date on which the Facility is first disbursed by State Bank of India ("Benchmark Reset Date"), as a sum of Repo Rate + "Spread". The applicable Repo Rate shall be the rate prevailing one Business Day preceding the Benchmark Reset Date subject to revision in Spread basis external credit rating as above and Spread Reset Conditions.

HDFC Bank Limited will revise the Spread (increase or decrease) on Benchmark Reset Dates, subject to the Lending Rate of HDFC Bank Limited being equivalent to the prevailing Lending Rate of State Bank of India on the Benchmark Reset Date, subject to revision in Spread basis external credit rating as above and Spread Reset Conditions.

NABFID interest rate is linked to 1 year NLR (NaBFID Lending Rate).The 1 year NLR component of Lending Rate for all tranches disbursed by NaBFID shall be rest after every (one) year following the date on which facility is disbursed by State Bank of India ("Benchmark Reset Date" ), as a sum of 1-year NLR+ "Spread". The applicable 1-year NLR shall be the rate prevailing one business day preceding the benchmark reset date subject to revision in Spread basis external credit rating as above and Spread Reset Conditions.

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**14 (i) Terms of Secured loans**

**b) Non-convertible debt securities**

During the year ended March 31, 2024, the Trust has allotted 103,000 7.49% Senior, Secured, Rated, Listed, Redeemable, Non-Convertible Debt Securities having a face value of Rs. 100,000 each aggregating to Rs. 10,300 million ("Debt Securities") on private placement basis which got listed on Bombay Stock Exchange (BSE).

Details of utilisation of senior, secured, rated, listed, redeemable, non-convertible debt securities aggregating Rs. 10,300 million is as follows:

Amount Rs. Million

| Particulars | Proposed Utilisation | Actual Utilisation upto March 31, 2024 | Unutilised Amount as at March 31, 2024 |
|---|---|---|---|
| Providing loan to GAEPL for repaying existing facilities, in full and meeting any capital expenditure in relation to the Project developed/operated and any other project-related expenses; and/or general corporate purposes. | 10,300 | 10,300 | - |

**Maturity date**: April 15, 2041
**Repayment**: As at March 31, 2024, Rs. 10,052.80 million repayable in remaining 69 structured quarterly instalments ending on April 15, 2041.

**Put Option available with the Debt Security Holder**

Debt Security Holder may, at least 60 days prior to the Coupon Payment Date immediately succeeding the end of the 12th (twelfth) year from (and including) the Date of Allotment (June 28, 2023) (such Coupon Payment Date, the "Put Option Date"), demand for redemption of the Debt Securities of such Debt Security Holder.

**Call Option available with the Trust**

At least 60 (sixty) days prior to the Coupon Payment Date immediately preceding the end of the 12th (twelfth) year from (and including) the Deemed Date of Allotment (such Coupon Payment Date, the "Call Option Date"), the Issuer shall issue a notice to the Debt Security Trustee in the manner provided under the SEBI Guidelines, setting out the Coupon that will be payable in relation to the Debt Securities from the Call Option Date ("Coupon Notice"). The Debt Security Holders shall notify the Issuer of their acceptance of the Coupon set out in the Coupon Notice within 30 days and the Coupon as specified in the Coupon Notice shall be payable by the Issuer.

In the event that the acceptance of the Coupon set out in the Coupon Notice is not notified by any Debt Security Holder to the Issuer , the Issuer shall, on the Call Option Date, prepay the entire Outstanding Dues in relation to the Debt Securities held by that Debt Security Holder.

*(This space has been intentionally left blank)*

**14 (i) Terms of Secured loans**

**(c) Security:**

Below are the common security details for the Term loans and Non Convertible Debt Securities:

a)First ranking pari-passu charge, by way of hypothecation on the following (as more stipulated under the Deed of Hypothecation):-

(i) on present and future tangible movable and intangible assets of the Trust in relation to the Project SPVs;

(ii) Insurance proceeds in respect of insurance contracts;

(iii) On present and future entire cash, cash flows, receivables, inventories, contractual rights, securities, patents, dividends, book debts and revenue to be paid/ payable by the Project SPVs

(iv) all the Escrow Accounts (other than the Debt Service Reverse Account) and all other bank accounts of the Trust in which the Free Cashflows from the Project SPVs owned by the Trust will be deposited/ credited or any other account opened / maintained by the Trust in relation to such Project SPVs (except for bank accounts opened by the Trust in pursuance to Regulation 9(1) of the Securities and Exchange Board of India (Investment Infrastructure) Regulations, 2014).

(v) receivables and demands whatsoever in the Project SPVs Debt and the Project SPV Financing Documents including the security interest created or to be executed in favour of the Issuer by the Project SPVs (save and except for Excluded SPVs) and contractual rights including the rights under the Substitution Agreement- Project SPVs, Escrow Agreement – Project SPVs and all other Project Documents

(vi) Debt Service Reserve Amount standing to the credit of the Debt Service Reserve Account or in the form of Permitted Investments

(vii) All present and future, current assets of the Trust other than covered above

b) Floating charge on all the other assets of the Trust, both present and future (other than property referred in (a) above)

c) A pledge of bonds, non-convertible debentures, equity shares on a fully diluted basis or any other security (except equity shares of the Excluded SPVs) held by the Trust. Pledge over all equity shares of APEL and 99.97% equity shares of MBEL as held by the Trust.

d) A negative lien, other than on Permitted Disposals, on the immovable and movable assets (including current assets and cash flows) of the Project SPVs except for the Excluded SPVs, subject to the rights of the Authorities under the respective Concession Agreements.

e) Corporate Guarantee from all the Project SPVs, except the Excluded SPVs, to the extent permitted and not restricted under the relevant Concession Agreements.
f) A shortfall undertaking from Project SPVs except by the Excluded SPVs, in relation to upstreaming of funds and/or direct payment to Lenders towards dues owed and payable by the Trust in relation to the Facility Loan in a form and manner instructed by the Lenders.

"Excluded SPVs" shall mean, collectively:

1) Andhra Pradesh Expressways Limited,

2) Mahua Bharatpur Expressways Limited; and

3) such other SPVs (other than the Project SPVs) acquired by the Trust, in respect of which the Lender do not have any Security Interest.

Details of utilisation of senior, secured, rated, listed, redeemable, non-convertible debt securities aggregating Rs. 10,300 million is as follows:

**15 Deferred tax liabilities (net)**

| | | |
|---|---|---|
| **Deferred tax liability arising on account of :** | | |
| Income taxable on receipt basis | 0.64 | - |
| **Deferred tax liabilities (net)** | **0.64** | **-** |

**Movement in deferred tax liabilities (net)**

| Particulars | Balance as at April 01, 2023 | Recognised in Standalone Statement of Profit and Loss | Recognised in other comprehensive income/ equity | Balance as at March 31, 2024 |
|---|---|---|---|---|
| Income taxable on receipt basis* | - | (0.64) | - | (0.64) |
| **Total deferred tax liability** | **-** | **(0.64)** | **-** | **(0.64)** |

| Particulars | Balance as at April 01, 2022 | Recognised in Standalone Statement of | Recognised in other comprehensive income/ equity | Balance as at March 31, 2023 |
|---|---|---|---|---|
| Income taxable on receipt basis | - | - | - | - |
| **Total deferred tax liability** | **-** | **-** | **-** | **-** |

*represents tax effect on unrealised gain on mutual funds.

**16 Current borrowings (refer note 14)**

| | | |
|---|---|---|
| Current maturities of long term borrowings | 3,860.50 | - |
| | **3,860.50** | **-** |

**17 Trade payables**

| | | |
|---|---|---|
| **Current** | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note 32) | 1.13 | - |
| Total outstanding dues to creditors other than micro enterprises and small enterprises* | 57.70 | 265.97 |
| | **58.83** | **265.97** |

*includes balance with related parties (refer note 28)

**18 Other financial liabilities**

| | | |
|---|---|---|
| Interest accrued but not due on borrowings | 167.35 | - |
| | **167.35** | **-** |

**19 Other current liabilities**

| | | |
|---|---|---|
| Statutory dues payable | 6.78 | 24.23 |
| | **6.78** | **24.23** |

**20 Current tax liabilities (net)**

| | | |
|---|---|---|
| Provision for Income-tax less payments | 0.02 | - |
| | **0.02** | **-** |

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**CUBE HIGHWAYS Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**(All amounts in Rs. million unless otherwise stated)**

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **21A** | **Other expenses** | | |
| | Rates and taxes | 4.25 | 2.00 |
| | Travelling and conveyance | 0.02 | - |
| | IT related cost | 0.71 | - |
| | Miscellaneous expenses | 0.82 | - |
| | | **5.80** | **2.00** |
| **21B** | **Audit fees** | | |
| | Payments to auditors (including taxes): | | |
| | - as auditors - for statutory audit and limited reviews | 22.14 | 1.06 |
| | - as auditors - for audit of Special Purpose Combined Financial Statements | 5.31 | - |
| | - other services (certification) | 0.61 | - |
| | - out of pocket expenses | 1.27 | - |
| | | **29.33** | **1.06** |
| **22** | **Finance costs** | | |
| | **Interest for financial liabilities classified at amortised cost** | | |
| | - term loans | 7,619.45 | - |
| | - secured non-convertible debentures | 578.40 | - |
| | **Unwinding of interest:** | | |
| | - on processing fees | 53.01 | - |
| | Other borrowing costs | 35.18 | - |
| | | **8,286.04** | **-** |

**23 Earnings per unit (EPU)**

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

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

The following table reflects the income and unit data used in the basic and diluted EPU computations:

| | | |
|---|---|---|
| Profit/ (loss) attributable to unit holders: | | |
| Profit/(loss) for the period / year attributable to owners of the Trust for calculating basic EPU (Rs. in Million) | 3,477.96 | - |
| Adjustments for reclassification of Subordinate Units | - | - |
| **Profit/(loss) for the period / year attributable to owners of the Trust for calculating diluted EPU (Rs. in Million)** | **3,477.96** | **-** |
| **Calculation of weighted average number of Units outstanding (units in Million):** | | |
| Weighted average number of Ordinary Units outstanding | 1,233.94 | - |
| Add:Estimated Subordinate units to be reclassified to Ordinary Units (A) | 0.12 | - |
| **Weighted average number of units outstanding for calculating basic EPU (units in million)** | **1,234.06** | **-** |
| Effect of dilution: Subordinate Units (C) | - | |
| **Weighted average number of units outstanding for calculating diluted EPU (units in Million)** | **1,234.06** | **-** |
| **Basic earnings per unit (Rs. absolute amount)** | **2.82** | |
| **Diluted earnings per unit (Rs. absolute amount)** | **2.82** | |
| | | - |

**Note:**

(A) Estimated reclassification of Subordinate units to Ordinary units on acheivement of actual performance matrix in respect of DATRPL (Entitlement Event A as per note 12), which have been included in calculation of basic and diluted EPU since the criteria of reclassification to Ordinary units has occured at reporting date and Subordinate units will be reclassified into Ordinary Units post the date of Entitlement Event i.e. June 30, 2024 as defined in Trust Deed.

Further, Subordinate units reclassified to Ordinary units on acheivement of actual performance matrix in respect of JMTPL and MBEL (Entitlement Event B as per note 12) have not been included in the calculation of basic earnings per unit and diluted earnings per unit since the criteria of reclassification to Ordinary unit has not been met as at the reporting date.

(B) The Trust has issued Units on April 17, 2023, hence, the disclosures in respect of Earnings per Unit have not been given for the comparative half year and year ended March 31, 2023.

(C) There are no other dilutive units to be considered for the purpose of calculating diluted EPU.

(D) There have been no other transactions involving units or potential units between the reporting date and the date of authorisation of these Standalone Financial Statements.

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **24** | **Tax expense** | | |
| **(i)** | **Income tax expense recognised in Standalone Statement of Profit and Loss** | | |
| | Current tax | 51.19 | - |
| | Deferred tax | 0.64 | - |
| | | **51.83** | **-** |

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :

| **Particulars** | | |
|---|---|---|
| Profit/ (Loss) before tax | 3,529.79 | (277.88) |
| Income tax using the Trust's domestic tax rate | 42.74% | 42.74% |
| **Expected tax expense [A]** | **1,508.78** | **(118.77)** |
| | | |
| **Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense:** | | |
| Impact of exemption u/s 10(23FC) of the Income-tax Act, 1961 | (1,456.95) | - |
| Impact of expenditure not deductible u/s 14A of the Income-tax Act, 1961 | - | 118.77 |
| **Total adjustments [B]** | **(1,456.95)** | **118.77** |
| **Actual tax expense [C=A+B]** | | |
| | 51.83 | - |

Trust is a business trust registered under SEBI InvIT Regulations. Hence, the interest and dividend received or receivable by Trust from SPV's is exempt from tax under section 10(23FC) of the Income-tax Act, 1961(Act). Further any expenditure incurred in relation to earning the exempt income is not tax deductible in view of the provisions of section 14A of the Act.

The income of Trust other then exempt income mentioned above, is chargeable to tax at the maximum marginal rates in force (for the year ended March 31, 2024: 42.74%) except for the income chargeable to tax on transfer of short term capital assets under section 111A of the Act and long term capital assets under section 112 of the Act.

## 25 Financial instruments by Fair value and category

### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the Balance Sheet are divided into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1**: Quoted prices (unadjusted) in active markets for financial instruments.
**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
**Level 3**: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Financial assets/(liabilities) measured at fair value - recurring fair value measurements:**

| **As at March 31, 2024** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Assets at fair value through profit or loss** | | | | |
| Investments | - | 2,826.22 | **-** | **2,826.22** |

| **As at March 31, 2023** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Assets at fair value through profit or loss** | | | | |
| Investments | - | **-** | **-** | **-** |

**Valuation process and technique used to determine fair value**
The fair value of investments in mutual fund units are based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet dates. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

### (ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

| **Particulars** | **As at March 31, 2024** | | **As at March 31, 2023** | |
|---|---|---|---|---|
| | **Carrying value** | **Fair value** | **Carrying value** | **Fair value** |
| **Financial assets measured at amortised cost:** | | | | |
| Investments* | 1,00,412.79 | 1,30,721.24 | - | - |
| Loans | 1,40,366.85 | 1,40,366.85 | - | - |
| Cash and cash equivalents | 1.41 | 1.41 | - | - |
| Other financial assets | 1,777.79 | 1,777.79 | - | - |
| **Total financial assets** | **2,42,558.84** | **2,72,867.29** | **-** | **-** |
| **Financial liabilities** | | | | |
| Borrowings | 1,05,145.09 | 1,05,145.09 | - | - |
| Trade payable | 58.83 | 58.83 | 265.97 | 265.97 |
| Other financial liabilities | 167.35 | 167.35 | - | - |
| **Total financial liabilities** | **1,05,371.27** | **1,05,371.27** | **265.97** | **265.97** |

The management of the Investment Manager has assessed that the carrying amount of financial assets (other then investments in equity shares of subsidiaries) and financial liabilities as at year end at amortised cost in financial statements are a reasonable approximations of their fair values since the Trust does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

**Valuation process and technique used to determine fair value**
*The fair value of the Trust's Investments are determined by applying discounted cash flows ("DCF") method, using discount rate that reflects the Weighted Average Cost of Capital (WACC) of SPV's as at the end of reporting year.

The significant unobservable inputs in the fair value measurement required for above disclosures, categorised within Level 3 of the fair value hierarchy- level 3, together with a quantitative sensitivity analysis as at March 31, 2024 is as given below:

| **Particulars** | **Input for March 31, 2024** | **Sensitivity of Input to Fair Value** | **Increase/ (decrease) in fair value as at March 31, 2024** |
|---|---|---|---|
| a. Weighted Average Cost of Capital (WACC) | 10.20% to 11.00% | 0.50% | (10,690.00) |
| | | -0.50% | 11,426.00 |
| b. Inflation rate (Wholesale Price Index) | 4.10% to 5.10 % | 1.00% | 14,550.30 |
| | | -1.00% | (12,516.20) |

Sensitivity analysis is not given for March 31, 2023 as the Trust acquired all the SPVs with effect from April 17, 2023.

Further, the Trust is required to present the Statement of Total Assets at Fair Value and Statement of Total Returns at Fair Value as per SEBI Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 as a part of these Standalone Financial Statements and has used same inputs as above for calculations of fair value used in those Statements. (Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value).

**iii) Financial instruments by category**

| | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|---|---|---|---|---|---|
| **Particulars** | **FVTPL** | **FVOCI** | **Amortised cost** | **FVTPL** | **FVOCI** | **Amortised cost** |
| **Financial assets** | | | | | | |
| Non-current investments* | - | - | 1,00,412.79 | - | - | - |
| Loans | - | - | 1,40,366.85 | - | - | - |
| Current investments | 2,826.22 | - | - | - | - | - |
| Other financial assets | - | - | 1,777.79 | - | - | - |
| Cash and cash equivalents | - | - | 1.41 | - | - | - |
| **Total** | **2,826.22** | **-** | **2,42,558.84** | **-** | **-** | **-** |
| | | | | | | |
| **Financial liabilities** | | | | | | |
| Borrowings | - | - | 1,05,145.09 | - | - | - |
| Trade payables | - | - | 58.83 | - | - | 265.97 |
| Other financial liabilities | - | - | 167.35 | - | - | - |
| **Total** | **-** | **-** | **1,05,371.27** | **-** | **-** | **265.97** |

* Represents investment in equity instruments of subsidiaries carried at cost in accordance with Ind AS 27 (Separate Financial Statements).

**26 Financial risk management**

**i) Risk Management**

The Trust activities expose it to variety of financial risks : credit risk, liquidity risk and market risk. The Board of Directors of the Investment Manager has overall responsibility for the establishment and oversight of the Trust's risk management framework. The Trust's risk management framework is eshtablished to identify and analyse the key risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management framework and systems are reviewed periodically to reflect changes in market conditions and Trust's activities.

The Board of Directors of the Investment Manager oversee compliance with Trust's risk management policies and procedures, and reviews the risk management framework in relation to the risk framed by the Trust. The Audit Committee as assisted by the Internal Audit undertakes regular reviews of risk management controls and procedures, the results of which are taken on record by the Audit Committtee.

**A) Credit risk**

Credit risk is the risk of financial loss to the Trust if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Trust's receivables from loans given to its SPV's and cash and cash equivalents and other bank balances. Trust maximum exposure to credit risk is limited to the carrying amount of the financial assets.

**Credit risk management**

The Trust establishes an allowance account for impairment that represents its estimate of losses in respect of its financial assets. The main component of this allowance is estimated losses that relate to specific counterparties. The allowance account is used to provide for impairment losses. Subsequently when the Trust is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.
Non-current investments, Loans to subsidiaries and other financial assets measured at amortised cost . Credit risk related to these financial assets is managed by the monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within the defined limits.

As at the reporting date, there is no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheet.

**Reconciliation of loss allowance for expected credit loss on loans to subsidiaries from beginning to end of reporting period:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Opening Balance | - | - |
| Movement in expected credit loss allowance for expected credit loss on loans to subsidiaries calculated at lifetime expected credit losses | 421.86 | - |
| **Closing Balance** | **421.86** | **-** |

**B) Liquidity risk**

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's is exposed to liquidity risk due to borrowings, trade and other payables. Trust measures risk by forecasting cash flows. The Trust’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Trust’s reputation. The Trust ensures that it has sufficient fund to meet expected operational expenses and servicing of financial obligations.

The Trust objective is to, all times maintain optimum levels of liquidity levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short-term operational needs as well as long-term investment programs mainly in growth projects. The Trust closely monitors its liquidity position and deploys a robust cash management system. It aims to minimize these risksby generating sufficient cashflows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

Consequently, the Trust believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Trust projects cash flows and considering the level of liquid assets necessary to meet liquidity requirement.

The Trust has no undrawn borrowing facilities as at March 31, 2024 (March 31, 2023:Nil).

**Maturities of financial liabilities**

The tables below analyse the Trust financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities:
The amounts disclosed in the table are the contractual undiscounted cash flows net of processing fees.

| **As at March 31, 2024** | **Less than 1 year** | **1-2 year** | **2-5 year** | **More than 5 years** | **Total** |
|---|---|---|---|---|---|
| Borrowings | 3,860.50 | 3,970.80 | 11,371.20 | 85,942.59 | **1,05,145.09** |
| Trade payable | 58.83 | - | - | - | **58.83** |
| Other financial liabilities | 167.35 | - | - | - | **167.35** |
| **Total** | **4,086.68** | **3,970.80** | **11,371.20** | **85,942.59** | **1,05,371.27** |

| **As at March 31, 2023** | **Less than 1 year** | **1-2 year** | **2-5 year** | **More than 5 years** | **Total** |
|---|---|---|---|---|---|
| **Fixed interest bearing** | | | | | |
| Borrowings | - | - | - | - | **-** |
| **Non interest bearing** | | | | | |
| Trade payables | 265.97 | - | - | - | **265.97** |
| Other financial liabilities | - | - | - | - | **-** |
| **Total** | **265.97** | **-** | **-** | **-** | **265.97** |

**C) Market risk**

**(a) Interest rate risk**

**i) Liabilities**

The Trust policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Trust is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Trust's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure
Below is the overall exposure of the Trust to interest rate risk:

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Variable rate borrowing | 95,677.28 | - |
| Fixed rate borrowing | 10,052.80 | - |
| **Total borrowings** | **1,05,730.08** | **-** |

*Sensitivity*
Below is the sensitivity of profit or loss and equity changes in interest rates.

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| **Interest sensitivity*** | | |
| Interest rates – increase by 50 bps* | (478.39) | - |
| Interest rates – decrease by 50 bps* | 478.39 | - |

** Holding all other variables constant*

**ii) Assets**

The Trust fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**(D) Price risk**

**i) Exposure**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Trust exposure to price risk arises from investments held and classified in the Balance Sheet at fair value through profit or loss. To manage the price risk arising from investments, the Trust diversifies its portfolio of assets through fixed rate investment like deposit with bank and investment in mutual funds (Growth Scheme).

**ii) Sensitivity**

The table below summarises the impact of increase/decrease of the NAV of mutual funds on the Trust's profit/(loss) for the year :

**Impact on profit before tax**

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| **Mutual Funds** | | |
| Net assets value – increase by 100 bps | 28.26 | - |
| Net assets value – decrease by 100 bps | (28.26) | - |

**(E) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust has no significant exposure to the risk of changes in foreign exchange rates.

**27 Capital management**

For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the distribution to unitholders (subject to the provisions of InvIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units.

The Trust monitors capital using a gearing ratio, which is net debt divided by total equity. The Trust's policy is to keep the gearing ratio optimum. The Trust net debt includes non-current borrowings [including current maturity of non-current borrowings, interest accrued but due on borrowings & interest accrued but not due on debentures less cash and cash equivalent and other bank deposits (net of restricted deposits)].

**Debt equity ratio**

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Debts | 1,05,312.44 | - |
| Less : Cash & cash equivalents , other bank balance and current investment in mutual funds* | (2,827.63) | - |
| **Net Debt** | **1,02,484.81** | **-** |
| Total equity | 1,40,026.04 | (289.96) |
| **Net debt to equity ratio** | **0.73** | **-** |

*Cash and cash equivalents has been considered after excluding all the restricted deposits, if any.

**28 Information on related party transactions**

The name of the related parties and nature of relationship are as identified by the management of the Investment Manager with reference to the Trust which are considered for the Audited Standalone Financial Information pursuant to the InvIT Regulations.

**28.1 A) List of related parties as per the requirements of Ind-AS 24 Related Party Disclosures**

**Name of related party and nature of its relationship**
**-Subsidiaries (w.e.f. April 17, 2023)- Refer note 2 (B)**

WUPTPL
APEL
JMTPL
MBEL
FRHL
DATRPL
GAEPL
WVEPL
NDEPL
HTPL
JLTPL
JVTPL
KETPL
KMTPL
LRTPL
MKTPL
NKTPL
SMTPL

**Other Related parties- (Sponsor Associates)***

Cube Highways and Infrastructure 1D Pte. Limited
Cube Highways and Infrastructure II Pte. Limited
Cube Mobility Investment Pte Limited

**B) List of related parties as per Regulation 2(1) (zv) of the InvIT Regulations**
**1) Parties to the Trust**

Sponsor- Cube Highways and Infrastructure Pte. Ltd. (CHIPL)
Sponsor- Cube Highways and Infrastructure III Pte. Ltd (CHIPL-III)
Project Manager of the Trust (for all SPVs)- Cube Highways and Transportation Assets Advisors Private Limited (CHATAAPL)
Investment Manager of the Trust- Cube Highways Fund Advisors Private Limited (CHFAPL)
Trustee of the Trust-Axis Trustee Services Limited (ATSL)

**2) Promoters of the parties to the Trust specified in (1) above**

Promoter of CHIPL- ISQ Asia Aggregator Pte. Ltd.
Promoter of CHIPL-III- ISQ Asia Infrastructure Holdings II Pte. Ltd.
Promoter of CHATAAPL- Cube Highways and Infrastructure Pte. Ltd. (upto December 28, 2023) ,Cube Highways Advisory Pte. Ltd. (w.e.f December 29, 2023)
Promoter of CHFAPL- Cube Highways Advisory Pte. Ltd.
Promoter of ATSL- Axis Bank Limited

**3) Directors of the parties to the Trust specified in (1) above**
**i) Directors of CHIPL**

Spyros John Mantzavinatos (upto June 22, 2023)
Kenichi Yoshihara (upto February 07, 2024)
George Currie Crawford
Siew Hean Meng (upto August 31, 2023)
Harsh Agrawal
Marcus Christopher Hill
Heng Hong Kiong (Upto February 07, 2024)
Tsuneo KawaSaki (w.e.f February 07, 2024)
Lin Le (w.e.f February 07, 2024)

**ii) Directors of CHIPL-III**

Kunal Agarwal
Heng Hock Kiong (upto february 07, 2024)
George Currie Crawford
Marcus Christopher Hill
Harsh Agrawal
Lin Le (w.e.f February 07, 2024)

**iii) Directors of CHATAAPL**

Pooja Aggarwal
Bovin Kumar
Mukul Shastry
Gaurav Malhotra (upto August 18, 2023)
Ankit Jain (w.e.f August 21, 2023)

**iv) Directors of CHFAPL**

Upendra Kumar Sinha
Surinder Chawla
Fereshte Dhunjishaw Sethna
Jayesh Ramniklal Desai
Sandeep Lakhanpal
Harikishan Reddy Koppula (upto June 07, 2023)
Zaman Velji (w.e.f June 08, 2023 upto November 07, 2023)
Chirdeep Singh Bagga (w.e.f June 08, 2023)
Helly Bharat Ajmera (w.e.f November 07, 2023)

**v) Directors of ATSL**

Rajesh Kumar Dahiya (upto January 15, 2024)
Deepa Rath
Ganesh Sankaran (upto January 15, 2024)
Sumit Bali (w.e.f January 16, 2024)
Prashant Joshi (w.e.f January 16, 2024)

* Considered as Related Parties although not covered under the definition of Related Parties as per Ind AS 24, Related party disclosures. These have been included as voluntary disclosure, following the best corporate governance practices.

**28 Information on related party transactions**

| **28.2 Transactions during the year** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
|---|---|---|
| **1 Issue of Ordinary & Subordinate unit capital in exchange of shareholdings of the SPVs (Refer footnote (i) to note 12)** | | |
| **i) Ordinary unit capital** | **91,008.69** | **-** |
| Cube Highways and Infrastructure Pte. Limited* | 16,320.78 | - |
| Cube Highways and Infrastructure I-D Pte Limited | 2,465.51 | - |
| Cube Highways and Infrastructure II Pte Limited* | 14,028.28 | - |
| Cube Highways and Infrastructure III Pte Limited* | 31,268.49 | - |
| Cube Mobility Investment Pte Limited | 26,925.63 | - |
| **ii) Subordinate unit capital** | | |
| Cube Highways and Infrastructure Pte. Limited | **15,750.00** | **-** |
| Cube Highways and Infrastructure III Pte Limited | 3,750.00 | - |
| | 12,000.00 | - |
| **2 Loan to subsidiaries (facility loan)** | **73,673.05** | **-** |
| HTPL | 6,498.38 | - |
| JLTPL | 3,184.97 | - |
| JVTPL | 1,907.04 | - |
| KETPL | 3,187.69 | - |
| KMTPL | 4,763.58 | - |
| LRTPL | 2,974.65 | - |
| MKTPL | 4,507.42 | - |
| NKTPL | 3,577.47 | - |
| SMTPL | 3,320.81 | - |
| DATRPL | 17,038.15 | - |
| FRHL | 8,815.94 | - |
| WVEPL | 1,906.06 | - |
| NDEPL | 2,644.87 | - |
| WUPTPL | 446.28 | - |
| JMTPL | 1,951.40 | - |
| GAEPL | 6,948.34 | - |
| **3 Facility loan repaid by subsidiaries** | **2,601.51** | **-** |
| HTPL | 23.60 | - |
| JLTPL | 11.80 | - |
| JVTPL | 9.10 | - |
| KETPL | 24.40 | - |
| KMTPL | 46.00 | - |
| LRTPL | 16.00 | - |
| MKTPL | 31.00 | - |
| SMTPL | 29.10 | - |
| DATRPL | 738.33 | - |
| FRHL | 357.03 | - |
| WVEPL | 185.90 | - |
| NDEPL | 127.00 | - |
| WUPTPL | 446.28 | - |
| JMTPL | 357.00 | - |
| GAEPL | 198.97 | - |
| **4 Loan to subsidiaries (Subordinate loan)** | **70,169.87** | **-** |
| HTPL | 3,316.27 | - |
| JLTPL | 1,755.07 | - |
| JVTPL | 1,144.02 | - |
| KETPL | 2,800.60 | - |
| KMTPL | 3,546.45 | - |
| LRTPL | 1,219.59 | - |
| MKTPL | 3,032.26 | - |
| NKTPL | 6,938.49 | - |
| SMTPL | 2,627.84 | - |
| DATRPL | 11,914.88 | - |
| FRHL | 7,825.34 | - |
| WVEPL | 3,320.33 | - |
| NDEPL | 1,451.80 | - |
| WUPTPL | 2,138.87 | - |
| JMTPL | 23.18 | - |
| APEL | 2,050.18 | - |
| GAEPL | 14,206.26 | - |
| MBEL | 858.44 | - |
| **5 Subordinate loan repaid by subsidiaries** | | |
| WUPTPL | 452.69 | - |

**28 Information on related party transactions**

| **28.2 Transactions during the year** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
|---|---|---|
| **6 Interest income from subsidiaries** | **17,334.88** | **-** |
| HTPL | 1,200.04 | - |
| JLTPL | 606.31 | - |
| JVTPL | 375.68 | - |
| KETPL | 798.39 | - |
| KMTPL | 1,032.57 | - |
| LRTPL | 506.30 | - |
| MKTPL | 1,016.46 | - |
| NKTPL | 1,143.56 | - |
| SMTPL | 788.19 | - |
| DATRPL | 3,304.35 | - |
| FRHL | 2,084.13 | - |
| WVEPL | 656.98 | - |
| NDEPL | 481.12 | - |
| WUPTPL | 279.31 | - |
| JMTPL | 203.44 | - |
| APEL | 227.84 | - |
| MBEL | 110.74 | - |
| GAEPL | 2,519.47 | - |
| **7 Impairment charge of Investment in subsidiaries** | **6,345.90** | |
| APEL | 169.21 | - |
| FRHL | 3,986.93 | - |
| GAEPL | 1,421.00 | - |
| NDEPL | 361.69 | - |
| LRTPL | 407.07 | - |
| **8 Impairment loss allowance of Loan to subsidiaries (Subordinate loan)** | | |
| APEL | 421.86 | - |
| **9 Dividend income from subsidiaries** | **1,513.26** | |
| JMTPL | 1,241.06 | - |
| JLTPL | 88.73 | - |
| JVTPL | 138.09 | - |
| LRTPL | 45.38 | - |
| **10 Investment Management fees** | | |
| Cube Highways Funds Advisors Private Limited | 299.17 | 273.88 |
| **11 Reimbursement of expenses (Expenses incurred by IM on behalf of Trust)** | | |
| Cube Highways Funds Advisors Private Limited | 13.48 | 3.18 |
| **12 Trustee fee** | | |
| Axis Trustee Services Limited | 0.94 | 0.94 |
| **13 Term loan received** | | |
| Axis Bank Limited | 16,252.50 | - |
| **14 Term loan repaid (including downsell of loan)** | | |
| Axis Bank Limited | 11,955.73 | - |
| **15 Interest expense on Term loan** | | |
| Axis Bank Limited | 1,140.43 | - |
| **16 Share pledge fee** | | |
| Axis Bank Limited | 1.98 | - |
| **17 Bank guarantee commission** | | |
| Axis Bank Limited | 15.74 | - |
| **18 Distribution to Unitholders** | **4,721.75** | **-** |
| Cube Highways and Infrastructure Pte. Limited | 636.63 | - |
| Cube Highways and Infrastructure I-D Pte Limited | 151.63 | - |
| Cube Highways and Infrastructure II Pte Limited | 761.10 | - |
| Cube Highways and Infrastructure III Pte Limited | 1,516.46 | - |
| Cube Mobility Investment Pte Limited | 1,655.93 | - |

*Subsequent to allocation of units in exchange of shares of SPVs, the following unitholders offered for sale 142,323,555 units (aggregating to Rs.14,232.35 million) as follows:-

| | | |
|---|---|---|
| **Total offered for sale** | **14,232.35** | **-** |
| Cube Highways and Infrastructure Pte. Limited | 5,969.02 | - |
| Cube Highways and Infrastructure II Pte Limited | 1,652.67 | - |
| Cube Highways and Infrastructure III Pte Limited | 6,610.66 | - |

**CUBE HIGHWAYS Trust**
**Notes forming part of Standalone Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**28 Information on related party transactions**

| **28.3 Balances at the end of the year** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| **1 Investment in equity shares of subsidiaries (net of impairment)*** | **1,00,412.79** | **-** |
| HTPL | 4,328.37 | - |
| JLTPL | 3,858.57 | - |
| JVTPL | 2,595.63 | - |
| KETPL | 1,012.39 | - |
| KMTPL | 3,868.21 | - |
| LRTPL | 3,867.05 | - |
| MKTPL | 4,022.83 | - |
| NKTPL | 1,253.28 | - |
| SMTPL | 1,712.22 | - |
| DATRPL | 39,807.48 | - |
| FRHL | 10,041.36 | - |
| WVEPL | 3,461.01 | - |
| NDEPL | 2,103.82 | - |
| WUPTPL | 262.52 | - |
| JMTPL | 7,577.46 | - |
| APEL* | - | - |
| GAEPL | 8,930.76 | - |
| MBEL | 1,709.83 | - |
| *Investment fully impaired during the year. | | |
| **2 Loan to subsidiaries (facility loan)** | **71,071.53** | **-** |
| HTPL | 6,474.78 | - |
| JLTPL | 3,173.16 | - |
| JVTPL | 1,897.93 | - |
| KETPL | 3,163.28 | - |
| KMTPL | 4,717.58 | - |
| LRTPL | 2,958.65 | - |
| MKTPL | 4,476.42 | - |
| NKTPL | 3,577.47 | - |
| SMTPL | 3,291.71 | - |
| DATRPL | 16,299.84 | - |
| FRHL | 8,458.92 | - |
| WVEPL | 1,720.15 | - |
| NDEPL | 2,517.87 | - |
| JMTPL | 1,594.40 | - |
| GAEPL | 6,749.37 | - |
| **3 Loan to subsidiaries (Subordinate loan - net of impairment)** | **69,295.32** | |
| HTPL | 3,316.27 | - |
| JLTPL | 1,755.07 | - |
| JVTPL | 1,144.02 | - |
| KETPL | 2,800.59 | - |
| KMTPL | 3,546.45 | - |
| LRTPL | 1,219.59 | - |
| MKTPL | 3,032.26 | - |
| NKTPL (Refer note 28.4) | 6,938.49 | - |
| SMTPL | 2,627.84 | - |
| DATRPL | 11,914.88 | - |
| FRHL | 7,825.34 | - |
| WVEPL | 3,320.33 | - |
| NDEPL | 1,451.80 | - |
| WUPTPL | 1,686.18 | - |
| JMTPL | 23.18 | - |
| APEL | 1,628.32 | - |
| GAEPL | 14,206.26 | - |
| MBEL | 858.44 | - |
| **4 Interest receivable from subsidiaries** | **1,776.76** | |
| HTPL | 162.61 | - |
| KETPL | 219.19 | - |
| LRTPL | 15.20 | - |
| NKTPL (Refer note 28.4) | 834.74 | - |
| SMTPL | 309.05 | - |
| WVEPL | 115.29 | - |
| APEL | 120.68 | - |
| **5 Trade Payable** | | |
| Cube Highways Funds Advisors Private Limited | (25.69) | (264.91) |
| **6 Term loan payable** | | |
| Axis Bank Limited | (4,296.77) | - |

**28 Information on related party transactions**

**28.4** Debt Service Reserve Account (DSRA) of Rs. 3,083.20 million is maintained by one of the SPV i.e. NKTPL on behalf of the Trust in accordance with the financial covenants of the listed NCD issued by the Trust. DSRA has been maintained by NKTPL from proceeds of Subordinate Loan given by Trust.

**28.5** The Trust has provided performance security amounting Rs. 850.00 million in aggregate to National Highway Authority of India (NHAI) for the due performance of the 9 SPVs (HTPL, JLTPL, JVTPL, KETPL, KMTPL, LRTPL, MKTPL, NKTPL, SMTPL) obligations under the 9 Concession agreements respectively entered in relation to projects comprising of 9 National Highway stretches(Bundle-3) on Toll Operate Transfer Mode.

**28.6** In relation to Debt facilities (term loans and Non Convertible Debt Security ) taken by the Trust, and as required under the facility agreement entered into by the Trust with its Lenders for borrowings read along with common security trustee agreement entered into between the Trust and its Security Trustee, the SPV's (excluding APEL and MBEL) has provided a Corporate Guarantee, as an additional security, in favour of Security Trustee of the above Debt facilities guaranteeing the payment of aggregate debt outstanding ("guaranteed obligations") till the full satisfaction of debt facilities including any shortfall in repayment by the Trust.

The outstanding Debt facilities (term loans and NCD) of the Trust as on March 31, 2024 is Rs. 105,897.43 million which has been guaranteed jointly and collectively by all the SPV's (excluding APEL and MBEL).

Further, all the SPV's(excluding APEL and MBEL) has provided a negative lien to above Security Trustee w.r.t. the immovable and movable property of the SPV's (including its current assets and cash flows), as applicable, subject to the rights of the NHAI under the respective Concession Agreements.

**28.7** The Investment Manager has entered into a reimbursement agreement dated September 07, 2022 (the "Reimbursement Agreement") with Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd. (referred to as "Sponsors"), Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd. (collectively referred as "Reimbursing Parties") in relation to reimbursement of certain costs {Trust setup cost, offer expenses (including merchant banker fees) etc.} in relation to the Trust, by "Incurring Parties" as defined in the Reimbursement Agreement.

The costs incurred by the Reimbursing Parties towards setting up the Trust and listing thereof, have been borne by them considering that they are ultimate beneficiaries from the Listing of Ordinary Units referred to in note 1. Accordingly, these costs have not been recognised in the books of account of the Trust.

**28.8 Details in respect of related party transactions involving acquisition of SPV as required by paragraph 4 of the chapter 3 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**For the year ended March 31, 2024:**

**A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):**

| Name of the SPVs | Discounting Rate (WACC) | Method of caclulation | Enterprise value as at April 17, 2024 |
|---|---|---|---|
| HTPL | 10.10% | Discounted Cash flow method | 19,216.40 |
| JLTPL | 10.10% | | 12,659.66 |
| JVTPL | 10.10% | | 8,476.00 |
| KETPL | 10.10% | | 8,869.01 |
| KMTPL | 10.10% | | 16,920.07 |
| LRTPL | 10.10% | | 12,336.43 |
| MKTPL | 10.10% | | 15,961.81 |
| NKTPL | 10.10% | | 10,430.56 |
| SMTPL | 10.10% | | 10,052.02 |
| DATRPL | 9.70% | | 77,792.83 |
| FRHL | 10.20% | | 30,105.01 |
| WVEPL | 10.20% | | 8,486.66 |
| NDEPL | 10.40% | | 7,338.13 |
| WUPTPL | 9.90% | | 4,231.85 |
| JMTPL | 10.30% | | 13,652.05 |
| APEL | 11.00% | | 2,096.87 |
| GAEPL | 10.20% | | 26,083.89 |
| MBEL | 10.00% | | 6,061.63 |

**B) Material conditions or obligations in relation to the transactions:**

The Share Purchase Agreement dated March 30, 2023 executed, inter alia, individually between the SPV's and the Trust, prescribing certain terms and conditions as agreed between the parties thereto, including without limitation, indemnification provisions for claims in relation to pre-acquisition period subject to limitations on liability, de-minimis values and claim basket values; representations and warranties; payment(s) to erstwhile sellers etc., governing law etc. (as more particularly stipulated under the Share Purchase Agreements) which govern the transfer of shareholding in the Project SPV's to Cube Highways Trust.

**For the year ended March 31, 2023:**
No acquisition for the year ended March 31, 2023.

**28.9** Pursuant to Right of First Offer (ROFO) agreement dated January 2, 2023, the Trust shall have a right of first offer ("ROFO") over fully paid up equity shares, debt securities and other similar securities ("ROFO Securities") of the special purpose vehicles identified in the ROFO Agreement ("ROFO SPVs"), held by sponsor. Such ROFO was available to the Trust from the date on which the Ordinary Units are listed (April 19, 2023) until such date which is not later than nine months from the Trust Listing Date ("ROFO Period").

**29 Contingent liabilities and claims**

There are no claims against the Trust not acknowledged as debt as at March 31, 2024 (as on March 31, 2023: Nil).

**30 Capital and other commitments**

There are no capital commitments as at March 31, 2024 (as on March 31, 2023: Nil).

The Trust has other commitments for services which are received as per requirements per operating cycle in normal course of business. The Trust does not have any other long term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the Standalone Financial Statements.

**31 Information on segment reporting pursuant to Ind AS 108 - Operating Segments**

The Trust's activities comprise of investing in infrastructure assets primarily in the SPVs operating in the road sector to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment. Further, the entire operations of the Trust are only in India and hence disclosure of secondary/geographical of segment information does not arise and accordingly the disclosures of Ind AS -108 have not separately been given.

**32 Details of dues to Micro, Small and Medium Enterprises**

The details of dues to MSMEs as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and disclosures pursuant to the MSMED Act are as follows:

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 1.13 | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | | |
| - Principal | - | - |
| - Interest | - | - |
| (iv) The amount of interest due and payable for the year | - | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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**33 Revenue from contracts with customers**

**1 Disaggregation of revenue**

Revenue recognised comprises of interest income on loan from subsidiaries and dividend income from subsidiaries.
Set out below is the disaggregation of the Trust revenue from contracts with customers

| | **Description** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
|---|---|---|---|
| | **Operating revenue** | | |
| (a) | Interest income on loan given to subsidiaries | 17,334.88 | - |
| (b) | Dividend income from subsidiaries | 1,513.26 | - |
| | **Total revenue** | **18,848.14** | **-** |

**The table below represents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended March 31, 2024 and March 31, 2023.**

| **Timing of revenue recognition** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
|---|---|---|
| Services provided at point in time | 1,513.26 | - |
| Services transferred over time | 17,334.88 | - |
| **Total revenue** | **18,848.14** | **-** |

**2 Assets and liabilities related to contracts with customers**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

| **Description** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| **Contract Assets** | | |
| Interest receivable on loan to subsidiaries | 1,40,366.85 | - |
| **Total** | **1,40,366.85** | **-** |
| **Contract Liability** | | |
| | - | - |
| | - | - |

**3** There is no adjustment made to contract price of the contract and hence the revenue recognised in the statement of profit and loss is in agreement with the contract price under the contract.

**34 Investment Management fees**

In terms of the InvIT Regulations, the Trust has entered into Investment Management Agreement dated March 11, 2022 with Cube Highways Fund Advisors Private Limited ("the Investment Manager"), which got amended on May 30, 2022 and on December 16, 2022 (herein after referred to as IM Agreement).

As per Schedule II of the IM Agreement as amended from time to time, the Investment Manager shall be entitled to a fee from the funds of the Trust in accordance with the IM Agreement ("Management Fee") as under:

| For the period March 11, 2022 to May 30 2022 (in terms of IM agreement dated March 11, 2022) | For the period May 31, 2022 to December 15, 2022 (in terms of Amended and Restated IM agreement dated May 30, 2022) | For the period after December 16, 2022 (in terms of Amended and Restated IM agreement dated December 16, 2022 ) |
|---|---|---|
| Higher of:<br><br>(a) 1% of the consolidated revenue of the Project SPVs * ("Fee Percentage");<br>or<br>(b) Rs. 210 million subject to an escalation of 9% per annum | Higher of:<br><br>(a) Subsequent to the Initial Offer, the Management Fee shall be 0.88% of the revenue of the Initial SPVs * ("Fee Percentage");<br>or<br>(b) Rs. 190 million ("Minimum Threshold") subject to an escalation of 7% per annum | Higher of:<br><br>(a) Subsequent to the Initial Offer, the Management Fee shall be 0.94% of the revenue of the Initial SPVs ("Fee Percentage");<br>or<br>(b) Rs. 190 million ("Minimum Threshold") subject to an escalation of 7% per annum |

* Project SPVs/ Initial SPVs include Initial SPVs listed in Note 1(ii)(b) and includes revenue of N.A.M. Expressway Limited upto December 15, 2022.

**35** During the year ended March 31, 2024, the Trust has been assigned/reaffirmed the credit ratings for its borrowings as follows:-

| Sr. No. | Nature of Borrowings | Rating Agency | Date |
|---|---|---|---|
| 1 | Rupee Term Loan | CRISIL | May 30, 2023, reaffirmed on July 11, 2023 and August 23, 2023. |
| | | ICRA | May 05, 2023, reaffirmed on May 30, 2023, July 26, 2023 and September 04, 2023. |
| | | India Ratings | May 10, 2023, reaffirmed on June 05, 2023, July 07, 2023 and August 25, 2023. |
| 2 | Debt Securities | ICRA | May 30, 2023, reaffirmed on July 26, 2023. |
| | | India Ratings | June 05, 2023, reaffirmed on July 07, 2023 and August 25, 2023. |

**36** At the end of each reporting period, in terms of Ind AS 36 "Impairment of Assets" the Management carries out impairment assessment for Trust's investment in individual SPV (cash generating unit) and determine the recoverable amount of non-current investments in subsidiaries as at the reporting date.

An impairment loss is recognised if the carrying amount of the investment exceeds its recoverable amount. The recoverable amount is determined by the Management based on the value in use approach using an External Independent Valuer. The key judgements in determining the value in use approach included revenue and other cash flow projections for the remaining concession period, changes in interest rates, discount rates, risk premium for market conditions etc. The revenue projection is based on assumptions made by the Management regarding future traffic growth and inflation factor for assessing user toll fee as supported by the studies from the Third-party Independent Consultant.

Based on the aforesaid impairment assessment done by management, the Trust has recognized following impairment loss / (reversal) - net in respect of certain subsidiaries in the Statement of Profit and Loss:

| Particulars | Year ended March 31,2024 |
|---|---|
| Impairment loss / (reversal) - Net | 6,345.90 |

**The recoverable value determined through value in use method in respect of investment in subsidiary**

**Rs. in millions**

| | Recoverable Value | | Discounting Rate |
|---|---|---|---|
| **Name of SPV** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** | **For the year ended March 31, 2023** |
| NDEPL | 2,103.82 | - | - |
| FRHL | 11,128.76 | - | - |
| GAEPL | 11,433.84 | - | - |
| APEL | - | - | - |
| LRTPL | 4,215.15 | - | - |
| **Total** | **28,881.58** | | |

The overall fair value of the investments in subsidiaries of the Trust as at March 31, 2024 as compared to the acquisition price of these investments as on the acquisition date i.e. April 17, 2023 is higher by Rs. 23,962.55 million (after considering impairment losses aggregating Rs. 6,345.90 million). The aforesaid fair value of the investments have been derived based on Enterprise Value as determined by the External Independent Valuer which is adjusted for borrowings net of cash and cash equivalents, and current investments in mutual funds.

**37 Distribution**

A The Board of Directors of the Investment Manager have declared distribution of Rs. 2.15 per unit amounting to Rs. 2,774.25 million, Rs. 2.00 per unit amounting to Rs. 2,580.69 million and Rs. 2.00 per unit amounting to Rs. 2,580.69 million in their meeting held on August 10, 2023, November 13, 2023 and February 09, 2024 respectively and the aforesaid distribution was paid to eligible unitholders on August 18, 2023, November 15, 2023 and February 15, 2024 respectively.

| Particulars | For the year ended March 31, 2024 |
|---|---|
| Interest (Return on capital) | 6,849.16 |
| Dividend | 1,032.28 |
| Other Income on surplus fund at Trust | 54.19 |
| | **7,935.63** |

B Subsequent to the year ended March 31, 2024, the Board of Directors of Investment Manager approved a distribution of Rs. 3.94 per unit, which aggregates to Rs. 5,083.96 million for the quarter ended March 31, 2024 to be paid on or before 15 days from the date of declaration. This distribution along with previous distributions during the year aggregates to Rs. 10.09 per unit for the year ended March 31, 2024, comprising Rs. 1.94 per unit as repayment of capital, Rs. 8.15 as return on capital comprising of Rs. 7.10 per unit as interest, Rs. 0.99 per unit as a dividend, and the remaining Rs. 0.06 per unit as other income on surplus fund at Trust.

**38 Information on segment reporting pursuant to Ind AS 108- Operating Segments**

The Trust's activities comprise of owning and investing in Infrastructure SPV's to generate cashflows for distribution to unitholders. Based on the guiding principles given in Ind As- 108 "Operating Segments" this activity falls within single operating segment and accordingly the disclosures of Ind As-108 have not been separately given.

**39** The Trust has proposed the acquisition of up to 100% equity shareholding in seven highway assets from Singapore-based Cube Highways and Infrastructure III Pte Ltd. and Cube Highways Infrastructure Pte. Ltd., the Sponsors of Trust, in one or more tranches. The proposed acquisition was approved by the Board of Directors of the Investment Manager held on April 25, 2024, subject to the approval of Ordinary Unitholders of Trust. The Board also approved the postal ballot notice to seek the approval of Ordinary Unitholders for this proposed acquisition.

These assets will be acquired through internal accruals and a mix of debt, subject to necessary approvals. The seven highway assets, which include six Hybrid Annuity Model (HAM) assets and one Build-Operate-Transfer (BOT) asset, span around 2,200 lane kms and are spread across geographic footprints of Andhra Pradesh, Maharashtra, Telangana, and Tamil Nadu. The acquisition is expected to be completed subject to the satisfaction of customary closing conditions, including receipt of statutory clearances and approval of Ordinary Unitholders of Trust.

**40** The Trust have not traded or invested in Crypto currency or Virtual Currency during the financial year.

**41** The Trust does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**42** The Trust has not been declared as a wilful defaulter by any bank or financial institution or other lender.

**43** Investors can view the Standalone Financial Statement of the Trust on the Trust's website (www.cubehighwaystrust.com) and on the website of BSE Limited (www.bseindia.com) and NSE Limited (www.nseindia.com).

**44** The Standalone Financial Statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on May 22, 2024.

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager" (in its capacity as the Investment Manager of Cube Highways Trust)

Sandeep Lakhanpal Digitally signed by Sandeep Lakhanpal Date: 2024.05.22 22:14:43 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR Digitally signed by VINAY CHANDRAMOULI SEKAR Date: 2024.05.22 22:15:19 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place: Noida
Date: May 22, 2024

PANKAJ VASANI Digitally signed by PANKAJ VASANI Date: 2024.05.22 22:20:08 +05'30'

**Pankaj Vasani**
Chief Financial Officer

Place: Noida
Date: May 22, 2024

MRIDUL GUPTA Digitally signed by MRIDUL GUPTA Date: 2024.05.22 22:20:36 +05'30'

**Mridul Gupta**
Compliance Officer and CS
MRN: A30111
Place: Noida
Date: May 22, 2024

**S. B. Billimoria & Co. LLP**

Chartered Accountants
7th floor, Building 10
Tower B
DLF Cyber City Complex
DLF City Phase II
Gurugram-122 002
Haryana, India

Tel: +91 124 679 2000
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**INDEPENDENT AUDITOR'S REPORT**

**To the Unitholders of Cube Highways Trust**
**Report on the Audit of the Consolidated Financial Statements**

## Opinion

We have audited the accompanying consolidated financial statements of Cube Highways Trust ("the Trust") and its subsidiaries (together referred to as the "Group"), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unitholders' Equity for the year ended on that date, the Statement of Net Assets at Fair Value as at March 31, 2024, the Statement of Total Returns at Fair Value and the Statement of Net Distributable Cash Flows of the Trust and each of its subsidiaries for the year then ended as an additional disclosure in accordance with Section A of Chapter 4 of the SEBI Circular No. Securities Exchange Board of India (SEBI) Circular No. SBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023, notes to the consolidated financial statements including a summary of material accounting policies and other explanatory information (together hereinafter referred as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time including any guidelines and circulars issued thereunder read with Securities Exchange Board of India (SEBI) Master Circular No. SBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023, (hereinafter referred to as "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash outflows, their consolidated changes in unitholders' equity for the year ended on that date, their consolidated net assets at fair value as at March 31, 2024, their consolidated total returns at fair value and the net distributable cash flows and each of the subsidiaries for the year ended as on that date and other financial information of the Group.

## Basis for Opinion

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

## Emphasis of Matter

We draw attention to Note 20 of the consolidated financial statements, which describes the presentation of "Unit Capital" as "Equity" to comply with the SEBI InvIT Regulations.

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter | Auditor's Response |
|---|---|
| **A) Impairment of Right under Service Concession arrangement (Intangibles Assets)**<br><br>The Group through its subsidiaries have right to collect toll under the Service Concession Arrangement (SCA) having net carrying value in amounting to Rs. 221,160.26 million (Net of impairment) as at March 31, 2024. As per the requirement of Ind AS 36 "Impairment of assets", the Management of the Investment Manager regularly reviews whether there are any indicators of impairment of right under service concession arrangement and where impairment indicators exist, the Management of the Investment Manager estimates the recoverable amounts of the assets, basis value in use.<br><br>The value in use of the aforesaid assets is determined by the Management of the Investment Manager on the basis of valuation report of the independent valuer, using discounted cash flow method which involves significant management judgement in respect of various key assumptions used as inputs such as determination of future cash flows, discount rates, revenue growth rate and inflation rates amongst others. The determination of fair value involve judgement due to inherent high estimation uncertainty in the underlying assumptions.<br><br>Considering the significant judgement involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this matter is considered as a key audit matter.<br><br>Refer notes 2(III)(d)(10) and 2(III)(x) for material accounting policy and notes 6 and 56 to the consolidated financial statements. | Principal audit procedures performed included the following:<br>• We obtained an understanding of the Group's process to identify indicators of impairment of Right under Service Concession arrangement (Intangibles Assets), and process for determination of value in use of these assets.<br>• We obtained and read the valuation report of the independent valuer used by the Group to determine fair value, and assessed their competence, capability and objectivity.<br>• We reviewed the reasonableness of the valuation methodology and assumptions (including those provided by the Management of the Investment Manager) used by the independent valuer in determining the fair valuation.<br>• We assessed the reliability of management's cashflow forecast through the review of actual performance against previous forecasts.<br>• In performing the above procedures, we involved our internal specialists, who assessed the reasonableness of (i) management's forecast of revenue which mainly included traffic growth and inflation factor for assessing user toll fee and (ii) discount rate used in valuation, by challenging underlying assumptions used in such estimates and the methodology to determine the fair value.<br>• We tested the arithmetical accuracy of the data used in determination of fair value and also of computation of impairment loss.<br>• We evaluated the appropriateness and adequacy of disclosures made by Management of the Investment Manager. |

| | |
|---|---|
| **B) Computation and disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per SEBI InvIT Regulations**<br><br>In accordance with the SEBI InvIT Regulations, the Group discloses Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value, carried out by independent valuer appointed by the Trust. As at March 31, 2024, fair value of total assets was Rs. 286,827.21 million; out of which fair value of investments in subsidiaries is Rs.284,757.96 million representing 99.28% of the fair value of total assets.<br><br>The fair value of investments in subsidiaries is determined by the Management of the Investment Manager on the basis of valuation report of the independent valuer, using discounted cash flow method which involves significant management judgement in respect of various key assumptions used as inputs such as determination of future cash flows, discount rates, revenue growth rate and inflation rates amongst others. The determination of fair value involve judgement due to inherent high estimation uncertainty in the underlying assumptions.<br><br>Considering the importance of disclosure required under the SEBI InvIT Regulations, significant judgement involved in determination of fair values due to inherent uncertainty and complexity of the assumptions used in determination of fair values, this matter is considered as a key audit matter.<br><br>Refer Note 2(III)(d)(2) for material accounting policy, Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value in the consolidated financial statements. | Principal audit procedures performed included the following:<br>• We read the requirements of the SEBI InvIT Regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.<br>• We obtained understanding of the Trust's process for preparation of Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value as per SEBI InvIT Regulations and the assumptions used by the Management of the Investment Manager.<br>• We obtained and read the valuation report of the independent valuer used by the Trust to determine fair value, and assessed their competence, capability and objectivity.<br>• We reviewed the reasonableness of the valuation methodology and assumptions (including those provided by the Management of the Investment Manager) used by the independent valuer in determining the fair valuation.<br>• We assessed the reliability of management's cashflow forecast through the review of actual performance against previous forecasts.<br>• In performing the above procedures, we involved our internal specialists, who assessed the reasonableness of (i) management's forecast of revenue which mainly included traffic growth and inflation factor for assessing user toll fee and (ii) discount rate used in valuation, by challenging underlying assumptions used in such estimates and the methodology to determine the fair value.<br>• We tested the arithmetical accuracy of the data used in determination of fair value and also of computation of Net Assets at Fair Value and Total Returns at Fair Value.<br>• We evaluated the appropriateness and adequacy of disclosures made by Management of the Investment Manager for compliance with the relevant requirements of the SEBI InvIT Regulations. |

| | |
|---|---|
| **C) Provision for Periodic Major Maintenance (MM) expenses**<br><br>In accordance with Ind AS 37 "Provisions, contingent liabilities and contingent assets", the Group estimates and provides for contractual obligations as per Service Concession Arrangement (SCA) with National Highways Authority of India ("NHAI") to restore the infrastructure to a specified level of serviceability at periodic intervals during the SCA period or before it is handed over to NHAI. The Group has Provision for Periodic Major Maintenance (MM) expenses amounting to Rs.3,199.25 million outstanding as at March 31, 2024.<br><br>The MM expense estimate is based on maintenance strategy/ methodology prepared by the management in accordance with the requirements of SCA and after taking into account road survey reports issued by an independent expert. These estimates are further corroborated through purchase orders/ work orders placed or to be placed by the management generally close to the maintenance execution period. The projected MM expense is periodically reviewed and updated for factors such as new information and past experience.<br><br>As the estimated cost is based on the various assumptions such as current infrastructure (road, pavements, etc.) condition, inflation in material cost, government policies etc., the Group Management is required to apply judgement over these factors for estimating the provision for MM expenses.<br><br>Considering the high inherent estimation uncertainty in measurement of Provision for Periodic Major Maintenance and amount involved, this matter is considered as a key audit matter.<br><br>Refer notes 2(III)(d)(5) and 2(III)(y) for material accounting policy and notes 24, 30 and 49 (a) to the consolidated financial statements. | Principal audit procedures performed included the following:<br>• Obtained an understanding and evaluated the Management process of estimating the provision for the Periodic Major Maintenance (MM) expense.<br>• We evaluated reasonableness of the method, assumptions and judgements used by the management. It included:<br>a) Evaluation of Group Management's contractual obligation to restore infrastructure at specified level of serviceability as per the SCA. Corroborating the quantities from the bill of quantity prepared based on management's MM strategy as per road survey reports issued by the field expert. We have also assessed the competency, objectivity and independence of the field expert.<br>b) Evaluation of current prevailing rates of material and inflation adjustments thereupon.<br>c) Evaluation of the discount rate used for determining the present value of the projected MM expenditure.<br>• We have tested the arithmetical accuracy, where required, involved in the above estimation.<br>• We assessed and validated the adequacy and appropriateness of the disclosures made by the Management of the Investment Manager in the consolidated financial statements. |

**Information Other than the Financial Statements and Auditor's Report Thereon**

- Cube Highways Fund Advisors Private Limited (the "Investment Manager") acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include standalone financial statements, consolidated financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements**

The Board of Directors of the Investment Manager is responsible for preparation and presentation of these Consolidated financial statements that give a true and fair view of the consolidated financial position of the Group as at March 31, 2024, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows, their consolidated changes in unitholders' equity for the year ended on that date, their consolidated net assets at fair value as at March 31, 2024, their consolidated total returns at fair value, the Statement of net distributable cash flows of the Trust and each of the subsidiaries and other information of Trust in accordance with requirements of the SEBI InvIT regulations, the Indian Accounting Standards ('Ind AS') as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT regulations. The Board and respective Board of Directors of the subsidiaries included in the Group are responsible for maintenance of adequate accounting records for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of the Trust, as aforesaid.

In preparing the consolidated financial statements, the Management of the Investment Manager and the Board of directors of the respective subsidiaries included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The Board of directors of the Investment Manager and respective Board of Directors of the subsidiaries included in the Group are also responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our

opinion on whether the Trust has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management of the Investment Manager.

- Conclude on the appropriateness of Management of the Investment Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

We did not audit the standalone financial statements of 2 subsidiaries, whose financial information reflect total assets of Rs. 26,795.34 million as at March 31, 2024, total revenues of Rs. 7,338.73 million, total comprehensive loss of Rs. 344.19 and net cash inflows amounting to Rs. 1,928.51 million for the year ended on that date, as considered in the consolidated financial statements. These financial have been audited by other auditors whose reports have been furnished to us by the Investment Manager and our opinion and conclusion on the consolidated financial information, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

Based on our audit and as required by SEBI InvIT Regulations, we report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) are in agreement with the books of account of the Trust.

c) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations.

For **S.B. Billimoria & Co. LLP**
Chartered Accountants
(Firm's Registration No. 101496W/ W-100774)

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:50:38 +05'30'

**Pramod B Shukla**
(Partner)
(Membership No. 104337)
UDIN: 24104337BKFNMT4772

Place: Noida
Date: May 22, 2024

**Independent Auditor's Report on even date to the unitholders of Cube Highways Trust on the consolidated financial statements for the year ended March 31, 2024 (Cont'd)**

**Annexure 1**

**List of subsidiaries included in the consolidated financial statements**

1. Jaipur-Mahua Tollway Private Limited (formerly known as "Jaipur-Mahua Tollway Limited")
2. Mahua Bharatpur Expressways Limited
3. Western UP Tollway Limited
4. Farakka-Raiganj Highways Limited
5. DA Toll Road Private Limited
6. Nelamangala Devihalli Expressway Private Limited
7. Walayar Vaddakencherry Expressways Private Limited
8. Hazaribagh Tollway Private Limited (formerly known as "Hazaribagh Tollway Limited")
9. Kotwa-Muzaffarpur Tollway Private Limited (formerly known as "Kotwa-Muzaffarpur Tollway Limited")
10. Jhansi-Lalitpur Tollway Private Limited (formerly known as "Jhansi- Lalitpur Tollway Limited")
11. Jhansi-Vigakhet Tollway Private Limited formerly known as "Jhansi- Vigakhet Tollway Limited")
12. Lucknow-Raebareli Tollway Private Limited (formerly known as "Lucknow-Raebareli Tollway Limited")
13. Madurai-Kanyakumari Tollway Private Limited (formerly known as "Madurai-Kanyakumari Tollway Limited")
14. Kanyakumari-Etturavattam Tollway Private Limited (formerly known as "Kanyakumari - Etturavattam Tollway Limited")
15. Salaipudhur-Madurai Tollway Private Limited (formerly known as "Salaipudhur-Madurai Tollway Limited")
16. Nanguneri-Kanyakumari Tollway Private Limited(formerly known as "Nanguneri -Kanyaumari Tollway Limited")
17. Ghaziabad Aligarh Expressway Private Limited; and
18. Andhra Pradesh Expressway Limited

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Consolidated Balance Sheet as at March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 250.89 | - |
| Capital work-in-progress | 4 | 14.10 | - |
| Investment properties | 5 | 6.80 | - |
| Intangible assets | 6 | 2,21,160.26 | - |
| Intangible assets under development | 7 | 1,126.94 | - |
| Financial assets: | | | |
| Investments | 8 | 0.01 | - |
| Other financial assets | 9 | 18.88 | - |
| Deferred tax assets (net) | 25B | 243.23 | - |
| Current tax assets (net) | 10 | 541.94 | - |
| Other non-current assets | 11 | 120.18 | - |
| **Total non-current assets** | | **2,23,483.23** | **-** |
| **Current assets** | | | |
| Inventories | 12 | 223.64 | - |
| Financial assets | | | |
| Investments | 13 | 13,527.76 | - |
| Trade receivables | 14 | 600.79 | - |
| Cash and cash equivalents | 15 | 2,416.84 | - |
| Bank balances other than cash and cash equivalents | 16 | 3,593.98 | - |
| Other financial assets | 17 | 1,808.76 | - |
| Other current assets | 18 | 602.42 | 0.24 |
| **Total current assets** | | **22,774.19** | **0.24** |
| Assets held for sale | 19 | 0.10 | - |
| **Total assets** | | **2,46,257.52** | **0.24** |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Unit Capital | 20 | 1,44,773.67 | - |
| Other equity | 21A | (15,284.29) | (289.96) |
| Equity attributable to Non-controlling interests | 21B | 0.53 | - |
| **Total equity** | | **1,29,489.91** | **(289.96)** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 22 | 1,02,630.24 | - |
| Other financial liabilities | 23 | 185.09 | - |
| Provisions | 24 | 2,338.04 | - |
| Deferred tax liabilities (net) | 25A | 311.81 | - |
| **Total non-current liabilities** | | **1,05,465.18** | **-** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 26 | 4,722.49 | - |
| Trade payables | 27 | | |
| - total outstanding dues of micro enterprises and small enterprises | | 273.52 | - |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,440.91 | 265.97 |
| Other financial liabilities | 28 | 1,338.42 | - |
| Other current liabilities | 29 | 214.69 | 24.23 |
| Provisions | 30 | 3,312.38 | - |
| Current tax liabilities (net) | 10 | 0.02 | - |
| **Total current liabilities** | | **11,302.43** | **290.20** |
| **Total liabilities** | | **1,16,767.61** | **290.20** |
| **Total equity and liabilities** | | **2,46,257.52** | **0.24** |

**The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes 1 to 64**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:45:46 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:34:52 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:39:17 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:39:56 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:46:09 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Consolidated Statement of Profit and Loss for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | Notes | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 31 | 29,161.37 | - |
| Realised/unrealised gain on mutual funds | | 1,015.38 | - |
| Interest on fixed deposits | | 435.04 | - |
| Other income | 32 | 129.26 | - |
| **Total income** | | **30,741.05** | **-** |
| **Expenses** | | | |
| Cost of construction | 33 | 4,025.77 | - |
| Operation and maintenance expenses | 34 | 5,046.42 | - |
| Employee benefits expense | 35 | 429.66 | - |
| Depreciation and amortisation expense | 38 | 11,825.72 | - |
| Legal & professional fees | | 285.09 | - |
| Finance costs | 37 | 8,731.29 | |
| Investment Management fees | 54 (i) | 299.17 | 273.88 |
| Project Management fees | 54 (ii) | 542.14 | - |
| Trustee Fees | | 0.94 | 0.94 |
| Custodian fees | | 3.51 | - |
| Insurance expense | | 217.74 | - |
| Audit fees (including subsidiaries) | 36B | 59.51 | 1.06 |
| Valuation expense | | 15.12 | - |
| Impairment charge/(reversal) of impairment of intangible assets | 56 | 5,871.87 | - |
| Other expenses | 36A | 255.55 | 2.00 |
| **Total expenses** | | **37,609.50** | **277.88** |
| **Loss before tax** | | **(6,868.45)** | **(277.88)** |
| **Less: Tax expense/(income)** | 40 | | |
| Current tax | | 287.41 | - |
| Tax for earlier years | | 5.40 | - |
| Deferred tax | | (102.11) | - |
| | | **190.70** | **-** |
| **Loss for the year** | | **(7,059.15)** | **(277.88)** |
| **Other comprehensive income** | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurement (losses)/gains on defined benefit obligations | | 0.35 | **-** |
| Income tax relating to these items | | 0.10 | - |
| **Total other comprehensive (loss)/income for the year** | | **0.45** | **-** |
| **Total comprehensive loss for the year** | | **(7,058.70)** | **(277.88)** |
| **Net Loss for the year** | | | |
| Attributable to: | | | |
| Unit holders | | (7,059.22) | (277.88) |
| Non controlling interests | | 0.07 | - |
| **Total comprehensive loss for the year** | | | |
| Attributable to: | | | |
| Unit holders | | (7,058.77) | (277.88) |
| Non controlling interests | | 0.07 | - |
| **Earnings per unit (Face value Rs. 100/- per unit)** | 39 | | |
| Basic (Rs.) | | (5.72) | - |
| Diluted (Rs.) | | (5.72) | - |

**The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes 1 to 64**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:42:38 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:35:09 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:39:02 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:40:18 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:45:49 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**

**Consolidated Statement of Changes in Unit Holder's Equity for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**A Unit Capital**

**i) Ordinary unit capital**

| | Unit in Nos. | Amount |
|---|---|---|
| **Balance as at April 01, 2023** | - | - |
| Add: Units issued during the year (Refer note 20) | 1,29,03,46,112 | 1,29,034.61 |
| Less: Issue Expenses | - | (10.94) |
| **Balance as at March 31, 2024** | **1,29,03,46,112** | **1,29,023.67** |
| **Balance as at April 01, 2022** | - | - |
| Add: Units issued during the year | - | - |
| Less: Issue Expenses | - | - |
| **Balance as at March 31, 2023** | - | - |

**ii) Subrdinate unit capital**

| | Unit in Nos. | Amount |
|---|---|---|
| **Balance as at April 01, 2023** | - | - |
| Add: Units issued during the year (Refer note 20) | 15,75,00,000 | 15,750.00 |
| Less: Issue Expenses | - | - |
| **Balance as at March 31, 2024** | **15,75,00,000** | **15,750.00** |
| **Balance as at April 01, 2022** | - | - |
| Add: Units issued during the year | - | - |
| Less: Issue Expenses | - | - |
| **Balance as at March 31, 2023** | - | - |

| | |
|---|---|
| **Total Unit Capital (i) + (ii)** | **1,44,773.67** |

**B Other equity**

| Particulars | Retained earnings | Non Controlling Interest | Total Other Equity |
|---|---|---|---|
| **Balance as at April 01, 2023** | **(289.96)** | - | **(289.96)** |
| **Addition on account of Acquisition (refer note 51)** | - | **0.46** | **0.46** |
| Net loss for the year | (7,059.15) | 0.07 | **(7,059.09)** |
| Other comprehensive income/(loss): | | | |
| Re-measurement loss on defined benefit obligations (net of income tax) | 0.45 | - | **0.45** |
| **Total comprehensive loss for the year** | **(7,058.70)** | **0.07** | **(7,058.64)** |
| Distribution during the year(i) & (ii) | (7,935.63) | - | **(7,935.63)** |
| **Balance as at March 31, 2024** | **(15,284.29)** | **0.53** | **(15,283.77)** |

| Particulars | Retained earnings | Non Controlling Interest | Total Other Equity |
|---|---|---|---|
| **Balance as at April 01, 2022** | **(12.08)** | - | **(12.08)** |
| Net loss for the year | (277.88) | - | **(277.88)** |
| Other comprehensive income/(loss): | | | |
| Re-measurement loss on defined benefit obligations (net of income tax) | - | - | - |
| **Total comprehensive loss for the year** | **(277.88)** | - | **(277.88)** |
| Distribution during the year | - | - | - |
| **Balance as at March 31, 2023** | **(289.96)** | - | **(289.96)** |

**Note:**

(i) The distribution relates to the distributions made during the financial year and does not include the distribution relating to the last quarter of FY 2023-24 which will be paid after March 31, 2024.

(ii) The distributions made by the Trust to its unitholders are based on the Net Distributable Cash Flows (NDCFs) of the Trust under the InvIT Regulations.

**The above Consolidated Statement of Changes in Unit Holder's Equity should be read in conjunction with the accompanying notes 1 to 64**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:39:34 +05'30'

**Pramod B. Shukla**
**Partner**

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:35:21 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAM OULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:38:44 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 12:48:57 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:45:31 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Consolidated Statement of Cash Flows for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **A. Cash flows from operating activities** | | |
| **Loss before tax** | (6,868.45) | (277.88) |
| **Adjustments for:** | | |
| Depreciation and amortisation expense | 11,825.72 | - |
| Loss on sale/write-off of property, plant and equipment (net) | 1.91 | |
| Net gain on sale of mutual funds | (719.07) | - |
| Net gain on investments measured at fair value through profit or loss | (296.31) | - |
| Liabilities no longer required written back | (79.00) | - |
| Interest income | (435.04) | - |
| Interest on income tax refund | (8.28) | |
| Impairment charge/(reversal) of impairment of intangible assets and investment properties (net) | 5,871.87 | - |
| Impairment loss allowance on financial assets (including write-offs) | 59.74 | - |
| Finance costs | 8,731.29 | - |
| **Operating cash flows before working capital changes and other adjustments** | **18,084.38** | **(277.88)** |
| **Working capital changes and other adjustments:** | | |
| Decrease/(Increase) in inventories | (64.03) | - |
| Decrease/(Increase) in trade receivables | 151.16 | - |
| Decrease/(Increase) in financial assets and non financial assets | 1,605.42 | (0.24) |
| (Decrease)/Increase in trade payables | (528.89) | 253.89 |
| (Decrease)/Increase in provisions | 2.39 | - |
| (Decrease)/Increase in financial liabilities and non financial liabilities | (183.87) | 24.23 |
| **Cash flow generated from operating activities post working capital changes** | **19,066.56** | **-** |
| Income tax (paid)/ refund (net) | (367.10) | - |
| **Net cash generated from operating activities (A)** | **18,699.46** | **-** |
| **B. Cash flows from investing activities** | | |
| Acquisition of property, plant and equipment & intangible assets | (5,107.58) | - |
| Proceeds from sale of property, plant and equipment | (1.91) | - |
| Movement in bank balances (including deposits) not considered as cash and cash equivalents (net) | (3,287.78) | - |
| Investment/(redemption) from mutual funds (net) | (2,187.13) | - |
| Interest received | 255.51 | - |
| **Net cash used in investing activities (B)** | **(10,328.89)** | **-** |
| **C. Cash flows from financing activities** | | |
| Proceeds from issue of unit capital | 38,025.92 | - |
| Expenses incurred towards issue of units | (10.94) | - |
| Proceeds from long term borrowings | 1,08,800.00 | - |
| Processing fees paid | (638.00) | |
| Repayment of long term borrowings | (1,33,798.23) | - |
| Interest paid (including interest capitalised) | (16,683.62) | - |
| Distribution to unitholders | (7,935.63) | - |
| **Net cash used in financing activities (C)** | **(12,240.50)** | **-** |
| **D. Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **(3,869.93)** | **-** |
| **E.** Cash and cash equivalents at the beginning of the year | - | - |
| Cash and cash equivalents acquired on asset acquistion (refer note 51) | 6,285.17 | - |
| **Cash and cash equivalents at the end of the year (D+E) (Refer reconciliation below)** | **2,415.24** | **-** |
| **Reconciliation of cash and cash equivalents as per Consolidated Statement of Cash Flows** | | |
| Cash and cash equivalents as per above comprise of following: | | |
| Cash and cash equivalents [Refer note 15] | 2,416.84 | - |
| Less: Earmarked balances [Refer note 15] | (1.60) | - |
| **Balance as per Consolidated Statement of Cash Flows** | **2,415.24** | **-** |

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

(ii) The Trust has issued units in exchange for investments in SPVs' during the year ended March 31, 2024. The same has not been reflected in Consolidated Statement of Cash Flow since these were non-cash transaction.

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**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Consolidated Statement of Cash Flows for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**(iii) Changes in liabilities arising from financing activities**

**For the year ended March 31, 2024**

| Particulars | Balance as at April 01, 2023 | Addition on account of acquisition (refer note 51) | Cash flows from financing activities | | Processing fees paid | Ind AS Adjustment | Balance as at March 31, 2024 |
|---|---|---|---|---|---|---|---|
| | | | Inflow | Outflow | | | |
| **Long Term Borrowings** | | | | | | | |
| Term loan | - | 64,115.33 | 98,500.00 | (66,973.29) | (609.02) | 86.37 | 95,119.39 |
| Non Convertible Debentures, Debt Securities and Optionally Convertible Debentures | - | 68,359.81 | 10,300.00 | (66,554.92) | (28.98) | 6.46 | 12,082.37 |
| Other long term borrowings | - | 419.28 | - | (270.02) | - | 1.71 | 150.97 |
| **Total liabilities from financing activities** | **-** | **1,32,894.42** | **1,08,800.00** | **(1,33,798.23)** | **(638.00)** | **94.54** | **1,07,352.73** |

**For the year ended March 31, 2023**

| Particulars | Balance as at April 01, 2022 | Addition on account of Acquisition | Cash flows from financing activities | | Processing fees paid | Ind AS Adjustment | Balance as at March 31, 2023 |
|---|---|---|---|---|---|---|---|
| | | | Inflow | Outflow | | | |
| **Long Term Borrowings** | | | | | | | |
| Term loan | - | - | - | - | - | - | - |
| Non Convertible Debentures, Debt Securities and Optionally Convertible Debentures | - | - | - | - | - | - | - |
| Other long term borrowings | - | - | - | - | - | - | - |
| **Total liabilities from financing activities** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

**The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes 1 to 64**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:36:37 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:35:33 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:38:28 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:41:02 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:45:04 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**A) Statement of Net Assets at Fair Value as at March 31, 2024**

| Particulars | Book value | Fair value |
|---|---|---|
| A. Assets[5] | 2,46,257.52 | 2,86,827.21 |
| B. Liabilities (at book value) | 1,16,768.14 | 1,16,768.14 |
| **C. Net assets (A-B)** | **1,29,489.38** | **1,70,059.07** |
| D. Less: Non controlling interests | 1.75 | 1.75 |
| **E. Net Assets attributable to unit holders of the Trust (C-D)** | **1,29,487.63** | **1,70,057.32** |
| F. Number of Ordinary units | 1,290.35 | 1,290.35 |
| **G. Net Asset Value ("NAV") (E/F)** | **100.35** | **131.79** |
| H. Number of Ordinary units | 1,290.35 | 1,290.35 |
| Add:Estimated Subordinate Units to be reclassified to Ordinary Units[2](i) | 52.50 | 52.50 |
| Total Number of Ordinary and estimated reclassified subordinate units | 1,342.85 | 1,342.85 |
| **I. NAV [E/H]** | **96.43** | **126.64** |

**Notes:**

**1** Fair values of subsidiaries/SPVs are calculated based on the valuation done by independent valuer appointed by the Trust under SEBI (Infrastructure Investments Trust) Regulations, 2014, as amended and after making necessary adjustments to arive at fair value of all assets.

**2** i) Estimated reclassification of Subordinate Units to Ordinary Units on achievement of actual performance matrix in respect of DATRPL (Entitlement Event A as per terms defined in note 20) and projected achievable actual performance matrix in respect of JMTPL and MBEL (Entitlement Event B as per terms defined in note 20).

ii) NAV at book value and fair value, after considering the achieved actual performance matrix in respect of DATRPL Entitlement Event A (pending subordinate units reclassification), is Rs. 97.03 per unit and Rs. 127.44 per unit respectively.

**3** Statement of Net Assets at Fair Value is not given for March 31, 2023 as the Trust has acquired all the SPVs with effect from April 17, 2023.

**4** **Projects wise break up of fair value of assets as at March 31, 2024**

| Particulars | As at March 31, 2024 |
|---|---|
| WUPTPL | 3,272.14 |
| APEL | 3,168.50 |
| JMTPL | 11,610.75 |
| MBEL | 5,836.64 |
| FRHL | 27,926.27 |
| DATRPL | 75,176.39 |
| GAEPL | 32,878.80 |
| WVEPL | 9,796.11 |
| NDEPL | 6,377.47 |
| HTPL | 18,041.66 |
| JLTPL | 13,031.29 |
| JVTPL | 8,549.83 |
| KETPL | 8,846.79 |
| KMTPL | 14,154.59 |
| LRTPL | 9,146.04 |
| MKTPL | 14,034.97 |
| NKTPL | 13,249.44 |
| SMTPL | 9,660.29 |
| Trust | 2,069.24 |
| **Total** | **2,86,827.21** |

**5** Assets at book value are after provision for impairment on intangible assets.

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**B) Statement of Total Returns at Fair Value:**

| Particulars | For the year ended March 31, 2024 |
|---|---|
| Total comprehensive income for the year (as per the Consolidated Statement of Profit and Loss) | (7,058.70) |
| Add/Less: Other changes in fair value for the year not recognized in total comprehensive income[(2)] | 40,569.69 |
| **Total return** | **33,510.99** |

**Notes:**

**1** Statement of Total Returns at Fair Value is not given for March 31, 2023 as the Trust has acquired all the SPVs with effect from April 17, 2023.

**2** Computed based on difference in fair value and book value of total assets as at March 31, 2024 based on the valuation done by independent valuer appointed by the Trust.

The above Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value should be read in conjunction with the accompanying notes 1 to 64

As per our report of even date attached
**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:33:32 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:35:45 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:38:13 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:41:21 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:44:46 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**Cube Highways Trust**
**SEBI Registration Number- IN/INVIT/ 22-23/ 0022**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**

**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**A) Statement of Net Distributable Cash Flows - Cube Highways Trust**

| **Particulars** | **For the year ended March 31, 2024** |
|---|---|
| Cash flows received from the SPVs in the form of; | |
| Interest (net of applicable taxes, if any) | 15,558.12 |
| Dividend (net of applicable taxes, if any) | 1,513.26 |
| Repayment of the debt issued to the SPVs by the Trust or redemption of debentures issued by the SPVs to the Trust | 3,054.20 |
| Add: Proceeds from the SPVs for any capital reduction / buy back / redemption subject to Applicable Laws (net of applicable Taxes, if any) | - |
| Add: Proceeds from sale or transfer or liquidation or redemption or otherwise realization of investments, assets or shares of/interest in SPVs (net of applicable taxes and / or directly attributable transaction costs , if any) | - |
| Add: Proceeds from sale of assets of the SPVs not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently | - |
| Add: Any other income accruing at the Trust level and not captured above, including but not limited to interest / return on surplus cash invested by the Trust | 119.75 |
| **Total cash inflow at the Trust level (A)** | **20,245.33** |
| Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the Investment Manager fees, security trustee fees, annual fees for traffic, technical and other studies and fees for annual valuation. | (8,696.54) |
| Less: Any capital expenditure at any SPV level where sufficient cash is not available | - |
| Less: Costs/retention associated with sale of assets of the SPVs, including transaction costs paid on sale of the assets of the SPVs | - |
| Add: Additional borrowings (including debentures / other securities) adjusted for the following:(1) | 1,46,176.98 |
| · any prepayment of borrowings if deemed necessary by the Investment Manager; | - |
| · any identified end use as specified in the lender agreement or as deemed necessary by the Investment Manager. | - |
| Less: Repayment of external debt | (3,069.92) |
| Less: Income tax (if applicable) at the standalone Trust Level (including capital gains taxes on sale of assets / share in SPVs / other investments) (net of any tax refunds) | (51.17) |
| Less: Related debts settled or due to be settled from sale proceeds of SPVs | - |
| Less: Investment in shares or debentures of SPVs or other similar investments or lending to SPVs (2) | (1,43,842.92) |
| Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the InvIT Regulations | - |
| Less: Net cash set aside (i) to comply with reserve requirements under the loan agreements (including but not limited to DSRA and MMRA) adjusted for amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee, and/or (ii) on a prudential basis for repayments of borrowings etc., as appropriate. | - |
| Less: Any cash reserve deemed necessary by the IM Board for expenses which may be due but for which there may not be commensurate cash available by the date such expenses become due | - |
| Less: Any other adjustment to be undertaken by the Investment Manager to ensure that there is no double counting of the same item for the above calculations | - |
| **Total Adjustments (B)** | **(9,483.57)** |
| **Net Distributable Cash Flows (C) = (A+B)** | **10,761.76** |

**Note:-** The Trust has issued units on April 17, 2023, hence the NDCF is not presented for the year ended March 31, 2023.

(1) Includes proceeds from issue of ordinary unit capital (net of issue expenses) and excludes processing costs.
(2) Includes subordinate loan of Rs. 3,083.20 million being given to NKTPL (SPV) for maintaining Debt Service Reserve Account (DSRA) at InvIT level.
(3) The difference between SPV level NDCF and InvIT level NDCF is primarily on account of utilization of opening cash at the SPV level.

The above Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value should be read in conjunction with the accompanying notes 1 to 64

As per our report of even date attached
**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:30:27 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

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**Sandeep Lakhanpal**
Director
DIN: 07171147
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VINAY CHANDRAMOULI SEKAR
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**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

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Date: 2024.05.22 22:41:41 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

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Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:44:19 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**CUBE HIGHWAYS TRUST**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**B) SPV wise statement of net distributable cash flows for the period from April 17, 2023 to March 31, 2024 (contd.)**

| Particulars | HTPL | JLTPL | JVTPL | KETPL | KMTPL | LRTPL |
|---|---|---|---|---|---|---|
| **Profit after tax as per Statement of Profit and Loss of the SPV (standalone) - A** | **(568.73)** | **30.15** | **57.13** | **(604.09)** | **(664.97)** | **(131.48)** |
| Add: Depreciation, impairment, and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss. | 327.14 | 196.84 | 125.55 | 199.76 | 326.91 | 163.11 |
| Add/less: Loss/gain on sale / transfer / disposal / liquidation of infrastructure assets, investments, other assets of the SPVs (if applicable)[1] | - | - | - | 0.04 | 1.29 | 0.83 |
| Add: Proceeds from sale / transfer / disposal / liquidation of infrastructure assets, investments, other assets of the SPVs (if applicable), adjusted for the following:[1] | - | - | - | - | - | - |
| •related debts settled or due to be settled. | - | - | - | - | - | - |
| •directly attributable transaction costs. | - | - | - | - | - | - |
| •proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations. | - | - | - | - | - | - |
| Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust) adjusted for the following: | 9,814.65 | 4,940.03 | 3,051.06 | 5,988.28 | 8,310.03 | 4,194.23 |
| •any prepayment of borrowings if deemed necessary by the Investment Manager;[2] | (9,814.65) | (4,940.03) | (3,051.06) | (5,988.28) | (8,310.03) | (4,194.23) |
| •any identified end use as specified in the lender agreement or as deemed necessary by the Investment Manager | - | - | - | - | - | - |
| Less: Repayment of accrued interest/principal component of senior and additional debt as approved by NHAI | - | - | - | - | - | - |
| Add : Amount invested by the Trust in the SPV. | - | - | - | - | - | - |
| Add: Any amount received from toll or annuities not recognised as income for the purposes of working out the Profit after tax | - | - | - | - | - | - |
| Less: Any amount payable to third parties as deemed necessary by the Investment Manager, including but not limited to NHAI, any engineering, procurement and construction contractors, if such amount has not already been considered for the determination of profit after tax | - | - | - | - | - | - |
| Add: Interest (or other similar payments) on borrowings (loan, debentures or other instruments) provided by the Trust | 1,200.04 | 606.31 | 375.68 | 798.39 | 1,032.57 | 506.30 |
| Add: Amount received from settlement of any claims. including from NHAI or any engineering, procurement and construction contractors, to the extent not already considered in profit after tax and adjusted for | - | - | - | - | - | - |
| (i) any amount payable to any other group entity / third party as per their contractual agreement(s) and/or | - | - | - | - | - | - |
| (ii) any tax obligation arising from the receipt of such claims | - | - | - | - | - | - |
| Less : Capital expenditure (if any) | (107.37) | (36.85) | (35.16) | (48.95) | (86.98) | - |
| Less: Any amount retained for future earnout payments to Walayar Vadakkencherry Expressways Private Limited, DA Toll Road Private Limited, Farakka Raiganj Highways Limited and Ghaziabad Aligarh Expressway Private Limited as per their contractual agreement(s) | - | - | - | - | - | - |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to | - | - | - | - | - | - |
| •any decrease/increase in carrying amount of an asset or a liability recognised in Statement of Profit and Loss on measurement of the asset or the liability at fair value; | (27.26) | (53.23) | (43.66) | (7.17) | (30.89) | (30.25) |
| •interest cost as per effective interest rate method (difference between accrued and actual paid) | - | - | - | - | - | - |
| •deferred tax, lease rents recognised on a straight line basis; | - | 10.88 | 19.65 | - | - | (9.96) |
| •unwinding of interest cost on interest free loan or other debentures;[3] | 5.26 | 0.99 | 1.09 | 3.25 | 4.59 | 10.70 |
| •portion reserve for major maintenance which has not been accounted for in Statement of Profit and Loss; | - | - | - | - | - | - |
| •reserve for debenture/ loan redemption. | - | - | - | - | - | - |
| •others | - | - | - | - | - | - |
| Less: Net cash set aside (i) to comply with reserve requirements under the loan agreements (including but not limited to DSRA and MMRA) or as decided by the IM Board from time to time, adjusted for amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee, and/or | - | - | - | - | - | - |
| (ii) on a prudential basis for repayments of borrowings etc., as appropriate. | - | - | - | - | - | - |
| Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, deferred / prepaid income or deferred / prepaid expenditure, at the SPV. | (167.68) | (14.04) | (5.69) | 78.33 | 12.65 | (12.41) |
| Less: Any cash reserve deemed necessary by the board of directors of the Investment manager ("IM Board") for expenses which may be due in the next financial year but for which there may not be commensurate cash available by the date such expenses become due | - | - | - | - | - | - |
| Less: Any other adjustment to be undertaken by the Investment Manager to ensure that there is no double counting of the same item for the above calculations | 106.98 | 36.43 | 33.76 | 47.68 | 86.98 | - |
| **Total Adjustments (B)** | **1,337.11** | **747.33** | **471.22** | **1,071.33** | **1,347.12** | **628.32** |
| **Net Distributable Cash Flows (C) = (A +B)*** | **768.38** | **777.48** | **528.35** | **467.24** | **682.15** | **496.84** |

*The difference between SPV level NDCF and InvIT level NDCF is primarily on account of utilization of opening cash at the SPV level.

(1) Excludes Investments in mutual funds and loss/ gain thereon representing temporary investments.
(2) Includes payment of interest accrued on these borrowings.
(3) Includes unwinding of interest on provisions.

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**CUBE HIGHWAYS TRUST**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**B) SPV wise statement of net distributable cash flows for the period from April 17, 2023 to March 31, 2024 (contd.)**

| Particulars | MKTPL | NKTPL | SMTPL | NDEPL | APEL | MBEL |
|---|---|---|---|---|---|---|
| **Profit after tax as per Statement of Profit and Loss of the SPV (standalone) - A** | **(567.09)** | **(790.67)** | **(593.90)** | **(26.25)** | **(74.56)** | **198.18** |
| Add: Depreciation, impairment, and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss. | 308.80 | 243.58 | 200.13 | 300.42 | 0.63 | 170.95 |
| Add/less: Loss/gain on sale / transfer / disposal / liquidation of infrastructure assets, investments, other assets of the SPVs (if applicable)[1] | - | - | - | - | 0.03 | 0.29 |
| Add: Proceeds from sale / transfer / disposal / liquidation of infrastructure assets, investments, other assets of the SPVs (if applicable), adjusted for the following:[1] | - | - | - | - | - | - |
| •related debts settled or due to be settled. | - | - | - | - | - | - |
| •directly attributable transaction costs. | - | - | - | - | - | - |
| •proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations. | - | - | - | - | - | - |
| Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust) adjusted for the following: | 7,539.69 | 10,515.97 | 5,948.65 | 4,096.67 | 2,050.18 | 858.44 |
| •any prepayment of borrowings if deemed necessary by the Investment Manager;[2] | (7,539.69) | (7,140.48) | (5,948.65) | (4,096.67) | (1,750.18) | (858.44) |
| •any identified end use as specified in the lender agreement or as deemed necessary by the Investment Manager | - | - | - | - | - | - |
| Less: Repayment of accrued interest/principal component of senior and additional debt as approved by NHAI | - | - | - | - | (692.00) | (161.55) |
| Add : Amount invested by the Trust in the SPV. | - | - | - | - | - | - |
| Add: Any amount received from toll or annuities not recognised as income for the purposes of working out the Profit after tax | - | - | - | - | 701.80 | - |
| Less: Any amount payable to third parties as deemed necessary by the Investment Manager, including but not limited to NHAI, any engineering, procurement and construction contractors, if such amount has not already been considered for the determination of profit after tax | - | (87.18) | - | - | - | - |
| Add: Interest (or other similar payments) on borrowings (loan, debentures or other instruments) provided by the Trust | 1,016.46 | 1,143.56 | 788.19 | 481.12 | 227.84 | 110.74 |
| Add: Amount received from settlement of any claims. including from NHAI or any engineering, procurement and construction contractors, to the extent not already considered in profit after tax and adjusted for | - | - | - | - | - | - |
| (i) any amount payable to any other group entity / third party as per their contractual agreement(s) and/or | - | - | - | - | - | - |
| (ii) any tax obligation arising from the receipt of such claims | - | - | - | - | - | - |
| Less : Capital expenditure (if any) | (44.20) | (62.37) | (37.20) | (3.78) | (0.56) | (7.80) |
| Less: Any amount retained for future earnout payments to Walayar Vadakkencherry Expressways Private Limited, DA Toll Road Private Limited, Farakka Raiganj Highways Limited and Ghaziabad Aligarh Expressway Private Limited as per their contractual agreement(s) | - | - | - | - | - | - |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to | - | - | - | - | - | - |
| •any decrease/increase in carrying amount of an asset or a liability recognised in Statement of Profit and Loss on measurement of the asset or the liability at fair value; | (5.41) | (22.59) | (1.89) | 1.15 | (22.65) | (14.97) |
| •interest cost as per effective interest rate method (difference between accrued and actual paid) | - | - | - | - | 1.81 | 2.44 |
| •deferred tax, lease rents recognised on a straight line basis; | - | - | - | - | (0.02) | (10.36) |
| •unwinding of interest cost on interest free loan or other debentures;[3] | - | 3.14 | 4.17 | - | - | 62.03 |
| •portion reserve for major maintenance which has not been accounted for in Statement of Profit and Loss; | - | - | - | - | - | - |
| •reserve for debenture/ loan redemption. | - | - | - | - | - | - |
| •others | - | - | - | - | (5.82) | 22.32 |
| Less: Net cash set aside (i) to comply with reserve requirements under the loan agreements (including but not limited to DSRA and MMRA) or as decided by the IM Board from time to time, adjusted for amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee, and/or | - | (3,288.31) | - | - | (300.00) | - |
| (ii) on a prudential basis for repayments of borrowings etc., as appropriate. | - | - | - | - | - | - |
| Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, deferred / prepaid income or deferred / prepaid expenditure, at the SPV. | 58.12 | (273.05) | 66.17 | (33.21) | 590.10 | (220.70) |
| Less: Any cash reserve deemed necessary by the board of directors of the Investment manager ("IM Board") for expenses which may be due in the next financial year but for which there may not be commensurate cash available by the date such expenses become due | - | - | - | - | - | - |
| Less: Any other adjustment to be undertaken by the Investment Manager to ensure that there is no double counting of the same item for the above calculations | 42.32 | 59.90 | 33.79 | - | - | - |
| **Total Adjustments (B)** | **1,376.09** | **1,092.17** | **1,053.36** | **745.70** | **801.16** | **(46.61)** |
| **Net Distributable Cash Flows (C) = (A +B)*** | **809.00** | **301.50** | **459.46** | **719.45** | **726.60** | **151.57** |

*The difference between SPV level NDCF and InvIT level NDCF is primarily on account of utilization of opening cash at the SPV level.

(1) Excludes Investments in mutual funds and loss/ gain thereon representing temporary investments.
(2) Includes payment of interest accrued on these borrowings.
(3) Includes unwinding of interest on provisions.

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**CUBE HIGHWAYS TRUST**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**Disclosures Pursuant To SEBI Circulars**
**Additional disclosures as required by paragraph 6 of the chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**B) SPV wise statement of net distributable cash flows for the period from April 17, 2023 to March 31, 2024**

| Particulars | JMTPL | WUPTL | GAEPL | WVEPL | FRHL | DATRPL |
|---|---|---|---|---|---|---|
| **Profit after tax as per Statement of Profit and Loss of the SPV (standalone) - A** | **1,218.25** | **140.36** | **(269.72)** | **(127.64)** | **(843.14)** | **(610.96)** |
| Add: Depreciation, impairment, and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss. | 349.09 | 792.94 | 567.89 | 239.83 | 538.49 | 1,196.04 |
| Add/less: Loss/gain on sale / transfer / disposal / liquidation of infrastructure assets, investments, other assets of the SPVs (if applicable)(1) | 0.46 | 0.24 | 0.36 | - | 0.20 | 0.13 |
| Add: Proceeds from sale / transfer / disposal / liquidation of infrastructure assets, investments, other assets of the SPVs (if applicable), adjusted for the following:(1) | (0.00) | - | - | 4.57 | - | - |
| •related debts settled or due to be settled. | - | - | - | - | - | - |
| •directly attributable transaction costs. | - | - | - | - | - | - |
| •proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations. | - | - | - | - | - | - |
| Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust) adjusted for the following: | 1,974.58 | 2,585.15 | 21,154.60 | 5,226.39 | 16,641.28 | 28,953.03 |
| •any prepayment of borrowings if deemed necessary by the Investment Manager;(2) | (1,974.58) | (2,585.15) | (16,298.35) | (5,226.39) | (16,641.28) | (28,953.03) |
| •any identified end use as specified in the lender agreement or as deemed necessary by the Investment Manager | - | - | - | - | - | - |
| Less: Repayment of accrued interest/principal component of senior and additional debt as approved by NHAI | - | - | - | - | - | - |
| Add : Amount invested by the Trust in the SPV. | - | - | - | - | - | - |
| Add: Any amount received from toll or annuities not recognised as income for the purposes of working out the Profit after tax | - | - | - | - | - | - |
| Less: Any amount payable to third parties as deemed necessary by the Investment Manager, including but not limited to NHAI, any engineering, procurement and construction contractors, if such amount has not already been considered for the determination of profit after tax | - | - | (1,200.50) | - | - | - |
| Add: Interest (or other similar payments) on borrowings (loan, debentures or other instruments) provided by the Trust | 203.44 | 279.31 | 2,519.47 | 656.98 | 2,084.13 | 3,304.36 |
| Add: Amount received from settlement of any claims. including from NHAI or any engineering, procurement and construction contractors, to the extent not already considered in profit after tax and adjusted for | - | - | - | - | - | - |
| (i) any amount payable to any other group entity / third party as per their contractual agreement(s) and/or | - | - | - | - | - | - |
| (ii) any tax obligation arising from the receipt of such claims | - | - | - | - | - | - |
| Less : Capital expenditure (if any) | (1.92) | (1.16) | (3,808.50) | (4.35) | (6.98) | (36.41) |
| Less: Any amount retained for future earnout payments to Walayar Vadakkencherry Expressways Private Limited, DA Toll Road Private Limited, Farakka Raiganj Highways Limited and Ghaziabad Aligarh Expressway Private Limited as per their contractual agreement(s) | - | - | - | - | - | - |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to | - | - | - | - | - | - |
| •any decrease/increase in carrying amount of an asset or a liability recognised in Statement of Profit and Loss on measurement of the asset or the liability at fair value; | (2.50) | (6.45) | 3.28 | 0.29 | (9.71) | (20.92) |
| •interest cost as per effective interest rate method (difference between accrued and actual paid) | - | - | - | - | - | - |
| •deferred tax, lease rents recognised on a straight line basis; | (202.90) | - | - | - | - | 89.87 |
| •unwinding of interest cost on interest free loan or other debentures;(3) | 15.56 | 18.83 | 36.53 | 0.99 | 5.18 | 6.68 |
| •portion reserve for major maintenance which has not been accounted for in Statement of Profit and Loss; | - | - | - | - | - | - |
| •reserve for debenture/ loan redemption. | - | - | - | - | - | - |
| •others | 3.79 | 4.65 | (12.27) | 0.23 | (2.74) | (20.68) |
| Less: Net cash set aside (i) to comply with reserve requirements under the loan agreements (including but not limited to DSRA and MMRA) or as decided by the IM Board from time to time, adjusted for amount released from DSRA/MMRA or any other reserve in lieu of providing bank guarantee, and/or | - | - | - | - | - | - |
| (ii) on a prudential basis for repayments of borrowings etc., as appropriate. | - | - | - | - | - | - |
| Add/Less: Other adjustments, including but not limited to net changes in security deposits, working capital, deferred / prepaid income or deferred / prepaid expenditure, at the SPV. | (117.00) | (47.23) | (818.80) | (265.11) | (82.26) | (1,633.28) |
| Less: Any cash reserve deemed necessary by the board of directors of the Investment manager ("IM Board") for expenses which may be due in the next financial year but for which there may not be commensurate cash available by the date such expenses become due | - | - | (1,000.00) | - | - | (100.00) |
| Less: Any other adjustment to be undertaken by the Investment Manager to ensure that there is no double counting of the same item for the above calculations | - | - | 1,653.10 | - | - | - |
| **Total Adjustments (B)** | **248.02** | **1,041.13** | **2,796.81** | **633.43** | **2,526.31** | **2,785.79** |
| **Net Distributable Cash Flows (C) = (A +B)*** | **1,466.27** | **1,181.49** | **2,527.09** | **505.79** | **1,683.17** | **2,174.83** |

*The difference between SPV level NDCF and InvIT level NDCF is primarily on account of utilization of opening cash at the SPV level.

(1) Excludes Investments in mutual funds and loss/ gain thereon representing temporary investments.
(2) Includes payment of interest accrued on these borrowings.
(3) Includes unwinding of interest on provisions.

As per our report of even date attached
**For S.B. Billimoria & Co. LLP**
Chartered Accountants

Pramod Baijnath Shukla
Digitally signed by Pramod Baijnath Shukla
Date: 2024.05.22 23:27:04 +05'30'

**Pramod B. Shukla**
Partner

Place: Noida
Date: May 22, 2024

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal
Digitally signed by Sandeep Lakhanpal
Date: 2024.05.22 22:36:21 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR
Digitally signed by VINAY CHANDRAMOULI SEKAR
Date: 2024.05.22 22:37:41 +05'30'

**Vinay Chandramouli Sekar**
Chief Executive Officer

Place : Noida
Date: May 22, 2024

PANKAJ VASANI
Digitally signed by PANKAJ VASANI
Date: 2024.05.22 22:42:03 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA
Digitally signed by MRIDUL GUPTA
Date: 2024.05.22 22:43:56 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**

## 1. Group Information

(i) The Consolidated Financial Statements comprise financial statements of the Cube Highways Trust and its subsidiaries.

Cube Highways and Transportation Assets Advisors Private Limited ("Settlor") set up Cube Highways Trust (the "Trust") by way of the Original Trust Deed dated December 7, 2021 as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882. The registered office address of the Trust is B-376, UGF, Nirman Vihar, New Delhi 110092.

On April 5, 2022, the Trust got registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, having registration number IN/InvIT/22-23/0022. The Original Trust Deed was amended and restated by way of the Trust Deed dated July 8, 2022. The Trustee to the Trust is Axis Trustee Services Limited (the "Trustee"). The Investment Manager for the Trust is Cube Highways Fund Advisors Private Limited (the "Investment Manager").

The objective of the Trust is to carry on the activities of an infrastructure investment trust, as permissible under the InvIT Regulations. The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. All the Road projects of entities to be included in the Trust Group held through 18 special purpose vehicles ("SPVs/Project SPV's /Subsidiaries" together with the Trust referred as " Trust Group").

(ii)(a) In April 2023, the Trust has made an Initial offer of 522,582,727 Ordinary Units through a private placement at a price of ₹ 100 per Ordinary Unit (the "Offer Price"), aggregating to ₹ 52,258.27 million (the "Offer"). The Offer comprises a fresh issue of 380,259,172 Ordinary Units aggregating to ₹ 38,025.92 million by the Trust (the "Fresh Issue") and an offer for sale of 142,323,555 Ordinary Units aggregating to ₹ 14,232.36 million by the Selling Unitholders (viz. Cube Highways and Infrastructure Pte. Ltd.; Cube Highways and Infrastructure II Pte. Limited and Cube Highways and Infrastructure III Pte. Ltd (the "Offer for Sale"). The Offer has been fully subscribed.

On April 17,2023, the first allotment of 910,086,940 Ordinary Units of Rs. 100 each (including above referred Offer for Sale of 142,323,555 Ordinary Units) and 157,500,000 Subordinate Units of Rs. 100 each aggregating to ₹ 106,758.69 million to the Sponsors (viz. Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd., collectively referred to as "Sponsors") and/or their associates (viz. Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd., collectively referred to as "Associates") has been made by the Trust to the Sponsors and/or their associates (on the date of closing under the Share Purchase Agreements ("SPA") entered amongst the Sponsors, their associates, the Trustee, acting on behalf of the Trust, the Investment Manager and the Special Purpose Vehicles ("SPVs") (referred below) in accordance with the respective SPA. Further, pursuant to a fresh issue, the Trust allotted 380,259,172 Ordinary Units of Rs. 100 each.

(ii)(b) On April 17, 2023, the Trust, acting through the Trustee, has acquired the entire equity shareholding of each of the following SPVs (except for 0.03% of the equity share capital of MBEL) from the Sponsors and the other shareholders pursuant to the SPAs referred above, in exchange of 910,086,940 Ordinary Units of Rs. 100 each and 157,500,000 Subordinate Units of Rs. 100 each, both aggregating to Rs. 106,758.69 million.

| Sr. No. | Name of SPVs | Date of incorporation | Principal activity | Name of the shareholders along with percentage of Shareholding till April 16, 2023 | Name of the shareholders along with percentage of Shareholding from April 17, 2023 |
|---|---|---|---|---|---|
| 1 | Western UP Tollway Private Limited (WUPTPL) (formerly known as | 20-Apr-05 | Construction, operation & maintenance of toll roads | Cube Highways and Infrastructure Pte Limited, along with nominees – 100% | Cube Highways Trust-100% |

| Sr. No. | Name of SPVs | Date of incorporation | Principal activity | Name of the shareholders along with percentage of Shareholding till April 16, 2023 | Name of the shareholders along with percentage of Shareholding from April 17, 2023 |
|---|---|---|---|---|---|
| | Western UP Tollway Limited) | | including toll collection | | |
| 2 | Andhra Pradesh Expressway Limited (APEL) | 11-Nov-05 | | Cube Highways and Infrastructure Pte Limited, along with nominees – 100% | Cube Highways Trust-100% |
| 3 | Jaipur-Mahua Tollway Private Limited (JMTPL) (formerly known as Jaipur-Mahua Tollway Limited) | 18-Mar-05 | | Cube Highways and Infrastructure Pte Limited, along with nominees – 100% | Cube Highways Trust-100% |
| 4 | Mahua Bharatpur Expressways Limited (MBEL) | 23-Mar-05 | | Cube Highways and Infrastructure Pte Limited, Singapore along with nominees – 99.97%<br>Madhucon Infra Limited-0.03% | Cube Highways Trust-99.97%<br>Madhucon Infra Limited-0.03% |
| 5 | Farakka Raiganj Highways Limited (FRHL) | 11-Mar-10 | | Cube Highways and Infrastructure II Pte Limited, Singapore along with its nominees – 100% | Cube Highways Trust-100% |
| 6 | DA Toll Road Private Limited (DATRPL) | 26-Jun-10 | | Cube Highways and Infrastructure-III Pte Limited, along with nominee – 100% | Cube Highways Trust-100% |
| 7 | Ghaziabad Aligarh Expressway Private Limited (GAEPL) | 18-Dec-09 | | Cube Highways and Infrastructure Pte Ltd along with Nominee holds 100% (w.e.f May 25, 2022) | Cube Highways Trust-100% |
| 8 | Walayar Vaddakencherry Expressways Private Limited (WVEPL) (formerly known as "KNR Walayar Tollways Private Limited") | 16-Aug-12 | | Cube Highways and Infrastructure-III Pte Limited, along with nominees – 100% | Cube Highways Trust-100% |
| 9 | Nelamangala Devihalli Expressway Private Limited (NDEPL) (formerly known as "Gradient Infra Assets Advisors Private Limited") | 20-Nov-17 | Toll collection from the users and operation and maintenance of Road Projects. | Cube Highways and Infrastructure I-D Pte. Limited, along with nominees – 100% | Cube Highways Trust-100% |
| 10 | Hazaribagh Tollway Private Limited (HTPL) (formerly known as | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |

| Sr. No. | Name of SPVs | Date of incorporation | Principal activity | Name of the shareholders along with percentage of Shareholding till April 16, 2023 | Name of the shareholders along with percentage of Shareholding from April 17, 2023 |
|---|---|---|---|---|---|
| | Hazaribagh Tollway Limited) | | | | |
| 11 | Jhansi-Lalitpur Tollway Private Limited (JLTPL) (formerly known as Jhansi-Lalitpur Tollway Limited) | 17-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |
| 12 | Jhansi-Vigakhet Tollway Private Limited (JVTPL) (formerly known as Jhansi-Vigakhet Tollway Limited) | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |
| 13 | Kanyakumari-Etturavattam Tollway Private Limited (KETPL) (formerly known as Kanyakumari-Etturavattam Tollway Limited) | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |
| 14 | Kotwa-Muzaffarpur Tollway Private Limited (KMTPL) (formerly known as Kotwa-Muzaffarpur Tollway Limited) | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |
| 15 | Lucknow-Raebareli Tollway Private Limited (LRTPL) (formerly known as Lucknow-Raebareli Tollway Limited) | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |
| 16 | Madurai-Kanyakumari Tollway Private Limited (MKTPL) (formerly known as Madurai-Kanyakumari Tollway Limited) | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |
| 17 | Nanguneri-Kanyakumari Tollway Private | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |

| Sr. No. | Name of SPVs | Date of incorporation | Principal activity | Name of the shareholders along with percentage of Shareholding till April 16, 2023 | Name of the shareholders along with percentage of Shareholding from April 17, 2023 |
|---|---|---|---|---|---|
| | Limited (NKTPL) (formerly known as Nanguneri-Kanyakumari Tollway Limited) | | | | |
| 18 | Salaipudhur-Madurai Tollway Private Limited (SMTPL) (formerly known as Salaipudhur-Madurai Tollway Limited) | 13-Dec-19 | | Cube Mobility Investment Pte Limited along with its nominees – 100% | Cube Highways Trust-100% |

(ii)(c) 1,290,346,112 Ordinary units of Rs. 100 each {comprising of 380,259,172 Ordinary Units (Fresh Issue) and 910,086,940 Units including 142,323,555 Ordinary Units (Offer for Sale) issued in terms of SPA} got admitted to National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) for listing on April 19, 2023.

## 2. Basis of preparation and material accounting policies

### I. Basis of preparation

The Consolidated Financial Statements of the Trust Group comprising of the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Unitholders' Equity for the year then ended, the Statement of Net Assets at Fair Value as at March 31, 2024, the Statement of Total Return at Fair Value, and the Statement of Net Distributable Cash Flows (NDCFs) for the year then ended and a summary of material accounting policies and other explanatory notes have been prepared in accordance with the Indian Accounting Standard as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India to the extent not inconsistent with the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("SEBI InvIT Regulations").

The Consolidated Financial Statements of the Trust for the Year ended March 31, 2024 has been prepared in accordance with Indian Accounting Standard, as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ("Ind AS") and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations including SEBI Master Circular SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 herein after referred to as "SEBI Master Circular". Refer note 20 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32- Financial Instruments: Presentation). The Trust Group has applied the accounting policies during the periods presented.

The Consolidated Financial Statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the Consolidated Financial Statements have been prepared on historical cost basis using uniform policies as explained in the accounting policies below for like transactions and other events in similar circumstances, except for certain financial instrument and contingent consideration which are measured at fair value at the end of each reporting period as explained in relevant accounting policies.

The Consolidated Financial Statements are presented in India Rupees which is also the functional currency of the Trust Group, and all values are rounded to the nearest million, unless otherwise indicated.

**Impact of the initial application of new and amended IND ASs that are effective for current year:**

In the current year, the Trust Group has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after April 1, 2023.

(a) The Trust Group has adopted the amendments to Ind AS 1 – "Presentation of Financial Statements" for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

(b) The Trust Group has adopted the amendments to Ind AS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" for the first time in the current year. The amendment replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

The above amendments had no impact on these Consolidated Financial Statements

## II. Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India to the extent not inconsistent with the SEBI InvIT Regulations as more fully prescribed above and as given in Note 20 to the Consolidated Financial Statements.

## III. Summary of Material Accounting Policies

### a) Basis of Consolidation

Trust Group consolidates entities which it owns or controls. Control exists when the Trust has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date on which control is transferred to the Trust Group until the date control ceases.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The Trust Group combines the financial statements of the Trust and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated.

### b) Asset Acquisition

If the acquisition of the asset or a group of assets does not constitute a business, the Trust identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets) and liabilities assumed. The cost of the group is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase and no goodwill is recognised.

### c) Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Trust Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

### d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of these Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures.

The Management believes that the estimates used in preparation of the Consolidated Financial Statements are prudent and reasonable. Actual Statements could differ due to these estimates and the differences between the actual Statements and the estimates are recognised in the periods in which the Statements are known / materialise.

1. **Classification of Unitholders' funds:**

   The Unit Capital has been presented as "Equity" in accordance with the SEBI InvIT Regulations instead of compound financial instrument. Refer note 12 on presentation of "Unit capital" as "Equity" instead of compound financial instruments under Indian Accounting Standard (Ind AS) 32- Financial Instruments: Presentation.

2. **Fair valuation and disclosures**

   SEBI Master Circular issued under the SEBI InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager of the Trust works closely with the valuers to establish the appropriate valuation techniques and inputs to the valuation model. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as weighted average cost of capital ("WACC"), tax rates, inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

3. **Applicability of service concession arrangement accounting to toll roads concessionaire arrangements**

   The Trust Group has determined that Appendix D to Ind AS 115 "Revenue from Contracts with Customers" relating to 'Service Concession Arrangements' is applicable to the SPVs which provides an accounting by the operators of public to private service concession arrangements. The SPVs have entered into concession arrangement with National Highway Authority of India (NHAI) (the "Authority") as per which the individual SPVs would participate in Design, Build, Finance, Operate and Transfer (DBFOT) or Toll Operate Transfer (TOT) of the toll roads infrastructure. After the end of the Concession arrangement, the SPVs have to transfer the infrastructure i.e. toll roads constructed to the Authority.

   Accordingly, the SPVs other than APEL have recognized the intangible assets as per the accounting policy mentioned in Note (d) Intangible Assets.

   APEL has the right to receive fixed annuity payments from NHAI during the concession period and has adopted Cash flow financial model. The Cash flow financial model indicates the cash flow to be generated over the project lifecycle. The key inputs of the financial model comprise of revenue inflows (annuity), expenses to incurred to earn the revenue, estimations on cost to build and maintain the asset, interest obligations based on financing pattern and other operational efficiencies. These inputs are based on circumstances existing and management judgement / assumption on the future expectations based on current situations. Judgements include management view on changes in interest rates, cost inflation, government policy changes, etc. which are reviewed periodically by the management.

4. **Future revenue projections for the balance concession period**
The future revenue projections are based on the assumptions made by the Trust Group's management regarding future traffic growth and inflation factor for assessing user toll fee as supported by the studies from the third-party independent consultant for individual SPV done at reasonable intervals.

The Trust Group uses the future revenue projections for the following purposes:

a) **Amortisation of Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway**: Certain SPVs (viz. MBEL, JMTPL, WUPTPL and GAEPL) which has toll collection rights in respect of SCA commenced before April 1, 2014, recognizes the amortization of intangible assets relating to SCA based on proportion of actual revenue earned for the period over the sum of actual revenue for the period and projected revenue from Toll Road Carriageway expected to be earned over the balance concession period as estimated by the management of respective SPVs. For other SPVs which has toll collection rights in respect of SCA commenced after April 1, 2014, the intangible assets relating to Service Concession Agreements is being amortised over the estimated useful life (being the concession period). The concession period is specified as per SCA agreement entered by the respective SPVs. However, the same is dependent on the revenue generated during the concession period as per the terms of SCA with NHAI and it may vary based on the estimation. The estimated useful life of Rights under Service Concession Arrangement – Intangible assets and the projected revenue is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

b) The Trust Group also uses future revenue projections for accounting of the claim/compensation granted by the Concessionaire by way of extension of concession period.

5. **Provision for periodic maintenance (overlay expenses)**
The Trust Group estimates and provides for contractual obligations as per SCA with NHAI to restore the infrastructure to a specified level of serviceability at periodic intervals during the SCA period or before it is handed over to NHAI. These estimates are corroborated through purchase orders/ work orders placed or to be placed by the Trust Group as per the road survey reports issued by an independent field expert and major maintenance strategy/ methodology approved by the Independent Consultant appointed by NHAI. As the estimated cost is based on the various assumptions such as current infrastructure (road, pavements, etc.) condition, expected timings of costs, inflation in material cost, discount rate, government policies etc., hence the Trust Group's management is required to apply judgement over these factors for revalidating the provision for expenses which is reviewed on annual basis.

6. **Provision for Improvement works**
Certain SPVs estimates and provides for contract liability in respect of unavoidable obligations to improve/upgrade the infrastructure to be undertaken as per the Concession Agreement with NHAI. These estimates are corroborated through purchase orders/ work orders placed or to be placed by these SPVs as per the road survey reports issued by an independent field expert. As the estimated cost is based on the various assumptions such as current infrastructure (road, pavements, etc.) condition, inflation in material cost etc., hence the Trust Group's management is required to apply judgement over these factors.

7. **Income taxes and deferred tax**
Judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve interpretation issues, which can only be resolved over extended time periods.

Significant management judgement is also required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Trust Group reviews the carrying amount of deferred tax assets (net) at the end of each reporting period. The Trust Group has recognised the deferred tax assets relating to carried forward losses and minimum alternate tax (MAT) credit to the extent there are sufficient taxable temporary differences available against which the unused tax losses can be utilized. Further, deferred tax assets have been

recognised to the extent of deferred tax liabilities, in the absence of reasonable certainty that future taxable amounts will be available to utilize temporary differences.

The Trust Group has not recognised the deferred tax assets and liabilities on deductible temporary differences and tax losses reversing or originating and reversing during tax holiday period under section 80IA of the Income-tax Act, 1961 which have been estimated basis the future projections.

**8. Accounting for acquisition of Subsidiaries**

The Trust Group has applied the optional concentration test, under Ind AS 103 "Business Combination", and concluded that the acquired set of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in Intangible Assets- Rights under Service Concession Arrangements (other than APEL) and Receivable under Service Concession Arrangements (for APEL), with similar risk characteristics. Accordingly, this transaction has been accounted for as an asset acquisition (Refer Note 52).

**9. Impairment of financial assets**

The impairment provision for financial assets is based on assumptions about risk of default and expected loss rates. The Trust Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the existing market conditions as well as forward looking estimates at the end of each reporting period.

**10. Impairment of intangible assets - Rights under Service Concession Arrangements**

The Trust Group uses the estimated future cash flows in assessing value in use for intangible assets. Future estimated cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The recoverable amounts for the intangible assets are based on value in use of the underlying SPVs as determined by an independent valuer using discounted cash flow method which involves management judgement in respect of various key assumptions used as inputs such as determination of future cash flows, discount rates, revenue growth rates and inflation rates amongst other. The cash flows are derived from forecasts over the remaining SCA period of the SPVs.

**11. Accounting of Compound financial instruments**

Certain SPVs included in the Trust Group have issued Unsecured, Optionally Convertible Debentures (OCDs) on private placement basis to various related parties (Subscribers) in previous years. During the current year, the OCD Subscribers sought premature redemption of the OCDs at face value with accrued but unpaid interest on the OCDs. The SPVs have allocated the consideration paid for redemption of OCDs to the liability and equity components of the instrument at the date of the redemption.

**12. Useful lives of property, plant, and equipment**

Management of the Trust Group reviews the useful lives of property, plant and equipment at each reporting date to ensure that the useful lives represent the expected utility of the assets to the Trust Group.

**13. Obligations relating to employee benefits**

The employee benefit obligation depends on several factors that are determined on an actuarial basis using several assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employee benefit obligations.

**e) Property, plant, and equipment**

Property, plant and equipment are stated at historical cost, as applicable, less accumulated depreciation and cumulative impairment losses, if any.

Historical cost includes purchase price, borrowing costs and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to qualifying assets and includes borrowing costs capitalised in accordance with the Trust Group's accounting policy. Such properties are classified to the appropriate categories of property, plant, and equipment when completed and ready for intended use.

Depreciation on Plant and Equipment is provided using straight-line method based on estimated useful life. The estimated useful life of all the property, plant and equipment is ascertained by the management using the best estimate on the basis of technical evaluation, which is depreciated based on useful life as prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each period end and adjusted prospectively, if appropriate.

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Gains or losses arising from derecognition of a Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

**f) Intangible assets**

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the Trust Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, or deemed cost less accumulated amortisation, and cumulative impairment, if any.

Intangible Assets are stated at historical cost/deemed cost in certain SPVs (elected in accordance with Ind AS 101), as applicable, less accumulated amortisation and cumulative impairment losses, if any.

**(i) Rights under Service Concession Arrangements (SCA)**

Rights under SCA obtained in consideration for concession fee for development of toll roads under Toll-Operate-Transfer (TOT) or Build-Operate-Transfer (BOT) basis respectively represent the right to collect toll revenue during the concession period. The cost also includes corresponding obligations of the SPVs under the Concession Agreement entered with the Authority related to construction /improvements of the Project Highway granted to the SPVs. Rights under SCA are capitalized as intangible assets upon obtaining the commencement of operation certificate from the authorities at cumulative development costs. The revenue from toll collection/other income during the construction period is reduced from cost of development of intangible assets. Till the completion of the construction, the development costs are recognised under intangible assets under development.

Obligation towards negative grants and the cost incurred for work beyond the original scope per SCA (normally referred as "Change of Scope") or upgrade services is capitalized as intangible assets under development as and when incurred. Reimbursement in respect of such amounts from the Authority is reduced from the carrying amount of intangible assets under development to the extent of actual receipts. Any grant from the Authority in connection with project development is reduced from the cost of the intangible assets.

Extension of concession period by the Authority in respect of compensation for claims made by the SPVs are capitalized as part of Toll Collection Rights on acceptance of the claim. Where the SPVs have a contractual right to an extension in the concession period as per the concession agreement, the same is capitalized when the right to extension in the concession period is established at the estimated amounts of eligible claims.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

**Amortisation of intangible assets (Rights under SCA)**

The Rights under SCA in respect of road projects of certain SPVs (viz. MBEL, JMTL, WUPTL and GAEPL) are amortized over the period of concession using the revenue-based amortization method prescribed under Schedule II to the Companies Act, 2013. Under the revenue-based method, amortization is based on proportion of actual revenue earned for the period over the sum of actual revenue for the current period and projected revenue from Toll Road Carriageway expected to be earned over the balance concession period as estimated by the management of respective SPVs. Total projected revenue is reviewed at the end of each period end and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the period so that the whole of the cost of the intangible asset is amortized over the concession period.

For all the other SPVs, the Rights under SCA is amortised over the shorter of the estimated period of future economic benefits which the intangible assets are expected to generate or the concession period, from the date they are available for use. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

**(ii) Other intangible assets**

Other intangible assets comprise of cost of software acquired for in-house use. These assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are derecognized when no future economic benefits are expected from use or disposal. Amortization is recognized on a straight-line basis over their useful life. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. Intangible assets that are not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

**g) Foreign currency transactions and translations**

The Consolidated Financial Statements are presented in Indian Rupee (INR), which is the Trust Group's functional and presentational currency. Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions between the functional currency and the foreign currency.

**Monetary items**

Monetary foreign currency assets and liabilities remaining unsettled at the Balance Sheet date are translated at the rates of exchange prevailing on that date. Gains / losses arising on account of realisation / settlement of foreign currency transactions and on translation of foreign currency assets and liabilities are recognized in the Consolidated Statement of Profit and Loss.

Exchange differences arising on the settlement of monetary items or on reporting date's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial Statements, are recognized as income or as expenses in the period in which they arise.

**h) Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Trust Group expects to be entitled in exchange for those goods or services. The Trust Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, excluding the estimates of variable consideration that is allocated to that performance obligation, taking into account contractually defined terms

of payment and excluding taxes or duties collected on behalf of the government. The specific recognition criteria described below must also be met before revenue is recognised.

Revenue is recognised either at a point in time or over time, when (or as) the Trust Group satisfies performance obligations by transferring the promised goods or services to its customers.

**Service concession arrangements - Recognition and measurement**
The Trust Group builds, operate and maintain roads and other infrastructure assets under public-to-private Service Concession Arrangements (SCAs), which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity/ the Concessionaire) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise.

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. For operation & maintenance services, such costs are executory in nature and are expensed off as and when incurred.

The Trust Group's revenue is divided into following categories:

A. Toll collections from the users of the infrastructure facility operated or maintained by the Trust Group under the Service Concession Arrangements are accounted for based on actual collection (net of amount charged over and above the normal user fee payable to NHAI). Revenue from electronic toll collection is recognized on accrual basis.

B. Under financial asset model, finance income for SCA is recognized using effective interest method. Revenues from operations and maintenance services and overlay services are recognized in each period as and when services are rendered in accordance with Appendix C to Ind AS 115.

**1. Revenue from construction contracts**

Contract revenue for fixed price contracts is recognized only to the extent of cost incurred till such time the outcome of the contract cannot be ascertained reliably. When the outcome of the contract is ascertained reliably, contract revenue is recognized at cost of work performed on the contract plus proportionate margin, using the percentage of completion method.

Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Consolidated Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in the Consolidated Statement of Profit and Loss in the period in which such probability occurs.

**Interest income**
Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust Group and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

**Dividends**
Income from dividend on investments is accrued in the period in which it is declared, whereby the Trust Group's right to receive is established.

**i) Government grants**

Grants from governments are recognized at fair value where there is reasonable assurance that the Trust Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income are deferred and recognized in profit or loss over the periods in which the Trust Group recognizes as expenses the related costs for which the grants are intended to compensate.

Government grants whose primary condition is that the Trust Group should purchase, construct, or otherwise acquire non-current assets are deducted from the carrying amount of such non-current assets.

**j) Distribution to unit holders**

The Trust recognises a liability to make distribution to Unit holders when the distribution is approved by the Board of Directors of the Investment Manager to the Trust Group and a legal obligation has been created as per the SEBI InvIT Regulations. A corresponding amount is recognised directly in other equity.

**k) Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108- Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Chief Operating Decision Maker to allocate resources to the segments and assess their performance. An operating segment is a component of the Trust that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Trust's Group component.

Based on an analysis of Trust structure and powers conferred to the Investment Manager to Trust, the Board of Directors of the Investment Manager has been identified as the Chief Operating Decision Maker ('CODM'), since they are empowered for all major decisions w.r.t. the management, administration, investment, disinvestment, etc.

As the Trust Group is primarily engaged in the business of toll operations and maintenance in India, CODM reviews the entire business as a single operating in respect of reportable segments are not applicable.

**l) Financial Instruments**

Financial assets and financial liabilities are recognized when the Trust Group become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the Consolidated Statement of Profit and Loss.

If the Trust Group determines that the fair value at initial recognition differs from the transaction price, the Trust Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Trust Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Trust Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below:

**i. Financial assets**

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification of Financial Assets**

Financial Assets that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL is a residual category for debt instruments and all changes are recognized in profit or loss.

**Amortized cost and effective interest method**

Income is recognized on an effective interest method as per Ind AS 109 "Financial Instruments" for financial assets other than those financial assets classified as at FVTPL. Interest income is recognized in the Consolidated Statement of Profit and Loss and is included in the "Other income" line item.

**Impairment of financial assets (Expected credit loss model)**

An impairment loss on financial asset is established when there is objective evidence that the Trust Group will not be able to collect all amounts due according to the original terms of the receivables. Impairment loss if any are recognised in Consolidated Statement of Profit or Loss for the period.

**De-recognition of financial assets**

The Trust Group derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the Consolidated Statement of Profit or Loss on disposal of that financial asset.

**ii. Financial Liabilities**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

**De-recognition of financial liabilities**

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of the new liability. The difference in the respective carried amount is recognized in the Consolidated Statement of Profit and Loss.

### iii. Classification as debt or equity

Debt and equity instruments issued by Trust Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### iv. 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 measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Trust Group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial Statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 "Inventory" or value in use in Ind AS 36 "Impairment of Assets".

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date

• Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

• Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## m) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.

## n) Consolidated Statement of Cash Flows

Consolidated Statement of Cash flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flows from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

a. transactions of a non-cash nature;
b. any deferrals or accruals of past or future operating cash receipts or payments and,
c. all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Trust Group are segregated based on the available Statements. Cash and cash equivalents are reflected as such in the Consolidated Statement of Cash Flow and excludes balances which are not available for general use as on the date of Consolidated Balance with a specific disclosure.

## o) Investment property

Property that is held for long-term rental yields or for capital appreciation (including property under construction for such purposes) or both and that is not occupied by the Trust Group, is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Trust Group and the cost of the item can be measured reliably.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

**p) Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using effective interest method.

The fair value of the liability portion of the optionally convertible debentures is determined by discounting the projected future cashflows of the principal and interest component at coupon rate. The amount is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of debentures. The reminder of the proceeds is attributable to the equity portion of the compound instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Trust Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if lender agreed, after the reporting period and before the approval of the financial Statements for issue, not to demand payment as a consequence of the breach.

**q) Borrowing costs**

Borrowing costs include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Trust Group incurs in connection with the borrowing of funds. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalized during the period of time that is required to complete and prepare the qualifying asset for its intended use or sale. Capitalization of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**r) Employee benefits**

Employee benefits includes provident fund, gratuity and compensated absences.

**Short-term employee benefit**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short-term compensated absences etc. and the expected cost of bonus, and ex-gratia are recognised in the period the related service is rendered at undiscounted amount of benefits expected to be paid in exchange for that service.

The cost of short-term compensated absences is accounted as under:
- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

**Post-employment benefits**

**(a) Defined contribution plans:**

The Trust Group offers its employees State governed provident fund linked with employee pension scheme as defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

**(b) Defined benefit plans:**

The SPVs operate an unfunded defined benefit gratuity plan other than two of the SPVs viz. DATRPL and WUPTPL, that make contributions to a separately administered fund through annual contributions to Life Insurance Corporation of India under its Employee Gratuity Scheme. Trust Group's liability towards gratuity is determined at each period end.

For defined benefit gratuity plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Trust Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:
- service cost (including current service cost, past service cost, as well as gains and losses on curtailments);
- net interest expense or income; and
- re-measurement

The Trust Group presents the first two components of defined benefit costs in Consolidated Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

(c) Other long-term employee benefit
The obligation for other long-term employee benefits such as long-term compensated absences, are measured at the present value of the estimated future cash outflows expected to be made by the Trust Group in respect of services provided by employees up to the reporting date.

**s) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost of inventories include all costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on first-in-first-out basis. Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sales.

**t) Insurance claims**

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**u) Leases**

The Trust Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an

identified asset, the Trust Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Trust Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Trust Group has the right to direct the use of the asset

At the date of commencement of the lease, the Trust Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases, which are accounted for as under.

Short-term leases and leases of low-value assets
Short term leases are leases with a term of twelve months or less. For short-term and low value leases, the Trust Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Currently, the Trust Group has lease contracts which are short-term leases or leases of low-value assets.

**v) Provisions and contingencies**

A provision is recognized when the Trust Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in notes in case of a possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation arising from past events but is not recognized because it is not probable that an outflow of embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

**w) Taxation**

**Income tax**
The income tax expense or credit for the period is the tax payable on current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates, positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate based on amounts expected to be paid to the tax authorities.

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred Tax**

Deferred tax is recognised on temporary differences, being the differences between the tax bases of assets and liabilities and their carrying amount in the financial Statements. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for temporary differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is reasonable certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the deferred tax assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each reporting date for their realisability.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence

that the entity will pay normal income tax. Accordingly, MAT is recognised as a deferred tax asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Trust Group.

Current and deferred tax relating to items directly recognised in other comprehensive income and reserves are recognised in other comprehensive income and reserves respectively and not in the Consolidated Statement of Profit and Loss.

**x) Impairment of non-financial assets**

The carrying values of assets / cash generating units at each reporting date are reviewed for impairment if any indication of impairment exists. If any indication exists, the Trust Group estimates the asset's recoverable amount. use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Consolidated Statement of Profit and Loss.

The recoverable amount is the value in use which is based on the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.
When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Consolidated Statement of Profit and Loss.

**y) Provision for periodic maintenance / resurfacing obligations**
The Trust Group estimates and provides for contractual obligations as per Service Concession Arrangement (SCA) with the Authority to restore the infrastructure to a specified level of serviceability at periodic intervals or restore the infrastructure to a specified condition before it is handed over to the Authority. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. The same is reviewed at each balance sheet date and adjustments if any to the carrying amount is provided for accordingly.

**z) Earnings per Unit**
Basic earnings per unit are calculated by dividing the net profit / (loss) for the period attributable to unit holders of the Trust by the weighted average number of units outstanding during the period.

For the purpose of calculating diluted earnings per unit, the profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Dilutive potential units are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per unit, only potential equity units that are dilutive and which either reduces earnings per unit or increase loss per units are included.

**aa) Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from April 01,2024.

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **3 Property, plant and equipment** | | |
| Net carrying value | 250.89 | - |
| | **250.89** | **-** |

| Description | Land[ii] | Office equipment | Computers | Furniture and fixtures | Plant and equipment | Vehicles | Total |
|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | |
| **Balance as at April 01, 2022** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Additions for the year | - | - | - | - | - | - | **-** |
| Reclassified to assets held for sale | - | - | - | - | - | - | **-** |
| Disposals for the year | - | - | - | - | - | - | **-** |
| **Balance as at March 31, 2023** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Addition on account of Acquisition (refer note 51) | - | 42.27 | 38.79 | 17.60 | 118.97 | 21.50 | **239.13** |
| Additions for the year | 1.15 | 8.11 | 14.56 | 1.63 | 32.16 | 3.86 | **61.47** |
| Disposals for the year | - | (12.44) | (6.03) | (2.22) | (0.31) | - | **(21.00)** |
| **Balance as at March 31, 2024** | **1.15** | **37.94** | **47.32** | **17.01** | **150.82** | **25.36** | **279.60** |
| **Accumulated depreciation** | | | | | | | |
| **Balance as at April 01, 2022** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Charge for the year | - | - | - | - | - | - | **-** |
| Disposals for the year | - | - | - | - | - | - | **-** |
| **Balance as at March 31, 2023** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Charge for the year | - | 13.22 | 16.61 | 2.56 | 12.83 | 2.95 | **48.17** |
| Disposals for the year | - | (12.00) | (5.62) | (1.64) | (0.20) | - | **(19.46)** |
| **Balance as at March 31, 2024** | **-** | **1.22** | **10.99** | **0.92** | **12.63** | **2.95** | **28.71** |
| **Net carrying value:** | | | | | | | |
| **As at March 31, 2023** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **As at March 31, 2024** | **1.15** | **36.72** | **36.33** | **16.09** | **138.19** | **22.41** | **250.89** |

**Notes:**
(i) For details of property, plant and equipment hypothecated as security for borrowings refer note 22.
(ii) The land has been mortgaged for the borrowings subsequent to the year end vide Indenture of Mortgage dated April 12, 2024.

| **4. Capital work-in-progress** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Plant and equipment | 13.86 | - |
| Office equipment | 0.19 | - |
| Computers | 0.05 | - |
| | **14.10** | **-** |

**Note:**

(i) For details of capital work-in-progress hypothecated as security for borrowings refer note 22.

| **5. Investment properties** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Net carrying value | 6.80 | - |
| | **6.80** | **-** |

| **Description** | **Land-Freehold** | **Flat-Freehold** | **Total** |
|---|---|---|---|
| **Gross carrying value** | | | |
| **Opening balance as at April 01, 2022** | **-** | **-** | **-** |
| Additions for the year | - | - | **-** |
| Disposals for the year | - | - | **-** |
| **Closing balance as at March 31, 2023** | **-** | **-** | **-** |
| Addition on account of Acquisition (refer note 51) | 6.12 | 1.16 | **7.28** |
| Disposals for the year | - | - | **-** |
| **Closing balance as at March 31, 2024** | **6.12** | **1.16** | **7.28** |
| **Impairment charge:** | | | |
| **Opening balance as at April 01, 2022** | - | - | **-** |
| Depreciation charge during the year | - | - | **-** |
| **Closing balance as at March 31, 2023** | **-** | **-** | **-** |
| Depreciation charge during the year | - | 0.48 | **0.48** |
| **Closing balance as at March 31, 2024** | **-** | **0.48** | **0.48** |
| **Net carrying value:** | | | |
| **As at March 31, 2023** | **-** | **-** | **-** |
| **As at March 31, 2024** | **6.12** | **0.68** | **6.80** |

Details of the latest fair value of SPV wise investment properties are as under:

| **Entity** | **Valuer** [(i)] | **Dated** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|---|---|
| APEL | External valuer | August 06, 2023 | 0.72 | - |
| DATRPL | External valuer | August 06, 2023 | 1.46 | - |
| FRHL | External valuer | August 06, 2023 | 0.41 | - |
| JMTPL | External valuer | August 06, 2023 | 3.59 | - |
| MBEL | External valuer | August 06, 2023 | 3.80 | - |

(i) External valuer is registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(ii) The fair value was derived using the market comparable approach based on prevailing market prices without any significant adjustments being made to the market observable data. SPV obtains independent valuation for its respective investment property once in a block of three years. Management considers that the carrying amount of the investment property as reported above approximates its fair value.

(iii) Investment properties of APEL and MBEL are hypothecated as security for borrowings refer note 22.

(iv) Pledge on Investment properties of DATRPL, FRHL and JMTPL has been vacated during the year. The respective SPVs are in the process to get the charges satisfied with the concerned authorities.

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **6. Intangible assets** | | |
| Net carrying value | 2,21,160.26 | - |
| | **2,21,160.26** | **-** |

| Description | Rights under Service Concession Arrangements(i) | Computer software acquired | Total |
|---|---|---|---|
| **Gross carrying value** | | | |
| **Balance as at April 01, 2022** | **-** | **-** | **-** |
| Additions for the year | - | - | **-** |
| **Balance as at March 31, 2023** | **-** | **-** | **-** |
| Addition on account of Acquisition (refer note 51) | **2,33,470.43** | **2.24** | **2,33,472.67** |
| Additions for the year | 5,341.97 | 2.23 | **5,344.20** |
| Adjustments for the year(iii) | (7.67) | (0.05) | **(7.72)** |
| **Balance as at March 31, 2024** | **2,38,804.73** | **4.42** | **2,38,809.15** |
| | | | |
| **Accumulated amortisation and impairment** | | | |
| | | | |
| **Balance as at April 01, 2022** | **-** | **-** | **-** |
| Charge for the year | - | - | **-** |
| **Balance as at March 31, 2023** | **-** | **-** | **-** |
| Charge for the year | 11,775.97 | 1.10 | **11,777.07** |
| Impairment loss for the year (refer note 56) | 5,871.87 | - | **5,871.87** |
| Adjustments for the year | - | (0.05) | **(0.05)** |
| **Balance as at March 31, 2024** | **17,647.84** | **1.05** | **17,648.89** |
| | | | |
| **Net carrying value:** | | | |
| **As at March 31, 2023** | **-** | **-** | **-** |
| **As at March 31, 2024** | **2,21,156.89** | **3.37** | **2,21,160.26** |

**Notes:**

(i) Please refer note 52B for information (including remaining amortisation period) related to Service Concession Arrangements.
(ii) For details of Intangible Assets hypothecated as security for borrowings refer note 22.
(iii) Adjustments are on account of change in estimated contractual liability for infrastructure upgrade work. [refer note 49(b)]

| **7. Intangible assets under development (IAUD) - (Relating to Rights under Service Concession Arrangements)** | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Opening balance | - | - |
| Addition on account of Acquisition (refer note 51) | 2,097.21 | |
| Additions during the year (i) | 4,371.70 | - |
| Capitalised during the year (iii) | (5,341.97) | - |
| **Closing balance** | **1,126.94** | **-** |

**Notes:**

(i) Includes construction costs aggregating Rs. 1,100.72 million (March 31, 2023: Nil) and borrowing costs aggregating Rs. 26.22 million (March 31, 2023: Nil). The weighted average rate used to determine the amount of borrowing cost eligible for capitalisation is 8.30% p.a. (March 31, 2023: Nil).

(ii) For details of Intangible assets hypothecated as security for borrowings refer note 22.

(iii) Capitalisation represents portion of six lanning work completed by GAEPL on its project asset as approved by Independent Engineer ("IE") during the year. GAEPL is in process of receiving the completion certificate of six laning work from National Highways Authority of India ("NHAI").

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **8** | **Investments** | | |
| | **Non-current** | | |
| | **Investments in equity instruments (Unquoted) - at cost** | | |
| | 400 Equity shares of Rs.10 each in Cube Highways Roots Foundation, fully paid | 0.01 | - |
| | | **0.01** | **-** |

On September 12, 2020, APEL, JMTPL, MBEL and WUPTPL each subscribed 100 shares of Cube Highways Root Foundation (CHRF), under Section 8 of the Companies Act, 2013 to carry out CSR activities in line with Schedule VII of the Companies Act, 2013 as amended time to time. As per Memorandum of Association of CHRF, upon a winding up or dissolution of CHRF, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the CHRF but shall be given or transferred to such other Company having objects similar to the Objects of CHRF, subject to such conditions as the concerned National Company Law Tribunal may impose, or may be sold and proceeds thereof credited to the Insolvency and Bankruptcy Fund formed under Section 224 of the Insolvency and Bankruptcy Code, 2016.

| | | | |
|---|---|---|---|
| **9** | **Other financial assets** | | |
| | **Non-current** | | |
| | **Unsecured, considered good** | | |
| | Security deposits | 18.88 | - |
| | | **18.88** | **-** |
| **10** | **Current tax assets/(liabilities) (net)** | | |
| **10.1** | **Current tax assets (net)** | | |
| | **Non current** | | |
| | Tax asset (net of tax provisions) | 541.94 | - |
| | | **541.94** | **-** |
| **10.2** | **Current tax liabilities (net)** | | |
| | Current tax liabilities (net of tax payments) | 0.02 | - |
| | | **0.02** | **-** |
| **11** | **Other non-current assets** | | |
| | Capital advances | 92.13 | - |
| | Balance with government authorities | 28.05 | - |
| | | **120.18** | **-** |
| **12** | **Inventories** | | |
| | *Valued at lower of cost or net realisable value* | | |
| | Stores and spares | 223.64 | - |
| | | **223.64** | **-** |

**Note:**
The cost of inventories recognised as an expense in the Consolidated Statement of Profit and Loss to Rs. 290.44 million (March 31, 2023: Nil).

| | | | |
|---|---|---|---|
| **13** | **Investments** | | |
| | **Current** | | |
| | **Investments in mutual funds at fair value through profit or loss (FVTPL):*** | | |
| | 27,980.47 (March 31, 2023: Nil) units in SBI Liquid Fund - Growth Option | 105.75 | - |
| | 4,94,00,976.75 (March 31, 2023: Nil) units in SBI Saving Fund - Growth Option | 1,997.84 | - |
| | 22,77,382.48 (March 31, 2023: Nil) units in SBI Magnum Low Duration Fund - Direct Growth | 7,509.48 | - |
| | 3,17,836.71 (March 31, 2023: Nil) units in Axis Liquid Fund - Direct Plan - Growth Option | 852.97 | - |
| | 92,965.00 (March 31, 2023: Nil) units in Axis Money Market Fund Direct Growth | 121.97 | - |
| | 13,65,356.00 (March 31, 2023: Nil) units in ICICI Money Market Fund Direct Growth | 476.82 | |
| | 8,38,192.07 (March 31, 2023: Nil) units in Axis Treasury Advantage Fund - Direct Growth | 2,462.93 | - |
| | **Total** | **13,527.76** | **-** |
| | **Aggregate amount of unquoted investment- Carrying value** | **13,527.76** | **-** |

*Carrying value of unquoted investments is same as the fair value which is based on net asset value(NAV).

**Notes:**

| | | | |
|---|---|---|---|
| (i) | Includes amount earmarked pursuant to loan covenant of common loan agreement and debenture trust deed of the SPVs towards: | | |
| (a) | Debt Service Reserve Account (DSRA) | 513.97 | - |
| (b) | Major Maintenance Reserve Account (MMRA) | 800.84 | - |

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| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **14** | **Trade receivables** | | |
| | **Current** | | |
| | Trade receivables | | |
| | - Unsecured, considered good | 600.79 | - |
| | - Unsecured, which have significant increase in credit risk | - | - |
| | - Unsecured, credit impaired | 180.65 | - |
| | Less: Impairment loss allowance (expected credit loss) [(i)] | (180.65) | - |
| | | **600.79** | **-** |

**Note:**
(i) Also refer note 45(i)(A) for impairment loss allowance movement.

| | | | |
|---|---|---|---|
| **15** | **Cash and cash equivalents** | | |
| | Cash on hand | 16.13 | - |
| | Balances with banks: [(i)] | | |
| | - current accounts | 357.57 | - |
| | - deposits with original maturity of less than three months | 2,043.14 | - |
| | | **2,416.84** | **-** |

**Notes:**

| | | | |
|---|---|---|---|
| (i) | Includes amount earmarked pursuant to loan covenant of common loan agreement and debenture trust deed towards: | | |
| (a) | Debt Service Reserve Account (DSRA) | 0.56 | - |
| (b) | Major Maintenance Reserve Account (MMRA) | 1.04 | - |

| | | | |
|---|---|---|---|
| **16** | **Bank balances other than cash and cash equivalents** | | |
| | Deposits with original maturity more than three months but less than twelve months(i) | 3,593.98 | - |
| | | **3,593.98** | **-** |

**Notes:**

| | | | |
|---|---|---|---|
| (i) | Includes amount earmarked pursuant to loan covenant of common loan agreement and debenture trust deed towards: | | |
| (a) | Debt Service Reserve Account (DSRA) | 3,083.20 | - |

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| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **17** | **Other financial assets** | | |
| | **Current - Unsecured, considered good** | | |
| | Interest accrued on fixed deposits with banks | 233.61 | - |
| | Deposits with banks with original maturity of more than twelve months* | 957.29 | - |
| | Security deposits | 0.27 | - |
| | Grant receivable [(i)] | - | - |
| | Receivable under service concession arrangements[(ii)] | 600.91 | - |
| | Receivable from related parties [Refer note 47] | 0.08 | - |
| | Other receivables | 16.60 | - |
| | | **1,808.76** | **-** |

*Includes deposits towards Debt Service Reserve Account (DSRA) pursuant to loan covenants of loan agreement and/or debenture trust deed entered into by the Trust Group with the lenders Rs. 834.93 million (March 31, 2023: Nil).

*Includes deposits towards Major Maintenance Reserve Account (MMRA) pursuant to loan covenants of loan agreement and/or debenture trust deed entered into by the Trust Group with the lenders Rs. 355.97 million (March 31, 2023: Nil).

| | | | |
|---|---|---|---|
| | **(i) Movement on grant receivable** | | |
| | **Particulars** | | |
| | Addition on account of Acquisition (refer note 51) | **83.14** | **-** |
| | Accrued interest during the year | - | - |
| | Grant received during the year | (5.00) | - |
| | Grant adjusted under Intangible assets during the year | (78.14) | - |
| | **Closing balance** | **-** | **-** |
| | **(ii) Movement in receivables under service concession arrangements during the year:** | | |
| | **Particulars** | | |
| | Addition on account of Acquisition (refer note 51) | **1,330.99** | **-** |
| | Add: Interest income on annuity receivable from National Highway Authority of India ('NHAI') [Refer note 31] | 105.68 | - |
| | Add: Recoverable for operation and maintenance income for the year [Refer note 31] | 294.64 | - |
| | Less: Annuity received from NHAI | 1,130.40 | - |
| | **Closing balance** | **600.91** | **-** |
| | - Non-current | - | - |
| | - Current | 600.91 | - |
| **18** | **Other current assets** | | |
| | **Unsecured, considered good** | | |
| | Advance to suppliers | 130.19 | - |
| | Advance to others | 0.75 | - |
| | Amount paid under protest | 33.00 | - |
| | Advance to employees | 4.14 | - |
| | Unbilled revenue related to construction | 107.25 | - |
| | Prepaid expenses | 161.43 | 0.24 |
| | Balance with government authorities | 164.64 | - |
| | Other receivable | 1.02 | - |
| | **Unsecured, considered doubtful** | | |
| | Balance with government authorities | 2.91 | - |
| | Less: Impairment loss allowance [(i)] | (2.91) | - |
| | ` | **602.42** | **0.24** |

**Note:**
(i) Also refer note 45(i) A for impairment loss allowance movement.

| | | | |
|---|---|---|---|
| **19** | **Assets held for sale** | | |
| | Land | 0.10 | - |
| | | **0.10** | **-** |

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**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **20 Unit Capital** | | |
| 1,290,346,112 (March 31, 2023: Nil units) Ordinary units of Rs.100 each | 1,29,023.67 | - |
| 157,500,000 (March 31, 2023: Nil units) Subordinate units of Rs.100 each | 15,750.00 | - |
| **Total** | **1,44,773.67** | **-** |

**(a) Reconciliation of units outstanding at the beginning and at the end of the year:**

| **Ordinary unit capital of Rs.100 each fully paid up** | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | No. of units | Rs. in million | No. of units | Rs. in million |
| Opening Balance | - | - | - | - |
| Add: Ordinary units issued during the year | 1,29,03,46,112 | 1,29,034.61 | - | - |
| Units issue Expenses[iii] | | (10.94) | | - |
| **Closing Balance** | **1,29,03,46,112** | **1,29,023.67** | **-** | **-** |

| **Subordinate unit capital of Rs.100 each fully paid up** | March 31, 2024 | | March 31, 2023 | |
|---|---|---|---|---|
| | No. of units | Rs. in million | No. of units | Rs. in million |
| Opening Balance | 15,75,00,000 | 15,750.00 | - | - |
| Add: Subordinate units issued during the year | - | - | - | - |
| Units issue Expenses | | | | |
| | **15,75,00,000** | **15,750.00** | **-** | **-** |

**Notes:**

(i) On April 17,2023, the aquisition of equity interest in the SPV has been done by the first allotment of 910,086,940 Ordinary Units of Rs. 100 each and 157,500,000 Subordinate Units of Rs. 100 each aggregating to Rs. 106,758.69 million to the Sponsors (viz. Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd., collectively referred to as "Sponsors") and/or their associates (viz. Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd., collectively referred to as "Associates").

**Details of Numbers of Units alloted for aquiring all the equity interest held by the sponsor and its associates in the SPVs:**

| Name of SPVs | Ordinary Units | | Total Ordinary Units | Subordinate Units |
|---|---|---|---|---|
| | Sponsor | Sponsor associates | | Sponsor |
| MBEL | 1,01,94,395 | - | 1,01,94,395 | 69,03,914 |
| JMTPL | 4,51,78,514 | - | 4,51,78,514 | 3,05,96,086 |
| WUPTPL | 26,25,197 | - | 26,25,197 | - |
| APEL | 16,92,117 | - | 16,92,117 | - |
| GAEPL | 10,35,17,584 | - | 10,35,17,584 | - |
| NDEPL | - | 2,46,55,095 | 2,46,55,095 | - |
| FRHL | - | 14,02,82,874 | 14,02,82,874 | - |
| DATRPL | 27,80,74,813 | - | 27,80,74,813 | 12,00,00,000 |
| WVEPL | 3,46,10,065 | - | 3,46,10,065 | - |
| HTPL | - | 4,32,83,656 | 4,32,83,656 | - |
| JLTPL | - | 3,85,85,743 | 3,85,85,743 | - |
| JVTPL | - | 2,59,56,285 | 2,59,56,285 | - |
| KETPL | - | 1,01,23,890 | 1,01,23,890 | - |
| KMTPL | - | 3,86,82,134 | 3,86,82,134 | - |
| LRTPL | - | 4,27,41,236 | 4,27,41,236 | - |
| MKTPL | - | 4,02,28,259 | 4,02,28,259 | - |
| NKTPL | - | 1,25,32,849 | 1,25,32,849 | - |
| SMTPL | - | 1,71,22,234 | 1,71,22,234 | - |
| **Total** | **47,58,92,685** | **43,41,94,255** | **91,00,86,940** | **15,75,00,000** |

(ii) The Trust alloted 380,259,172 Ordinary Units of Rs. 100 each as Fresh Issue aggregating to Rs. 38,025.92 million, utilisation of fresh proceeds is as follows:-

| Particulars | Proposed Utilisation | Actual Utilisation upto March 31, 2024 | Unutilised Amount as at March 31, 2024 |
|---|---|---|---|
| Providing loans to SPV's for repayment or pre-payment of debt, including any accrued interest, availed by them from certain banks and financial institutions and the Sponsor and its associates (including all accrued interest), certain capital expenditure and creation of debt service reserve account for the InvIT Loan. | 34,742.92 | 34,742.92 | - |
| General Purposes including funding of expenses of the InvIT (including interest on InvIT Loan) and refinance fees | 3,268.00 | 3,268.00 | - |
| Offer Expense | 15.00 | 15.00 | - |
| **Total** | **38,025.92** | **38,025.92** | **-** |

(iii) Issue expenses of Rs. 10.94 million incurred in connection with issue of units had been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.

(iv) Under the provisions of the InvIT Regulations, the Trust is required to distribute to Unitholders not less than 90% of the Net Distributable Cash Flows of the Trust for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Trust to pay to its unitholders as cash distributions. Hence, the Unit Capital is a compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars issued under the InvIT Regulations, the Unit Capital has been presented as "Equity" in order to comply with the requirements of Section H of chapter 3 to the SEBI Master Circular dated July 06, 2023 dealing with the minimum disclosures for key financial information/statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

(v) **Sponsor lock in**
In terms of the SEBI InvIT Regulations, the Sponsors are required to, collectively, hold not less than 15% (fifteen per cent) of the Ordinary Units on a post-Offer basis. Cube Highways and Infrastructure III Pte. Ltd. ("CH-III") holds 246,578,212 Ordinary Units, aggregating to 19.11% of the Ordinary Units on a post-Offer basis, out of which 193,551,917 Ordinary Units held by CH-III, aggregating to 15% of the Ordinary Units on a post-Offer basis, shall be locked-in for a period of three years from the date of listing of the Ordinary Units. Further, the unitholding of Ordinary Units of the Sponsors, exceeding 15% (fifteen per cent) on a post-Offer basis, shall be locked-in for a period of not less than one year from the date of listing of the Ordinary Units.

**(b) Terms and rights attached to unit:**

The Trust has two class of units having a par value of Rs. 100 per unit namely Ordinary Unit and Subordinate Unit.

**Terms in relation to Ordinary unit:** Each unit represents an undivided beneficial interest in the Trust . Each holder of Ordinary unit is entitled to one vote per unit. The Ordinary Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in each financial year in accordance with the SEBI InvIT Regulations. The Board of Directors of the Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distributions in Indian rupees. The distribution will be as per the distribution policy of the Trust.

The Unitholder(s) shall not have any personal liability or obligation with respect to the Trust.

**Terms in relation to Subordinate unit**: The Subordinate Unitholders shall not be entitled to any distribution rights or other economic rights or any other rights available in relation to the Ordinary Units.

The Subordinate Unitholders shall not be entitled to any voting rights in relation to the Trust and/or its Project SPVs. Further, the Subordinate Unitholders shall not be entitled to receive notices of or participate in, any meeting of the Unitholders holding Ordinary Units, including the annual meeting of Unitholders, in their capacity as holders of the Subordinate Units, unless it is proposed to vary the terms of the Subordinate Units. Further, the Subordinate Unitholders shall not be considered, for the purposes of the rights of unitholders under Regulation 22 of the InvIT Regulations.

The Sponsors shall not transfer the Subordinate Units to any entity which is not a sponsor of the Trust or an Associate of the Sponsors. The Subordinate Units shall remain unlisted at all times unless if mandated under applicable law or by any regulatory and statutory authority.

Subject to compliance with Applicable Law, the Subordinate Units shall become entitled to same rights as the Ordinary Units of the Trust and be reclassified as Ordinary Units ("Reclassified Units"), pursuant to a resolution passed by the Board of Directors of the Investment Manager, in tranches upon achievement of certain pre-defined performance metrics (Entitlement Event A and Entitlement Event B detailed below) by DATRPL, JMTPL & MBEL subsequent to the Offer (the "Performance Parameters"), as applicable for each tranche of Subordinate Units. This would result in an increase in the number of issued and outstanding Ordinary Units of the Trust and a concurrent decrease in the number of issued and outstanding Subordinate Units.

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**(1) Entitlement Event A**

| | |
|---|---|
| Date of Trigger | June 30, 2024 |
| Underlying Reference Initial Portfolio Asset | DATRPL |
| Actual Performance Metric | Cumulative actual toll revenues (excluding Overloading Revenue and Penalty Revenue) for financial years ended March 31, 2023 and March 31, 2024, as provided under the audited financials of DATRPL, rounded off to the nearest multiple of one lakh. |
| Base Performance Metric | Rs. 9,900 million |
| Entitlement Terms | For every additional Rs. 0.10 million of Actual Performance Metric over and above the Base Performance Metric, number of Initial Tranche Subordinate Units as defined below will be entitled to carry the same rights as Ordinary Units, subject to limit defined under Maximum Entitlement Event A<br>Number of Initial Tranche Subordinate Units = 425,000/ issue price per Ordinary Unit allotted in the Initial Offer |
| Maximum Entitlement Event A | Maximum number of initial Tranche Subordinate Units that can be entitled to carry the same rights as Ordinary Units based on occurrence of Entitlement Event A = 12,000 million/ issue price per Ordinary Unit allotted in the Initial Offer |

**(2) Entitlement event B:**

| | |
|---|---|
| Date of Trigger | June 30, 2025 |
| Underlying Reference Portfolio Assets | JMTPL & MBEL |
| Actual Performance Metric | Cumulative actual toll revenues (excluding Overloading Revenue and Penalty Revenue) for the financial years ended March 31, 2023, March 31, 2024 and March 31, 2025, as provided under the audited financials of JMTPL and MBEL, rounded off to the nearest multiple of one lakh. |
| Base Performance Metric A | Rs. 9,375 million |
| Base Performance Metric B | Rs. 9,750 million |
| Entitlement Terms | 1. For every additional Rs. 0.1 million of Actual Performance Metric over the Base Performance Metric A and up to Base Performance Metric B, number of Initial Tranche Subordinate Units as defined below will be entitled to carry the same rights as Ordinary Units<br>Number of Initial Tranche Subordinate Units = 1,40,000/ issue price per Ordinary Unit allotted in the Initial Offer.<br><br>2. For every additional Rs. 0.1 million of Actual Performance Metric over and above the Base Performance Metric B, number of Initial Tranche Subordinate Units as defined below will be entitled to carry the same rights as Ordinary Units.<br>Number of Initial Tranche Subordinate Units = 220,000/ issue price per Ordinary Unit allotted in the Initial Offer. |
| Maximum Entitlement Event B | Maximum number of Initial Tranche Subordinate Units that can be entitled to carry the same rights as Ordinary Units based on occurrence of Entitlement Event B = 3,750 million/ issue price per Ordinary Unit allotted in the Initial Offer |

**(c) Unitholders holding more than 5% units as at balance sheet date**

**(i) Ordinary units**

| **Name of the Unitholders** | **As at March 31, 2024** | | **As at March 31, 2023** | |
|---|---|---|---|---|
| | **No. of units** | **% holding** | **No. of units** | **% holding** |
| Cube Mobility Investment Pte. Ltd. | 26,92,56,286 | 20.87% | - | - |
| Cube Highways and Infrastructure-III Pte Ltd. | 24,65,78,212 | 19.11% | - | - |
| BCI IRR India Holdings INC. | 23,90,33,801 | 18.53% | - | - |
| Cube Highways and Infrastructure II Pte Ltd. | 12,37,56,208 | 9.59% | - | - |
| Cube Highways and Infrastructure Pte Ltd | 10,35,17,584 | 8.02% | - | - |
| Seventy Second Investment Company LLC | 7,74,19,854 | 6.00% | - | - |

**(ii) Subordinate units**

| **Name of the Unitholders** | **As at March 31, 2024** | | **As at March 31, 2023** | |
|---|---|---|---|---|
| | **No. of units** | **% holding** | **No. of units** | **% holding** |
| Cube Highways and Infrastructure-III Pte Ltd. | 12,00,00,000 | 76.19% | - | - |
| Cube Highways and Infrastructure Pte Ltd | 3,75,00,000 | 23.81% | - | - |

**(d)** The Trust Group has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date.

| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **21A** | **Other equity** | | |
| **i)** | **Retained earnings** | | |
| | Opening Balance | **(289.96)** | **(12.08)** |
| | Net loss for the year | (7,059.15) | (277.88) |
| | Other comprehensive income/(loss): | | |
| | Re-measurement (losses)/gains on defined benefit obligations (net of tax) | 0.45 | - |
| | Distribution during the year (refer note 60) | (7,935.63) | - |
| | **Closing Balance** | **(15,284.29)** | **(289.96)** |
| | **Total other equity** | **(15,284.29)** | **(289.96)** |

**Retained earnings**
Retained earnings are created from the profits/losses of the Trust Group as adjsuted for distribution to the unitholders. The distribution by the Trust Group to its unitholders are based on the Net Distributable Cash Flows of the Trust Group under the SEBI InvIT Regulations.

| | | | |
|---|---|---|---|
| **21B** | **Non controlling interest** | | |
| | Opening Balance | - | - |
| | Addition on account of Acquisition (refer note 51) | 0.46 | - |
| | Profit for the year | 0.07 | - |
| | Re-measurement (losses)/gains on defined benefit obligations (net of tax) | 0.00 | - |
| | **Total other equity (attributable to Non controlling interest)** | **0.53** | **-** |
| **22** | **Borrowings - Non-current** | | |
| | **At amortised cost** | | |
| | **Secured:** | | |
| | **a) Term loans [Refer note 22 (i) A]** | | |
| | - from Banks | 80,836.17 | - |
| | - from Financial institution | 14,283.13 | - |
| | **Sub-total (A)** | **95,119.30** | **-** |
| | **b) Non - convertible debentures (NCD) [Refer note 22 (ii) A]** | | - |
| | - Rated, listed and reedemable | 1,956.65 | - |
| | **c) Non-Convertible Debt Securities [Refer note 22 (ii) A]** | | |
| | - Rated, listed and reedemable | 10,025.79 | |
| | **Sub-total (B)** | **11,982.44** | **-** |
| | **Unsecured:** | | |
| | **From others [Refer note 22 (ii) B]** | | |
| | Reliance Infrastructure Ltd. | 100.00 | - |
| | **Sub-total (C)** | **100.00** | **-** |
| | **At fair value through profit or loss** | | |
| | **Unsecured term loan from [Refer note 22 (i) B]:** | | |
| | KNR Constructions Limited | 150.99 | - |
| | **Sub-total (D)** | **150.99** | **-** |
| | **Less: Current maturities of borrowings (Current)** | | |
| | **Secured:** | | |
| | **a) Term loans** | | |
| | - from Banks | 2,975.00 | - |
| | - from Financial institution | 525.00 | - |
| | **b) Non - convertible debentures (NCD)** | | - |
| | - Rated, listed and reedemable | 611.00 | |
| | **c) Non-Convertible Debt Securities** | | |
| | - Rated, listed and reedemable | 360.50 | - |
| | **Unsecured:** | | |
| | a) Non - convertible debentures - from others | 100.00 | - |
| | b) Term loans - from others | 150.99 | - |
| | **Total current maturities of borrowings (E)** | **4,722.49** | **-** |
| | **Total non-current borrowings (A+B+C+D-E)** | **102,630.24** | **-** |

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**22 (i) Borrowing footnote term loans**
**For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:**

**A** **Secured Loan [(i)]:**

| Sl. No. | Nature of borrowings | Name of Entity | Lender | As at March 31, 2024 | As at March 31, 2023 | Interest and repayment terms | Security terms |
|---|---|---|---|---|---|---|---|
| 1 | Term loans from banks and Financial Institution | Cube Highways Trust | 1) State Bank of India<br>2) HDFC Bank limited<br>3) ICICI Bank Limited<br>4) Axis Bank Limited<br>5) National Bank for financing Infrastructure and Development ("NABFID") | 95,119.30 | - | Interest rate -<br>1) State Bank of India ("SBI")-3M SBI MCLR plus spread (ROI as at March 31, 2024- 8.30%)<br>2) HDFC Bank limited ("HDFC")-1M T-bill plus spread (ROI as at March 31, 2024- 8.30%)<br>3) ICICI Bank Limited ("ICICI")- 3M T-bill plus spread (ROI as at March 31, 2024- 8.30%)<br>4) Axis Bank Limited ("AXIS")-Repo Rate plus spread (ROI as at March 31, 2024- 8.30%)<br>5) National Bank for financing Infrastructure and Development ("NABFID")-1 year NLR plus spread (ROI as at March 31, 2024- 8.30%)<br><br>*The Spread is based on external credit rating.<br>However ICICI Bank Limited will revise the Spread (increase or decrease) on Benchmark Reset Dates, subject to the Lending Rate of ICICI Bank Limited being equivalent to the prevailing SBI 3M MCLR + 0.10% (zero point one zero percent) on such Benchmark Reset Date, subject to revision in Spread basis external credit rating as above.<br><br>HDFC Bank Limited will revise the Spread (increase or decrease) on Benchmark Reset Dates, subject to the Lending Rate of HDFC Bank Limited being equivalent to the prevailing Lending Rate of State Bank of India on the Benchmark Reset Date, subject to revision in Spread basis external credit rating as above and Spread Reset Conditions.<br><br>NABFID interest rate is linked to 1 year NLR (NABFID Lending Rate).The 1 year NLR component of Lending Rate for all tranches disbursed by NaBFID shall be rest after every (one) year following the date on which facility is disbursed by State Bank of India ("Benchmark Reset Date" ), as a sum of 1-year NLR+ "Spread". The applicable 1-year NLR shall be the rate prevailing one business day preceding the benchmark reset date subject to revision in Spread basis external credit rating as above and Spread Reset Conditions.<br><br>**Repayment:** As at March 31, 2024, Rs. 95,677.28 million repayable in remaining 72 structured quarterly instalments ending on March 31, 2042.<br><br>**Put Option available with the Lenders**<br>At the end of the 10th year and the 15th year from the Initial Drawdown Date (each such date being "Put Option Exercise Date"), each of the Lenders shall have the option to, within a period of 120 days from each such Put Option Exercise Date ("Put Option Exercise Period"), require the Trust to mandatorily prepay the Outstanding Obligations in respect of its Commitment, in full, without any Prepayment Premium (the "Put Option"), by issuing a notice to the Trust requesting for such prepayment ("Put Option Exercise Notice"). Upon exercise of the Put Option, the Trust shall mandatorily prepay the entire Outstanding Obligations in relation to the Commitment of such Lender within 120 days of the date of Put Option Exercise Notice. | Below are the common security details for the Term loan and NCDs:<br><br>a)First ranking pari-passu charge, by way of hypothecation on the following (as more stipulated under the Deed of Hypothecation):-<br>(i) on present and future tangible movable and intangible assets of the Trust in relation to the Project SPVs,<br>(ii) Insurance proceeds in respect of insurance contracts;<br>(iii) On present and future entire cash, cash flows, receivables, inventories, contractual rights, securities, patents, dividends, book debts and revenue to be paid/ payable by the Project SPVs<br>(iv) all the Escrow Accounts (other than the Debt Service Reverse Account) and all other bank accounts of the Trust in which the Free Cashflows from the Project SPVs owned by the Trust will be deposited/ credited or any other account opened / maintained by the Trust in relation to such Project SPVs (except for bank accounts opened by the Trust in pursuance to Regulation 9(1) of the Securities and Exchange Board of India (Investment Infrastructure) Regulations, 2014).<br>(v) receivables and demands whatsoever in the Project SPVs Debt and the Project SPV Financing Documents including the security interest created or to be executed in favour of the Issuer by the Project SPVs (save and except for Excluded SPVs) and contractual rights including the rights under the Substitution Agreement- Project SPVs, Escrow Agreement – Project SPVs and all other Project Documents<br>(vi) Debt Service Reserve Amount standing to the credit of the Debt Service Reserve Account or in the form of Permitted Investments<br>(vii) All present and future, current assets of the Trust other than covered above<br><br>b) Floating charge on all the other assets of the Trust, both present and future (other than property referred in (a) above)<br><br>c) A pledge of bonds, non-convertible debentures, equity shares on a fully diluted basis or any other security (except equity shares of the Excluded SPVs) held by the Trust. Pledge over all equity shares of APEL and 99.97% equity shares of MBEL as held by the Trust.<br><br>d) A negative lien, other than on Permitted Disposals, on the immovable and movable assets (including current assets and cash flows) of the Project SPVs except for the Excluded SPVs, subject to the rights of the Authorities under the respective Concession Agreements.<br><br>e) Corporate Guarantee from all the Project SPVs, except the Excluded SPVs, to the extent permitted and not restricted under the relevant Concession Agreements.<br><br>f) A shortfall undertaking from Project SPVs except by the Excluded SPVs, in relation to upstreaming of funds and/or direct payment to Lenders towards dues owed and payable by the Trust in relation to the Facility Loan in a form and manner instructed by the Lenders.<br><br>"Excluded SPVs" shall mean, collectively:<br>1) Andhra Pradesh Expressways Limited,<br>2) Mahua Bharatpur Expressways Limited; and<br>3) such other SPVs (other than the Project SPVs) acquired by the Trust, in respect of which the Lender do not have any Security Interest. |

(i) All numbers are net of transaction / processing fees

**22 (i) Borrowing footnote term loans**

**For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:**

**B** **Unsecured Loan:**

| Sl. No. | Nature of borrowings | Name of SPV | Lender | As at | | Significant terms and conditions of the loan (including interest and repayment terms) |
|---|---|---|---|---|---|---|
| | | | | March 31, 2024 | March 31, 2023 | |
| 1 | Term Loan - Others | WVEPL | KNR Constructions Limited | 150.99 | - | During the year ended March 31, 2021, Cube Highways and Infrastructure III Pte. Ltd ("Cube Highways") acquired 100% equity share capital of the Company from KNR Constructions Limited ("KNR" or "Seller") pursuant to the Share Purchase Agreement dated January 9, 2020 as amended by Amendment Agreement dated September 18, 2020 (collectively referred as "SPA") entered into between Cube Highways, KNR and the Company.<br><br>During the year ended March 31, 2021, the Company and KNR agreed to the amount and terms of repayment etc. of Seller Loans by converting existing subordinate loan of KNR in accordance with the terms of SPA.<br><br>The repayment terms of outstanding Subordinated Outstanding Seller Loans as per the Seller Loan Agreement are as under:<br><br>Rs. 2.10 million (A portion of the outstanding unsecured loan equal to the Transition Tax Holdback Amounts shall continue to remain outstanding till the income tax assessment for the financial years 2017-18 and 2018-19 is completed by the relevant taxation authorities. The substantial amount has been repaid in May 2021.)<br><br>Rs. 148.89 million (The portion of the outstanding unsecured loan equal to the WC Pass Through Amounts shall be payable only after it has actually received such amounts from the National Highways Authority of India, Insurance company, State transport Authorities and the relevant Government/ taxation authorities in terms of the Claims Management Agreement, as amended. Expected to be settled within next one year.) |

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**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**22 (ii) Borrowing footnote NCD's and Debt Securities**
**For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:**

**A** **Secured NCD's:**

| S.No. | Nature of borrowings | Name of the Entity | Lender | As at March 31, 2024 | As at March 31, 2023 | Interest and repayment terms | Security terms |
|---|---|---|---|---|---|---|---|
| 1 | Non Convertible Debt Securities | Cube Highways Trust | International Finance Corporation | 10,025.79 | - | 1,00,528 senior, secured, rated, listed, redeemable Non-convertible debentures (NCD's) of Rs. 1 lakh each fully paid up carrying a yield to maturity of 7.49% p.a. compounded quarterly on private placement basis which got listed on Bombay Stock Exchange (BSE) on June 28, 2023<br><br>Repayment: As at March 31, 2024, Rs. 10,052.80 million repayable in remaining 69 structured quarterly instalments ending on April 15, 2041.<br><br>Put Option available with the Debenture Holder<br><br>Debt Security Holder may, at least 60 days prior to the Coupon Payment Date immediately succeeding the end of the 12th (twelfth) year from (and including) the Date of Allotment (June 28, 2023) (such Coupon Payment Date, the "Put Option Date"), demand for redemption of the Debt Securities of such Debt Security Holder.<br><br>Call Option available with the Trust<br><br>At least 60 (sixty) days prior to the Coupon Payment Date immediately preceding the end of the 12th (twelfth) year from (and including) the Deemed Date of Allotment (such Coupon Payment Date, the "Call Option Date"), the Issuer shall issue a notice to the Debt Security Trustee in the manner provided under the SEBI Guidelines, setting out the Coupon that will be payable in relation to the Debt Securities from the Call Option Date ("Coupon Notice"). The Debt Security Holders shall notify the Issuer of their acceptance of the Coupon set out in the Coupon Notice within 30 days and the Coupon as specified in the Coupon Notice shall be payable by the Issuer.<br><br>In the event that the acceptance of the Coupon set out in the Coupon Notice is not notified by any Debt Security Holder to the Issuer , the Issuer shall, on the Call Option Date, prepay the entire Outstanding Dues in relation to the Debt Securities held by that Debt Security Holder.<br><br>During the year ended March 31, 2024, the Trust has allotted 103,000 (One Lakh Three Thousand) 7.49% Senior, Secured, Rated, Listed, Redeemable, Non-Convertible Debt Securities having a face value of Rs. 100,000 each aggregating to Rs. 10,300 million ("Debt Securities") on private placement basis which got listed on Bombay Stock Exchange (BSE).<br><br>**Secured/ Unsecured** \| **Particulars** \| **Previous Due Date** (**Principal**: 12-01-2024, **Interest**: 12-01-2024) \| **Next Due Date** (**Principal**: 12-04-2024, **Interest**: 12-04-2024)<br>Secured \| Debt Securities<br><br>**Details of utilisation of senior, secured, rated, listed, redeemable, non-convertible debt securities aggregating Rs. 10,300 million is as follows:**<br><br>**Particulars** \| **Proposed Utilisation** \| **Actual Utilisation upto March 31, 2024** \| **Unutilised Amount as at March 31, 2024**<br>Providing loan to GAEPL for repaying existing facilities, in full and meeting any capital expenditure in relation to the Project developed/operated and any other project-related expenses; and/or general corporate purposes. \| 10,300 \| 10,300 \| - | Below are the common security details for the Term loan and NCDs:<br><br>a)First ranking pari-passu charge, by way of hypothecation on the following (as more stipulated under the Deed of Hypothecation):-<br><br>(i) on present and future tangible movable and intangible assets of the Trust in relation to the Project SPVs,<br>(ii) Insurance proceeds in respect of insurance contracts;<br>(iii) On present and future entire cash, cash flows, receivables, inventories, contractual rights, securities, patents, dividends, book debts and revenue to be paid/ payable by the Project SPVs<br>(iv) all the Escrow Accounts (other than the Debt Service Reverse Account) and all other bank accounts of the Trust in which the Free Cashflows from the Project SPVs owned by the Trust will be deposited/ credited or any other account opened / maintained by the Trust in relation to such Project SPVs (except for bank accounts opened by the Trust in pursuance to Regulation 9(1) of the Securities and Exchange Board of India (Investment Infrastructure) Regulations, 2014).<br>(v) receivables and demands whatsoever in the Project SPVs Debt and the Project SPV Financing Documents including the security interest created or to be executed in favour of the Issuer by the Project SPVs (save and except for Excluded SPVs) and contractual rights including the rights under the Substitution Agreement- Project SPVs, Escrow Agreement – Project SPVs and all other Project Documents<br>(vi) Debt Service Reserve Amount standing to the credit of the Debt Service Reserve Account or in the form of Permitted Investments<br>(vii) All present and future, current assets of the Trust other than covered above<br><br>b) Floating charge on all the other assets of the Trust, both present and future (other than property referred in (a) above)<br><br>c) A pledge of bonds, non-convertible debentures, equity shares on a fully diluted basis or any other security (except equity shares of the Excluded SPVs) held by the Trust. Pledge over all equity shares of APEL and 99.97% equity shares of MBEL as held by the Trust.<br><br>d) A negative lien, other than on Permitted Disposals, on the immovable and movable assets (including current assets and cash flows) of the Project SPVs except for the Excluded SPVs, subject to the rights of the Authorities under the respective Concession Agreements.<br><br>e) Corporate Guarantee from all the Project SPVs, except the Excluded SPVs, to the extent permitted and not restricted under the relevant Concession Agreements.<br><br>f) A shortfall undertaking from Project SPVs except by the Excluded SPVs, in relation to upstreaming of funds and/or direct payment to Lenders towards dues owed and payable by the Trust in relation to the Facility Loan in a form and manner instructed by the Lenders.<br><br>"Excluded SPVs" shall mean, collectively:<br>1) Andhra Pradesh Expressways Limited,<br>2) Mahua Bharatpur Expressways Limited; and<br>3) such other SPVs (other than the Project SPVs) acquired by the Trust, in respect of which the Lender do not have any Security Interest. |

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**22 (ii) Borrowing footnote NCD's and Debt Securities**
**For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:**

**A** **Secured NCD's:**

| S.No. | Nature of borrowings | Name of the Entity | Lender | As at March 31, 2024 | As at March 31, 2023 | Interest and repayment terms | Security terms |
|---|---|---|---|---|---|---|---|
| 2 | Non Convertible Debentures | APEL | Listed NCD's | 565.90 | - | On November 6, 2012, the Company had issued 5300 secured, rated, listed and redeemable NCD of Rs. 1 million each fully paid up in seven series A to G carrying a yield to maturity of 10.00% p.a. compounded semi-annually on private placement basis. These NCD are redeemable in 26 instalments commencing from April 15, 2013 and ending on October 15, 2025. The Company has the right to purchase such debentures at any time at the price available in the Debt market in accordance with the applicable laws. Series A to E were redeemed as per stipulated terms by March 31, 2024. Series F to G redemption details are given as under: | Secured by first and exclusive charge on all the following assets of the SPV in favour of the Debenture Trustee, acting for the benefit of the debenture holders:<br>- immovable property of the SPV<br>- all tangible movable assets<br>- the escrow account and Its sub-accounts, monies standing to their credit and permitted Investments<br>- all receivables (including annuity receivables from NHAI)<br>- rights of the SPV under the project documents (other than the concession agreement)<br>- rights under the substitution agreement. |

**(Rs. In million)**

| Series of Debentures Redeemed | Redemption Date | No of Debenture / Bonds | As at March 31, 2024 |
|---|---|---|---|
| Series F | 15-Apr-24 | 461 | 125.84 |
| | 15-Oct-24 | | 335.16 |
| Series G | 15-Oct-25 | 106 | 106.00 |
| | **Total** | | **567.00** |
| Less - upfront fee adjusted from the listed NCDs # | | | 1.10 |
| **Total Listed NCDs** | | | **565.90** |

# The upfront fee adjusted from the listed NCDs is recouped in borrowing through interest charge basis effective interest rate after considering this amount.

| S.No. | Nature of borrowings | Name of the Entity | Lender | As at March 31, 2024 | As at March 31, 2023 | Interest and repayment terms | Security terms |
|---|---|---|---|---|---|---|---|
| 3 | Non Convertible Debentures | MBEL | Listed NCD's | 1,390.75 | - | On October 16, 2017, the Company had issued 1920 secured, rated, listed and redeemable NCD of Rs.1 million each fully paid up in two series A and B carrying a yield to maturity of 8.40% p.a. compounded semi-annually on private placement basis. These NCD are redeemable in 32 instalments commencing from April 03, 2018 and ending on March 29, 2030. Series A redemption details are given as under: | NCD are secured against except project assets as specified in the concession agreement, first pari passu charge on the following in favour of the Debenture Trustee:<br>- immovable property of the SPV<br>- all tangible movable assets and intangible assets both present and future<br>- all bank accounts (excluding the Distribution Account and the DRR Investments), permitted investments and all receivables along with monies received/ receivable by the SPV both present and future<br>- the SPV rights, titles, interest, benefits, claims and demands under the insurance contracts together with any receivables or proceeds thereunder, the Concession Agreement (in accordance with the substitution agreement) and the Project Documents along with rights thereunder. |

**(Rs. In million)**

| Series of Debentures Redeemed | Redemption Date | No of Debenture / Bonds | As at March 31, 2024 |
|---|---|---|---|
| Series A | 03-Apr-24 | - | 75.00 |
| | 03-Oct-24 | 150 | 75.00 |
| | 03-Apr-25 | - | 100.00 |
| | 03-Oct-25 | 200 | 100.00 |
| | 06-Apr-26 | - | 105.00 |
| | 05-Oct-26 | 210 | 105.00 |
| | 05-Apr-27 | - | 110.00 |
| | 04-Oct-27 | 220 | 110.00 |
| | 04-Apr-28 | - | 125.00 |
| | 03-Oct-28 | 250 | 125.00 |
| | 03-Apr-29 | - | 125.00 |
| | 03-Oct-29 | 250 | 125.00 |
| | 29-Mar-30 | 120 | 120.00 |
| **Total** | | | **1,400.00** |
| Less - upfront fee adjusted from the listed NCDs # | | | 9.26 |
| **Total** | | | **1,390.74** |

# The upfront fee adjusted from the listed NCDs is recouped in borrowing through interest charge basis effective interest rate after considering this amount.

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**22 (ii) Borrowing footnote NCD's**
**For repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:**

**B** **Unsecured NCD's**

| S.No. | Nature of borrowing | Name of SPV | Lender | As at | | Description of NCD's and Significant term with respect to repayment schedule and interest |
|---|---|---|---|---|---|---|
| | | | | March 31, 2024 | March 31, 2023 | |
| 1 | Non Convertible Debentures | DATRPL | Reliance Infrastructure Ltd. | 100.00 | - | The Company had issued 5,252,059,146 on December 23, 2020 Unsecured, Seller Debentures ("NCDs") of Rs.1.00 each fully paid up on private placement basis to Reliance Infrastructure Limited ("RIL") by conversion of subordinate debt, repayment of creditor and Inter corporate deposit of RIL amounting to Rs. 5,252.06 millions. The Seller Debenture carry coupon rate of 0% per annum on the maturity amount including redemption premium payable while redeeming relevant tranche of Seller Debentures.<br><br>The current balance of Rs. 100 million represents the balance payment heldback by DATRPL subject to fulfillment of agreed conditions. |

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| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **23** | **Other non-current financial liabilities** | | |
| | Interest accrued but not due on debentures | 185.09 | - |
| | | **185.09** | **-** |
| **24** | **Non-current provisions** | | |
| | Provision for employee benefits | | |
| | - Gratuity [Refer note 41] | 23.42 | - |
| | - Compensated absences | 14.36 | - |
| | Provision for periodic major maintenance works [Refer note 49 (a)] | 2,300.26 | - |
| | | **2,338.04** | **-** |

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| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **25** | **Deferred Tax Assets/Liabilities** | | |
| **25A** | **Deferred tax liabilities (net)** | | |
| | **Deferred tax liability arising on account of :** | | |
| | Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax | 7,824.32 | - |
| | Unamortised processing fees on borrowings | 0.28 | - |
| | Income taxable on receipt basis* | 77.53 | - |
| | **Deferred tax asset arising on account of :** | | |
| | Unused tax losses carried forward | (154.32) | - |
| | Interest disallowed u/s 94B of Income-tax Act, 1961 carried forward | (112.34) | - |
| | Expense allowed in tax on payment basis | (426.90) | - |
| | Unabsorbed depreciation carried forward | (6,877.81) | - |
| | MAT credit entitlement | (18.95) | - |
| | **Deferred tax liabilities (net)** | **311.81** | **-** |

*represents tax effect on unrealised gain on mutual funds.

| | | | |
|---|---|---|---|
| **25B** | **Deferred tax assets (net)** | | |
| | **Deferred tax liabilities arising on account of :** | | |
| | Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax | (408.58) | - |
| | **Deferred tax assets arising on account of :** | | |
| | MAT credit entitlement | 651.81 | - |
| | **Deferred tax assets (net)** | **243.23** | **-** |

**Movement in deferred tax liabilities (net)**

| **Particulars** | **Balance as at April 01, 2023** | **Addition on account of Acquisition (refer note 51)** | **Recognised in Consolidated Statement of Profit and Loss** | **Recognised in other comprehensive income** | **Balance as at March 31, 2024** |
|---|---|---|---|---|---|
| Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax | - | (6,866.47) | (1,366.43) | - | (8,232.90) |
| Unamortised processing fees on borrowings | - | (1.17) | 0.89 | - | (0.28) |
| Income taxable on receipt basis | - | (26.83) | (50.70) | - | (77.53) |
| Unused tax losses carried forward | - | 143.37 | 10.95 | - | 154.32 |
| Interest disallowed u/s 94B of Income-tax Act, 1961 carried forward | - | 185.66 | (73.32) | - | 112.34 |
| Expense allowed in tax on payment basis | - | 211.37 | 215.43 | 0.10 | 426.90 |
| Unabsorbed depreciation carried forward | - | 5,741.34 | 1,136.46 | - | 6,877.81 |
| MAT credit entitlement | - | 441.93 | 228.83 | - | 670.76 |
| **Total deferred tax assets/(liabilities)** | **-** | **(170.80)** | **102.11** | **0.10** | **(68.58)** |

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| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **26** | **Current borrowings** | | |
| | Current maturities of long term borrowings [Refer note 22] | 4,722.49 | - |
| | | **4,722.49** | **-** |
| **27** | **Trade payables** | | |
| | **Current** | | |
| | Total outstanding dues of micro enterprises and small enterprises [Refer note 50] | 273.52 | - |
| | Total outstanding dues to creditors other than micro enterprises and small enterprises | 1,440.91 | 265.97 |
| | | **1,714.43** | **265.97** |

Credit period varies as per the contractual terms of various suppliers/vendors. The Trust Group has appropriate policy in place to ensure that all dues are paid within the credit terms agreed with the parties. Also, refer Group's credit risk management policy.

| | | | |
|---|---|---|---|
| **28** | **Other financial liabilities** | | |
| | **Current** | | |
| | Interest accrued but not due on borrowings | 409.91 | - |
| | Security deposits | 4.25 | - |
| | Payable to NHAI | 14.90 | - |
| | Creditors for capital supplies and services | 855.42 | - |
| | Payable to related party [Refer note 47] | 30.35 | - |
| | Other payable | 23.59 | - |
| | | **1,338.42** | **-** |
| **29** | **Other current liabilities** | | |
| | Statutory dues payable | 214.69 | 24.23 |
| | | **214.69** | **24.23** |
| **30** | **Provisions** | | |
| | **Current** | | |
| | Provision for employee benefits | | |
| | - Gratuity [Refer note 41] | 6.63 | - |
| | - Compensated absences | 3.22 | - |
| | Provisions for infrastructure upgrade works [Refer note 49 (b)] | 2,403.54 | - |
| | Provision for periodic major maintenance works [Refer note 49 (a)] | 898.99 | - |
| | | **3,312.38** | **-** |

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**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **31** | **Revenue from operations** | | |
| | Revenue from toll fee collections | 24,715.17 | - |
| | Construction income | 4,025.77 | - |
| | Operation and maintenance income | 294.64 | - |
| | Finance Income on annutiy receivables | 105.68 | - |
| | Revenue from additional work (net of related cost) | 8.78 | - |
| | Claims for compensation from NHAI | 11.33 | - |
| | | **29,161.37** | **-** |
| | Refer note 52A for Revenue from contracts with customers | | |
| **32** | **Other income** | | |
| | Interest on financial assets carried at amortised cost: | | |
| | Interest on income tax refund | 8.28 | - |
| | Sale of scrap | 10.25 | - |
| | Insurance claim received | 24.57 | - |
| | Liabilities no longer required written back | 79.00 | - |
| | Miscellaneous income | 7.16 | - |
| | | **129.26** | **-** |
| **33** | **Cost of construction** | | |
| | Construction cost | 4,025.77 | - |
| | | **4,025.77** | **-** |
| **34** | **Operation and maintenance expenses** | | |
| | Periodic major maintenance expense [Refer note 49(a)] | 1,663.92 | - |
| | Repair and maintenance of carriageway | 1,603.79 | - |
| | Toll operation expenses | 745.06 | - |
| | Security charges | 124.23 | - |
| | Vehicle hire charges | 286.58 | - |
| | Power and fuel | 257.68 | - |
| | Route patrolling expenses | 285.82 | - |
| | Professional charges - site | 79.23 | - |
| | Miscellaneous expenses | 0.11 | - |
| | | **5,046.42** | **-** |
| **35** | **Employee benefits expense** | | |
| | Salary and wages | 389.40 | - |
| | Gratuity expenses [Refer note 41] | 5.57 | - |
| | Contribution to provident and other funds | 18.83 | - |
| | Staff welfare expenses | 15.86 | - |
| | | **429.66** | **-** |
| **36A** | **Other expenses** | | |
| | Rent [(i)] | 2.74 | - |
| | Rates and taxes | 11.81 | 2.00 |
| | Advertising expenses | 1.87 | - |
| | Travelling and conveyance | 14.29 | - |
| | Printing and stationary | 3.96 | - |
| | Communication expenses | 12.14 | - |
| | Penalty to NHAI for delay in execution of major Maintenance expenses | 4.56 | - |
| | Impairment loss allowance on trade receivables/unbilled revenues | 35.71 | - |
| | Bad debts written off (net of adjustments from impairment loss allowance on trade receivables) | 24.03 | - |
| | Information Technology related cost | 25.49 | - |
| | Royalty expenses | 48.15 | - |
| | Net loss on foreign currency transaction | 0.16 | - |
| | Corporate social responsibility expense | 15.61 | - |
| | Loss on write-off of property, plant and equipment | 1.91 | - |
| | Miscellaneous expenses | 53.12 | - |
| | **Total** | **255.55** | **2.00** |

**Notes:**
(i) The Trust Group has taken office premises on lease for which average lease term is 11 months (Short Term Leases).

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **36B** | **Audit fees** | | |
| | Payments to auditors (including taxes): | | |
| | - as auditors - for statutory audit and limited review* | 46.34 | 1.06 |
| | - as auditors - for audit of Special Purpose Combined Financial Statements | 5.31 | |
| | - other Services (certification) | 4.81 | - |
| | - out of pocket expenses | 3.05 | - |
| | | **59.51** | **1.06** |

*includes Rs. 1.32 million (March 31, 2023: Nil) for payments to other auditors

| | | | |
|---|---|---|---|
| **37** | **Finance costs** | | |
| | Interest for financial liabilities classified at amortised cost: | | |
| | - term loans | 7,672.86 | - |
| | - non-convertible debentures | 655.03 | - |
| | - optionally convertible debentures | 98.00 | - |
| | Interest on delayed payment to MSME vendors | 6.91 | - |
| | Interest others | 3.07 | - |
| | Unwinding of interest: | | |
| | - on processing fees | 68.32 | - |
| | - on major maintenance / infrastructure upgrade | 142.36 | - |
| | - on unsecured loan | 2.64 | - |
| | Other borrowing costs | 82.10 | - |
| | | **8,731.29** | **-** |

| | | | |
|---|---|---|---|
| **38** | **Depreciation and amortisation expense** | | |
| | Depreciation of property, plant and equipment | 48.17 | - |
| | Depreciation of investment property | 0.48 | - |
| | Amortisation of intangible assets | 11,777.07 | - |
| | | **11,825.72** | **-** |

**39 Earnings per unit (EPU)**

Basic EPU amounts are calculated by dividing the profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

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

The following table reflects the income and unit data used in the basic and diluted EPU computations:

| | | |
|---|---|---|
| **Loss attributable to unit holders:** | | |
| Loss for the year attributable to owners of the Trust Group for calculating basic EPU (Rs. in million) | (7,059.15) | (277.88) |
| Adjustments for reclassification of subordinate units | - | - |
| **Loss for the year attributable to owners of the Trust Group for calculating diluted EPU (Rs. in million)** | (7,059.15) | (277.88) |
| **Calculation of weighted average number of units outstanding (units in Million):** | | |
| Weighted average number of Ordinary units outstanding (Units in million) | 1,233.94 | - |
| Add:Estimated Subordinate Units to be reclassified to ordinary Units[ii] | 0.12 | - |
| **Weighted average number of units outstanding for calculating basic EPU (units in million)** | 1,234.06 | - |
| Add:Estimated Subordinate Units to be reclassified to ordinary Units[iv] | - | - |
| **Weighted average number of units outstanding for calculating diluted EPU (units in million)** | 1,234.06 | - |
| Basic earnings per unit (Rs. absolute amount) | (5.72) | - |
| Diluted earnings per unit (Rs. absolute amount) | (5.72) | - |

**Notes:**

(i) There have been no other transactions involving units or potential units between the reporting date and the date of authorisation of these Consolidated Financial Statements.

(ii) Estimated reclassification of Subordinate Units to Ordinary Units on acheivement of actual performance matrix in respect of DATRPL (Entitlement Event A as per terms defined in note 20 ), which have been included in calculation of basic and diluted EPU since the criteria of reclassification to Ordinary units has occured at reporting date and subordinate units will be reclassified into Ordinary Units post the date of Entitlement Event i.e. June 30, 2024 as defined in Trust Deed.

Further, Subordinate units reclassified to Ordinary Units on acheivement of actual performance matrix in respect of JMTPL and MBEL (Entitlement Event B as per terms defined in note 20) have not been included in the calculation of basic earnings per unit and diluted earnings per unit since the criteria of reclassification to ordinary unit has not been met as at the reporting date.

(iii) The Trust has issued units on April 17, 2023, hence, the disclosures in respect of the Earnings per units have not been given for the year ended March 31, 2023.

(iv) There are no other dilutive units to be considered for purpose of Diluted EPU.

## 40 Tax expense

| | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **(i) Income tax expense recognised in Consolidated Statement of Profit and Loss** | | |
| Current tax | 287.41 | - |
| Tax for earlier years | 5.40 | - |
| Deferred tax | (102.11) | - |
| | **190.70** | **-** |

The major components of income tax expense and the reconciliation of expense based on the respective effective tax rate and the reported tax expense in Consolidated Statement of Profit and Loss are as follows :

| **Particulars** | | |
|---|---|---|
| Loss before tax | (6,868.44) | (277.88) |
| Blended Tax Rate [ii] | 36.68% | 42.74% |
| **Expected tax expense [A]** | **(2,519.21)** | **(118.77)** |
| **Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense:** | | |
| Effect of transactions that are not considered in determining taxable income | 27.87 | 118.77 |
| Impact of expenditure not deductible u/s 14A of the Income Tax Act, 1961 | 3,706.34 | - |
| Impact of interest loan to the SPV, impairment charge and amortisation of intangible assets | (2,117.06) | - |
| Adjustment on account of written down values between tax base and book base of PPE and Intangible Assets | 191.29 | - |
| Effect due to change in tax rate | 15.70 | - |
| Effects of unrecognised deferred tax assets/liabilities on deductible temporary differences | 1,682.71 | - |
| Effect of income that is exempt from taxation u/s 80 IA of the Income-tax Act, 1961 | (372.06) | - |
| Impact of Tax related to earlier years | 5.40 | - |
| Others | 8.64 | - |
| ***Effects of recognised deferred tax assets/ (liabilities) on deductible temporary differences earlier unrecognised*** | | |
| Interest disallowed u/s 94B of the Income-tax Act, 1961 | (370.06) | - |
| ***Effects of unrecognised deferred tax on deductible temporary differences and tax losses including those reversing or originating and reversing during tax holiday period u/s 80IA of the Income tax act, 1961*** | | |
| Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax | 154.01 | - |
| Income taxable on receipt basis | (4.53) | - |
| Expense allowed in tax on payment basis | (28.54) | - |
| Unamortised processing fees on borrowings | 0.71 | - |
| Unabsorbed depreciation and carry forward losses | (190.51) | - |
| **Total adjustments [B]** | **2,709.90** | **118.77** |
| **Actual tax expense [C=A+B]** | **190.70** | **-** |

**Note:**

(i) Trust is a business trust registered under SEBI InvIT Regulations. Hence, the interest and dividend received or receivable by Trust from SPV's is exempt from tax under section 10(23FC) of the Income-tax Act, 1961(Act). Further any expenditure incurred in relation to earning the exempt income is not tax deductible in view of the provisions of section 14A of the Act.

The income of Trust other then exempt income mentioned above, is chargeable to tax at the maximum marginal rates in force (for the year ended March 31, 2024: 42.74%) except for the income chargeable to tax on transfer of short term capital assets under section 111A of the Act and long term capital assets under section 112 of the Act.

(ii) Applicable SPV and Cube Highways Trust Standalone wise tax rate ranges between 25.17% - 42.74%. Blended tax rate has been considered for effective tax rate reconciliation.

(iii) In JMTPL, MBEL, WUPTPL, WVEPL, GAEPL, NDEPL and FRHL - The Company has elected not to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

(iv) Income tax for earlier year relates to tax provisions made in the books of SPVs JMTPL and WUPTPL.

**(ii) Unrecognised deferred tax:**

**(A)** Deferred tax assets/(liability) has not been recognised in respect of following items because the said temporary differences, business losses etc. will reverse during the holiday period u/s 80IA of the Income-tax Act, 1961 and deferred tax assets are not recognised in the absence of reasonable certainty that future taxable amounts will be available to utilize these temporary differences and business losses:

| **Particulars** | | |
|---|---|---|
| Business losses and unabsorbed depreciation | 2,007.53 | - |
| Difference between tax written down value (WDV) and book WDV of intangible assets | (2,077.06) | - |
| Expense allowed in tax on payment basis | 1,499.27 | - |
| Income taxable on receipt basis | 7.28 | - |
| **Total** | **1,437.02** | **-** |

**40 Tax expense**

**(B)** Deferred tax assets as at March 31, 2024 in respect of following deductible temporary items have been restricted only to the extent of deferred tax liabilities in the absence of convincing evidence that future taxable amounts will be available to utilize the temporary differences.

| **Particulars** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|
| Unabsorbed depreciation | 8,025.26 | - |
| Business losses | 4,512.69 | |
| Interest disallowed under section 94B of the Income tax Act, 1961 | 1,156.79 | - |
| Difference between tax written down value (WDV) and book WDV of intangible assets | 116.64 | - |
| Provision for doubtful debts | 294.05 | - |
| Expense allowed in tax on payment basis | **14,105.43** | **-** |

**(iii) Unused business loss and interest u/s 94B can be carried forward based on the year of origination as follows:**

| **Financial year/period of origination** | **Financial year of expiry** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|---|
| March 31, 2022 | March 31, 2030 | 430.97 | - |
| March 31, 2023 | March 31, 2031 | 948.57 | - |
| March 31, 2024 | March 31, 2032 | 4,429.14 | - |

**(iv) Minimum alternate tax (MAT):**

Tax credits have been recognised on the basis that recovery is probable in the foreseeable future. This recognised MAT credit expires, if unused, based on the year of origination as follows:

| **Financial year/period of origination** | **Financial year of expiry*** | **As at March 31, 2024** | **As at March 31, 2023** |
|---|---|---|---|
| 31 March 2018 | 31 March 2032 | 5.25 | - |
| 31 March 2019 | 31 March 2032 | 54.56 | - |
| 31 March 2020 | 31 March 2032 | 62.37 | - |
| 31 March 2021 | 31 March 2032 | 72.62 | - |
| 31 March 2022 | 31 March 2032 | 88.10 | - |
| 31 March 2023 | 31 March 2032 | 153.86 | - |
| 31 March 2024 | 31 March 2032 | 234.02 | - |

* Restricted upto the Service Concession Agreement (SCA) expiry date of SPVs MBEL and JMTPL.

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## 41 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

### (a) Defined contribution plan

The Trust Group contribution to Provident Fund amounts to Rs. 18.83 million (March 31, 2023: Nil) has been recognised in the Consolidated Statement of Profit and Loss under the head Employee benefits expense.

### (b) Defined benefit plans

The Trust Group provides for gratuity for employees in India as per The Payment of Gratuity Act, 1972. Employees who are in continuous service for 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month completed proportionately for 15 days salary multiplied for number of completed years of service. The gratuity plan is funded plan for 2 SPVs viz. DATRPL and WUPTL, these 2 SPVs makes contribution to recognised funds with Life Insurance Corporation of India (pension and group schemes department). For other SPVs, the Trust Group operates the unfunded gratuity scheme.

The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to Consolidated Statement of Profit and Loss.

**Gratuity**

(i) **Amount recognised in the Consolidated Statement of Profit and Loss is as under:**

| Description | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Current Service Cost | 5.15 | - |
| Interest cost on defined benefit obligations | 1.49 | - |
| Interest income on plan assets | (1.07) | - |
| **Amount recognised in the Consolidated Statement of Profit and Loss** | **5.57** | **-** |

(iii) **Bifurcation of Actuarial (loss)/gain on obligations:**

| Description | | |
|---|---|---|
| Actuarial (loss)/gain on arising from change in demographic assumption | - | - |
| Actuarial (loss)/gain on arising from change in financial assumption | (0.72) | - |
| Actuarial (loss)/gain on arising from experience adjustment | 1.07 | - |
| **Actuarial (loss)/gain on for the year on obligations** | **0.35** | **-** |

(iv) **Actuarial (loss)/gain on plan asset**

| Description | | |
|---|---|---|
| Actual income on plan asset | 1.00 | - |
| Expected interest income | 1.07 | - |
| **Actuarial (loss)/gain for the year on plan asset** | **(0.07)** | **-** |

(v) **Other Comprehensive Income (OCI)**

| Description | | |
|---|---|---|
| Actuarial (loss)/gain for the year on DBO | 0.35 | - |
| Actuarial (loss)/gain for the year on plan asset | (0.07) | - |
| **Unrecognized actuarial (loss)/gain for the year** | **0.28** | **-** |

(vi) **Change in plan assets**

| Description | | |
|---|---|---|
| **Fair value of plan assets at the beginning of the year** | - | - |
| Additions on account of acquisition (refer note 52) | 15.59 | |
| Actual return on plan assets | 1.00 | - |
| **Fair value of plan assets at the end of the year** | **16.59** | **-** |

(vii) **Change in defined benefit obligations**

| Description | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Defined benefit liability at the start of the year** | - | - |
| Addition on account of Acquisition (refer note 51) | 23.96 | - |
| Adjustments related to employees transferred to/from Cube group entities | 0.41 | - |
| Interest Cost | 1.49 | - |
| Current service cost | 5.15 | - |
| Re-measurements (gain)/loss for the year | (0.35) | - |
| Benefit paid directly by the Group | (0.61) | - |
| **Defined benefit liability at the end of the year** | **30.05** | **-** |

(viii) **The amount included in the Consolidated Balance Sheet arising in respect of its defined benefit obligations/plans**

| **Description** | | |
|---|---|---|
| Present value of defined benefit obligations/ plans | 30.05 | - |
| Fair value of plan assets [(i)] | (16.59) | - |
| **Net defined benefit obligations** | **13.47** | **-** |

**Bifurcation of Present Benefit Obligations (PBO) and Plan Assets at the end of year in current and non current**

| **Description** | | |
|---|---|---|
| Current provision (Amount due within one year) | 6.63 | - |
| Non-Current provision (Amount due after one year) | 23.42 | - |
| **Total PBO at the end of year** | **30.05** | **-** |
| **Plan assets at the end of year** | 16.59 | - |
| **Net PBO at the end of year** | **13.45** | **-** |

(x) **Sensitivity analysis for gratuity liability:**

| **Description** | | |
|---|---|---|
| **Impact of change in discount rate** | | |
| Present value of obligations at the end of the year | **30.05** | **-** |
| - Impact due to decrease of 0.50% | 2.50 | - |
| - Impact due to increase of 0.50% | (2.17) | - |
| **Impact of change in salary increase** | | |
| Present value of obligations at the end of the year | **30.05** | **-** |
| - Impact due to decrease of 0.50% | (2.21) | - |
| - Impact due to increase of 0.50% | 2.48 | - |

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligations liability recognised in the Consolidated Balance Sheet.

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.
Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

(xi) **Actuarial assumptions:**

| **Description** | | |
|---|---|---|
| Discount rate range | 7.15% | - |
| Rate of increase in compensation levels range | 7.50% for first year, 6.30% thereafter | - |
| Retirement age | 58 years | - |
| Mortality rate | 100% of IALM (2012-14) | - |
| Attrition at age (Withdrawal rate %) | 9% per annum | |
| Up to 30 Years | | |
| From 31 to 44 years | | |
| Above 44 years | | |

**Notes:**

(i) The plan assets are maintained with LIC of India Gratuity scheme. The details of investment maintained by LIC are not available and therefor not been disclosed.

**42 Capital and other commitments**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advance) towards:** | | |
| - Property, plant and equipment | 21.82 | - |
| - Intangible assets- Rights under Service Concession Arrangements | 753.13 | - |
| **Total** | **774.95** | **-** |

The Trust Group has other commitments for purchase orders which are issued after considering requirements per operating cycle for purchase of goods and services in normal course of business. The Trust Group does not have any other long term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the Consolidated Financial Statements.

**43 Contingent liabilities and claims**

| i) | Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| | **Claims against the Trust Group not acknowledged as debt** | | |
| a) | In respect of Income-tax matters, disputed by SPVs | 225.18 | - |
| b) | In respect of Indirect tax matters (VAT/Entry tax/Service tax/GST) disputed by SPVs | 140.05 | - |
| c) | Damages/Penalties levied by NHAI/Independent engineer on account of default/deficiences in terms of the concession | 61.10 | - |
| d) | Civil suits related to accident claim and land enroachment matter at a SPV | 7.80 | - |

**e) Stamp Duty matters**

i. The office of the Registration and Stamps Department, Government of Telangana has issued notices for shortfall in stamp duty amounting Rs. 225 million to APEL and KMC Constructions Limited ("KMC") in relation to the inadequate stamping of the EPC contract entered into between APEL and KMC. As per the EPC Agreement, payment of stamp duty on the EPC Contract is obligation of KMC.

ii. 2 of SPVs viz. GAEPL and WUPTPL have received notices for stamp duty amounting Rs. 456.40 million and Rs. 251.30 million respectively from the office of the Collector, Aligarh and the office of the Additional District Magistrate (Finance Revenue), Meerut, respectively, in relation to the stamping of the concession agreements entered into by such SPVs. The Collector, Aligarh has passed an order in this regard. While these matters are currently pending, in accordance with the share purchase agreement signed by these SPVs with their current and erstwhile shareholders, the erstwhile shareholders are obligated to indemnify, defend and hold harmless the SPVs in relation to any payment of deficient stamp duty on the concession agreements.

The relevant SPVs are contesting the aforesaid notices /order before various authorities and are confident that the matters will be decided in favor of the SPVs and ultimately no liability is likely to be devolved on the respective SPVs.

f) In an earlier year, WVEPL received an Award dated January 28, 2019, from the Arbitral Tribunal in the matter of adjudication of disputes between WVEPL and NHAI in connection with the work for Project. WVEPL had raised various claims on NHAI inter-alia towards cost increase due to delay in issuance of Letter of Award, Loss incurred due to the extension of Bank Guarantee, construction of minor bridge and approached at Km 182 to 236, Loss of Revenue due to non-completion of adjoining packages, Loss due to difference in length of Project Highway, Interest etc., in respect of which the Arbitral Tribunal awarded Rs.1,706.00 million (including interest of Rs.344.60 million). NHAI filed case in the High Court of Delhi in 2019 against the aforesaid Award.

In term of understanding reached with the EPC contractor (i.e. KNR Constructions Limited "KNR"), the awarded amount will be passed on to KNR only on receipt of the same from NHAI.

During the year the Settlement Agreement dated January 12, 2024, has been entered between NHAI and WVEPL under the one time dispute settlement scheme of the Government of India, wherein it is agreed between the parties that NHAI shall pay Rs.1,559.79 million inclusive of taxes, if any to WVEPL as per full and final settlement of all the above disputes.

Pursuant to above settlement WVEPL has received Rs. 1,528.59 millions (after deduction of TDS of Rs. 31.20 millions ) from NHAI and passed on to KNR amounting Rs. 1,417.17 million (after deducting TDS of Rs. 107.12 millions and other deductions of Rs. 4.30 million). WVEPL has withheld Rs. 31.20 millon to cover the risk for credit to be received for taxes.

**Footnote:**
Future ultimate outflow of resources embodying economic benefits in respect of the matters referred in (a) to (e) are uncertain as it depends on the final outcome of the matter involved.

## 44 Financial instruments by Fair value and category

### i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the Consolidated Balance Sheet are divided into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.
**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Financial assets/(liabilities) measured at fair value - recurring fair value measurements:**

| **As at March 31, 2024** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Assets at fair value through profit or loss** | | | | |
| Investments | - | 13,527.76 | - | **13,527.76** |
| **Liabilities at fair value through profit or loss** | | | | |
| Unsecured term loan from KNR Constructions Limited | - | - | 150.99 | **150.99** |

| **As at March 31, 2023** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Assets at fair value through profit or loss** | | | | |
| Investments | - | - | - | - |
| **Liabilities at fair value through profit or loss** | | | | |
| Unsecured term loan from KNR Constructions Limited | - | - | - | - |

**Valuation process and technique used to determine fair value**
The fair value of investments in mutual fund units are based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet dates. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

### (ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows using Level 3 inputs:

| **Particulars** | **As at March 31, 2024** | | **As at March 31, 2023** | |
|---|---|---|---|---|
| | **Carrying value** | **Fair value** | **Carrying value** | **Fair value** |
| **Financial assets measured at amortised cost:** | | | | |
| Investments | 0.01 | 0.01 | - | - |
| Trade receivables | 600.79 | 600.79 | - | - |
| Cash and cash equivalents | 2,416.84 | 2,416.84 | - | - |
| Bank balance other than cash and cash equivalents | 3,593.98 | 3,593.98 | - | - |
| Other financial assets | 1,827.64 | 1,827.64 | - | - |
| **Total financial assets** | **8,439.26** | **8,439.26** | **-** | **-** |
| **Financial liabilities (excluding equity component)** | | | | |
| Borrowings | 1,07,201.74 | 1,07,201.74 | - | - |
| Trade payables | 1,714.43 | 1,714.43 | 265.97 | 265.97 |
| Other financial liabilities | 1,523.51 | 1,523.51 | - | - |
| **Total financial liabilities** | **1,10,439.68** | **1,10,439.68** | **265.97** | **265.97** |

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables, borrowings and other financial liabilities are approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Valuation process and technique used to determine fair value**

The Trust is required to present the Statement of Total Assets at Fair Value and Statement of Total Returns at Fair Value as per SEBI Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 as a part of these consolidated financial statements (Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value) and has used the significant unobservable inputs in the fair value measurement required for these disclosures, categorised within Level 3 of the fair value hierarchy- level 3, together with a quantitative sensitivity analysis as at March 31, 2024 as given below:

| Particulars | Input for March 31, 2024 | Sensitivity of Input to Fair Value | Increase/ (decrease) in fair value as at March 31, 2024 |
|---|---|---|---|
| a. WACC | 10.2% to 11.0% | + 0.5% | (10,690.00) |
| | | -0.50% | 11,426.00 |
| b. Inflation rate (Wholesale Price Index) | 4.1% to 5.1 % | + 1% | 14,550.30 |
| | | -1% | (12,516.20) |

Sensitivity analysis is not given for March 31, 2023 as the Trust acquired all the SPVs with effect from April 17, 2023.

**iii) Financial instruments by category**

| Particulars | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortised cost | FVTPL | FVOCI | Amortised cost |
| **Financial assets** | | | | | | |
| Investments | 13,527.76 | - | 0.01 | - | - | - |
| Other financial assets | - | - | 1,827.64 | - | - | - |
| Trade receivables | - | - | 600.79 | - | - | - |
| Cash and cash equivalents | - | - | 2,416.84 | - | - | - |
| Bank balances other than cash and cash equivalents | - | - | 3,593.98 | - | - | - |
| **Total** | **13,527.76** | **-** | **8,439.26** | **-** | **-** | **-** |
| **Financial liabilities (excluding equity component)** | | | | | | |
| Borrowings | 150.99 | - | 1,07,201.74 | - | - | - |
| Trade payables | - | - | 1,714.43 | - | - | 265.97 |
| Other financial liabilities | - | - | 1,523.51 | - | - | - |
| **Total** | **150.99** | **-** | **1,10,439.68** | **-** | **-** | **265.97** |

**45 Financial risk management**

**i) Risk Management**

The Trust Group activities expose it to variety of financial risks : credit risk, liquidity risk and market risk. The Board of Directors of the Investment Manager("IM") has overall responsibility for the establishment and oversight of the Trust Group's risk management framework. The Trust Group's risk management framework is established to identify and analyse the key risks faced by the Trust Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management fraemwork systems are reviewed periodically to reflect changes in market conditions and Trust Group's activities.

The Board of Directors of the IM oversee compliance with Trust Group's risk management policies and procedures, and reviews the risk management framework in relation to the risk faced by the Trust. The Audit committee as assisted by the internal audit undertakes regular reviews of risk management controls and procedure, the results of which are taken on record by Audit committee.

**A) Credit risk**

Credit risk is the risk of financial loss to the Trust Group if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Trust Group's Cash and cash equivalents and other bank balances, trade receivables, unbilled revenue and other financial assets. Trust Group maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

**Credit risk management**

The Trust Group establishes an allowance account for impairment that represents its estimate of losses in respect of its financial assets. The main component of this allowance is estimated losses that relate to specific counterparties. The allowance account is used to provide for impairment losses. Subsequently when the Trust Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks. Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and other Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

As at the reporting date, there is no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheet.

**Reconciliation of loss allowance for trade receivable, unbilled revenue and other financial assets from beginning to end of reporting period:**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Additions on account of acquisition (refer note 52) | 143.97 | |
| Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses | 42.70 | - |
| Adjustment against bad debts written off | (3.11) | - |
| **Closing Balance** | **183.56** | **-** |

In case of majority of Trade Receivable, the counter party being the Government Undertaking as such does not have significant credit risk. However, Trust Group estimates the expected credit loss based on specific identified basis.

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and other Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

**B) Liquidity risk**

Liquidity risk is the risk that the Trust Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust Group's is exposed to liquidity risk due to borrowings, trade and other payables. Trust Group measures risk by forecasting cash flows. The Trust Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Trust Group's reputation. The Trust Group ensures that it has sufficient fund to meet expected operational expenses and servicing of financial obligations.

The Trust Group objective is to, all times maintain optimum levels of liquidity levels of liquidity to meet its cash and collateral obligations. The Trust Group requires funds both for short-term operational needs as well as long-term investment programs mainly in growth projects. The Trust Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimize these risksby generating sufficient cashflows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

Consequently, the Trust Group believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the Trust Group projects cash flows and considering the level of liquid assets necessary to meet liquidity requirement.

The Trust Group has no undrawn borrowing facilities as at March 31, 2024 (March 31, 2023:Nil)

**(a) Maturities of financial liabilities**

The tables below analyse the Trust Group's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities:
The amounts disclosed in the table are the contractual undiscounted cash flows net of processing fees.

| **As at March 31, 2024** | Less than 1 year | 1-2 year | 2-5 year | More than 5 years | Total |
|---|---|---|---|---|---|
| Borrowings | 4,722.49 | 4,275.70 | 12,051.20 | 86,303.34 | **1,07,352.73** |
| Trade payables | 1,714.43 | - | - | - | **1,714.43** |
| Other financial liabilities | 1,453.73 | 69.79 | - | - | **1,523.52** |
| **Total** | **7,890.65** | **4,345.49** | **12,051.20** | **86,303.34** | **1,10,590.68** |

| **As at March 31, 2023** | Less than 1 year | 1-2 year | 2-5 year | More than 5 years | Total |
|---|---|---|---|---|---|
| Borrowings | - | - | - | - | **-** |
| Trade payables | 265.97 | - | - | - | **265.97** |
| Other financial liabilities | - | - | - | - | **-** |
| **Total** | **265.97** | **-** | **-** | **-** | **265.97** |

**C) Market risk**
**(a) Interest rate risk**
**i) Liabilities**
The Trust Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Trust Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

*Interest rate risk exposure*
Below is the overall exposure of the Trust Group to interest rate risk:

| **Particulars** | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Variable rate borrowings | 95,677.28 | - |
| Fixed rate borrowings | 12,019.80 | - |
| **Total borrowings** | **1,07,697.08** | **-** |

*Sensitivity*
Below is the sensitivity of profit or loss and equity changes in interest rates.

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| **Interest sensitivity** | | |
| Interest rates – increase by 50 bps [(i)] | (478.39) | - |
| Interest rates – decrease by 50 bps [(i)] | 478.39 | - |

*(i) Holding all other variables constant*

**ii) Financial Assets**
The Trust Group's fixed deposits are carried at amortised costs and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**(b) Price risk**
**i) Exposure**
The Trust Group requires for implementation (construction, operation and maintenance) of the projects various commodities such as cement, bitumen, steel and other construction materials which are exposed to price risk. The Trust Group are able to manage its exposure to price increases through bulk purchases and negotiations. Hence, the sensitivity analysis is not required to be provided.

The Trust Group's exposure to price risk arises from investments held and classified at fair value through profit or loss. To manage the price risk arising from investments, the Trust Group diversifies its portfolio of assets through fixed rate investment like deposit with bank and investment in mutual funds (Growth Scheme).

**ii) Sensitivity**
The table below summarises the impact of increase/decrease of the index on the Trust Group's profit for the year :

**Impact on loss before tax**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Mutual Funds** | | |
| Net assets value – increase by 100 bps | 135.28 | - |
| Net assets value – decrease by 100 bps | (135.28) | - |

**(c) Foreign currency risk**
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust Group has no significant exposure to the risk of changes in foreign exchange rates.

**46 Capital management**
For the purpose of the Trust Group's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust Group. The primary objective of the Trust Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust Group may adjust the distribution to unitholders (subject to the provisions of SEBI InvIT Regulations which require distribution of at least 90% of the net distributable cash flows of the Trust Group to unit holders), return capital to unitholders or issue new units.

The Trust Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Trust Group's policy is to keep the gearing ratio optimum. The Trust Group net debt includes non-current borrowings [including current maturity of non-current borrowings, interest accrued but due on borrowings & interest accrued but not due on debentures less cash and cash equivalent, other bank balances and current investments (net of restricted balances)].

**Debt equity ratio**

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| Debts | 1,07,947.73 | - |
| Less : Cash & cash equivalents, other bank balances and current investments* | (15,138.97) | - |
| **Net Debt** | **92,808.76** | **-** |
| Total equity | 1,29,489.91 | - |
| **Net debt to equity ratio (in times)** | **0.72** | **-** |

***net of restricted Cash & cash equivalents, other bank balances and current investments***

## 47 Information on related party transactions

The name of the related parties and nature of relationship are as identified by the management of the Investment Manager with reference to the Trust and its subsidiaries which are considered for the Consolidated Financial Statement pursuant to the InvIT Regulations.

### 47.1 A) List of related parties as per the requirements of Ind-AS 24- Related Party Disclosures

**Cube Group Entities***
Cube Highways and Infrastructure 1D Pte. Limited
Cube Highways and Infrastructure II Pte. Limited
Cube Mobility Investment Pte Limited
Cube Highways Technologies Private Limited

**B) List of related parties as per Regulation 2(1) (zv) of the InvIT Regulations**
**1) Parties to the Trust**
Sponsor- Cube Highways and Infrastructure Pte. Ltd. (CHIPL)
Sponsor- Cube Highways and Infrastructure III Pte. Ltd (CHIPL-III)
Project Manager of the Trust(for all SPVs)- Cube Highways and Transportation Assets Advisors Private Limited (CHATAAPL)
Subsidiary of CHATAAPL- Cube Highways Roots Foundation
Investment Manager of the Trust- Cube Highways Fund Advisors Private Limited (CHFAPL)
Trustee of the Trust- Axis Trustee Services Limited (ATSL)

**2) Promoters of the parties to the Trust specified in (1) above**
Promoter of CHIPL- ISQ Asia Aggregator Pte. Ltd.
Promoter of CHIPL-III- ISQ Asia Infrastructure Holdings II Pte. Ltd.
Promoter of CHATAAPL- Cube Highways and Infrastructure Pte. Ltd. (upto December 28, 2023) ,Cube Highways Advisory Pte. Ltd. (w.e.f December 29, 2023)
Promoter of CHFAPL- Cube Highways Advisory Pte. Ltd.
Promoter of ATSL- Axis Bank Limited

**3) Directors of the parties to the Trust specified in (1) above**
**i) Directors of CHIPL**
Spyros John Mantzavinatos (upto June 22, 2023)
Kenichi Yoshihara (upto February 07, 2024)
George Currie Crawford
Siew Hean Meng (upto August 31, 2023)
Harsh Agrawal
Marcus Christopher Hill
Heng Hong Kiong (upto February 07, 2024)
Tsuneo Kawasaki (w.e.f February 07, 2024)
Lin Le (w.e.f February 07, 2024)

**ii) Directors of CHIPL-III**
Kunal Agarwal
Heng Hock Kiong
George Currie Crawford
Marcus Christopher Hill
Harsh Agrawal
Lin Le (w.e.f February 07, 2024)

**iii) Directors of CHATAAPL**
Pooja Aggarwal
Bovin Kumar
Mukul Shastry
Gaurav Malhotra (upto August 18, 2023)
Ankit Jain (w.e.f August 21, 2023)

**iv) Directors of CHFAPL**
Upendra Kumar Sinha
Surinder Chawla
Fereshte Dhunjishaw Sethna
Jayesh Ramniklal Desai
Sandeep Lakhanpal
Harikishan Reddy Koppula (upto June 07, 2023)
Zaman Velji (w.e.f June 08, 2023 upto November 07, 2023)
Chirdeep Singh Bagga (w.e.f June 08, 2023)
Helly Bharat Ajmera (w.e.f November 07, 2023)

**v) Directors of ATSL**
Rajesh Kumar Dahiya (upto January 15, 2024)
Deepa Rath
Ganesh Sankaran (upto January 15, 2024)
Sumit Bali (w.e.f January 16, 2024)
Prashant Joshi (w.e.f January 16, 2024)

* Considered as Related Parties although not covered under the definition of Related Parties as per Ind AS 24, Related party disclosures. These have been included as voluntary disclosure, following the best corporate governance practices.

**47 Information on related party transactions**

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **47.2** | **Transactions during the year** | | |
| **1** | **Issue of ordinary & subordinate unit capital in exchange of shareholdings of the SPVs (Refer footnote (i) to note 20)** | | |
| | **i) Ordinary unit capital** | **91,008.69** | **-** |
| | Cube Highways and Infrastructure Pte. Limited* | 16,320.78 | - |
| | Cube Highways and Infrastructure I-D Pte Limited | 2,465.51 | - |
| | Cube Highways and Infrastructure II Pte Limited* | 14,028.28 | - |
| | Cube Highways and Infrastructure III Pte Limited* | 31,268.49 | - |
| | Cube Mobility Investment Pte Limited | 26,925.63 | - |
| | | | - |
| | **ii) Subordinate unit capital** | **15,750.00** | **-** |
| | Cube Highways and Infrastructure Pte. Limited | 3,750.00 | - |
| | Cube Highways and Infrastructure III Pte Limited | 12,000.00 | - |
| **2** | **OCD repayment during the year** | **50,484.29** | |
| | Cube Highways and Infrastructure Pte. Limited | 9,555.00 | - |
| | Cube Highways and Infrastructure I-D Pte Limited | 1,151.76 | - |
| | Cube Highways and Infrastructure II Pte Limited | 6,531.05 | - |
| | Cube Highways and Infrastructure III Pte Limited | 14,256.43 | - |
| | Cube Mobility Investments Pte. Ltd. | 18,990.05 | - |
| **3** | **NCD repayment during the year** | | |
| | Cube Highways and Infrastructure Pte. Limited | 4,410.10 | - |
| **4** | **Interest on non-convertible debentures** | | |
| | Cube Highways and Infrastructure Pte. Limited | 5.73 | - |
| **5** | **Interest on optionally-convertible debentures** | **98.00** | **-** |
| | Cube Highways and Infrastructure Pte. Limited | 0.51 | - |
| | Cube Highways and Infrastructure I-D Pte Limited | 2.87 | - |
| | Cube Highways and Infrastructure II Pte Limited | 16.28 | - |
| | Cube Highways and Infrastructure III Pte Limited | 31.72 | - |
| | Cube Mobility Investments Pte. Ltd. | 46.62 | - |
| **6** | **Interest payment on non-convertible debentures** | | |
| | Cube Highways and Infrastructure Pte. Limited | 738.36 | - |
| **7** | **Interest payment on optionally-convertible debentures** | **7,175.47** | **-** |
| | Cube Highways and Infrastructure Pte. Limited | 32.20 | - |
| | Cube Highways and Infrastructure I-D Pte Limited | 300.05 | - |
| | Cube Highways and Infrastructure II Pte Limited | 1,394.29 | - |
| | Cube Highways and Infrastructure III Pte Limited | 978.78 | - |
| | Cube Mobility Investments Pte. Ltd. | 4,470.15 | - |
| **8** | **Investment Management fees (Refer note 54 (ii))** | | |
| | Cube Highways Funds Advisors Private Limited | 299.17 | 144.50 |
| **9** | **Project Management fees (Refer note 54 (i))** | | |
| | Cube Highways and Transportation Assets Advisors Private Limited | 542.14 | 222.73 |
| **10** | **Rent Expenses** | | |
| | Cube Highways and Transportation Assets Advisors Private Limited | 0.44 | - |
| **11** | **Donations (including corporate social responsibility)** | | |
| | Cube Highways Roots Foundation | 54.34 | - |
| **12** | **Reimbursement of expenses (Expenses incurred by IM on bahalf of Trust)** | | |
| | Cube Highways Funds Advisors Private Limited | 13.48 | 3.18 |
| **13** | **Trustee fee** | | |
| | Axis Trustee Services Limited | 0.94 | 0.94 |
| **14** | **Term loan received** | | |
| | Axis Bank Limited | 16,252.50 | - |

**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**47 Information on related party transactions**

| | | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| **47.2** | **Transactions during the year** | | |
| **15** | **Term loan repaid (including downsell of loan)** | | |
| | Axis Bank Limited | 22,616.69 | - |
| **16** | **NCD repaid** | | |
| | Axis Bank Limited | 2,061.57 | - |
| **17** | **Interest expense on NCD** | | |
| | Axis Bank Limited | 0.74 | - |
| **16** | **Interest expense on Term loan** | | |
| | Axis Bank Limited | 1,208.10 | - |
| **17** | **Interest income on fixed deposits** | | |
| | Axis Bank Limited | 120.14 | - |
| **18** | **Bank charges paid** | | |
| | Axis Bank Limited | 0.22 | - |
| **19** | **Bank guarantee commission** | | |
| | Axis Bank Limited | 15.74 | - |
| **20** | **Fixed Deposits placed** | | |
| | Axis Bank Limited | 3,127.01 | - |
| **21** | **Fixed Deposits matured** | | |
| | Axis Bank Limited | 2,872.17 | - |
| **22** | **Payable/Receivable on account of employees transferred** | | |
| | Cube Highways and Transportation Assets Advisors Private Limited | 0.54 | - |
| **23** | **Reimbursement of expenses (SAP Support)** | | |
| | Cube Highways and Transportation Assets Advisors Private Limited | 13.65 | - |
| **24** | **Share pledge fee** | | |
| | Axis Bank Limited | 1.98 | - |
| **25** | **Project Maintenance services** | | |
| | Cube Highways Technologies Private Limited | 40.93 | - |
| **26** | **Distributions to Unitholders (return on capital)** | **4,721.74** | **-** |
| | Cube Highways and Infrastructure Pte. Limited | 636.63 | - |
| | Cube Highways and Infrastructure I-D Pte Limited | 151.63 | - |
| | Cube Highways and Infrastructure II Pte Limited | 761.10 | - |
| | Cube Highways and Infrastructure III Pte Limited | 1,516.46 | - |
| | Cube Mobility Investment Pte Limited | 1,655.93 | - |

*Subsequent to allocation of units in exchange of shares of SPVs, the following unitholders offered for sale 142,323,555 units (aggregating to Rs. 14,232.35 million) as follows:-

| | |
|---|---|
| **Total offered for sale** | **14,232.35** |
| Cube Highways and Infrastructure Pte. Limited | 5,969.02 |
| Cube Highways and Infrastructure II Pte Limited | 1,652.67 |
| Cube Highways and Infrastructure III Pte Limited | 6,610.66 |

**47 Information on related party transactions**

| | | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|---|
| **47.3** | **Balances at the year end** | | |
| **1** | **Trade Payable** | | |
| | Cube Highways Funds Advisors Private Limited | (25.69) | (264.91) |
| | Cube Highways and Transportation Assets Advisors Private Limited | (81.94) | - |
| | Cube Highways Technologies Private Limited | (0.81) | - |
| **2** | **Term loan Payable** | | |
| | Axis Bank Limited | (4,296.77) | - |
| **3** | **Bank Balance/Fixed Deposits** | | |
| | Axis Bank Limited | 3,359.05 | - |
| **4** | **Other receivable** | | |
| | Cube Mobility Investment Pte Limited | 0.09 | - |

**47.4 Details in respect of related party transactions involving acquisition of InvIT assets as required by paragraph 4 of the chapter 3 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

**For the year ended March 31, 2024:**

**A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):**

| Name of the SPVs | Discounting Rate (WACC) | Method of caclulation | Enterprise value |
|---|---|---|---|
| HTPL | 10.10% | Discounted Cash flow method | 19,216.40 |
| JLTPL | 10.10% | | 12,659.66 |
| JVTPL | 10.10% | | 8,476.00 |
| KETPL | 10.10% | | 8,869.01 |
| KMTPL | 10.10% | | 16,920.07 |
| LRTPL | 10.10% | | 12,336.43 |
| MKTPL | 10.10% | | 15,961.81 |
| NKTPL | 10.10% | | 10,430.56 |
| SMTPL | 10.10% | | 10,052.02 |
| DATRPL | 9.70% | | 77,792.83 |
| FRHL | 10.20% | | 30,105.01 |
| WVEPL | 10.20% | | 8,486.66 |
| NDEPL | 10.40% | | 7,338.13 |
| WUPTPL | 9.90% | | 4,231.85 |
| JMTPL | 10.30% | | 13,652.05 |
| APEL | 11.00% | | 2,096.87 |
| GAEPL | 10.20% | | 26,083.89 |
| MBEL | 10.00% | | 6,061.63 |

**B) Material conditions or obligations in relation to the transactions:**

The Share Purchase Agreement dated March 30, 2023 executed, inter alia, individually between the SPV's, the Trust and the sponsors and their associates, prescribing certain terms and conditions as agreed between the parties thereto, including without limitation, indemnification provisions for claims in relation to pre-acquisition period subject to limitations on liability, de-minimis values and claim basket values; representations and warranties; payment(s) to erstwhile sellers etc., governing law etc. (as more particularly stipulated under the Share Purchase Agreements) which govern the transfer of shareholding in the Project SPV's to Cube Highways Trust.

**For the year ended March 31, 2023:**

No acquisition for the year ended March 31, 2023.

**47.5** The Investment Manager has entered into a reimbursement agreement dated September 07, 2022 (the "Reimbursement Agreement") with Cube Highways and Infrastructure Pte. Ltd. and Cube Highways and Infrastructure III Pte. Ltd. (referred to as "Sponsors"), Cube Highways and Infrastructure II Pte. Ltd., Cube Highways and Infrastructure I-D Pte. Ltd. and Cube Mobility Investments Pte. Ltd. (collectively referred as "Reimbursing Parties") in relation to reimbursement of certain costs {Trust setup cost, offer expenses (including merchant banker fees) etc.} in relation to the Trust, by "Incurring Parties" as defined in the Reimbursement Agreement.

The costs incurred by the Reimbursing Parties towards setting up the Trust and listing thereof, have been borne by them considering that they are ultimate beneficiaries from the Listing of Ordinary Units referred to in note 2. Accordingly, these costs have not been recognised in the books of account of the Trust.

**47.6** Pursuant to Right of First Offer (ROFO) agreement dated January 2, 2023, the Trust shall have a right of first offer ("ROFO") over fully paid up equity shares, debt securities and other similar securities ("ROFO Securities") of the special purpose vehicles identified in the ROFO Agreement ("ROFO SPVs"), held by sponsor. Such ROFO was available to the Trust from the date on which the Ordinary Units are listed (April 19, 2023) until such date which is not later than nine months from the Trust Listing Date ("ROFO Period")**.**

## 48 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Trust Group primary business segment is reflected based on principal business activities carried on by the Trust Group i.e. building, operating and management of road projects and all other related activities which as per Ind AS 108 on 'Operating Segments" is considered to be the only reportable business segment. The Trust Group derives its major revenues from operation and maintenance of highways. The Trust Group is operating in India which is considered as a single geographical segment.

## 49 Provisions

### (a) Provision for periodic major maintenance work

The Trust Group is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority as per the maintenance standards prescribed in Concession agreement.

For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipment's and maintenance of service roads.

The maintenance cost/ bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the financial statements annually.

**Movement in provisions for periodic major maintenance work**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Addition on account of Acquisition (refer note 51) | 3,067.69 | - |
| Add : Additional provision charged to Consolidated Statement of Profit and Loss | 1,663.92 | - |
| Less : Utilised | (1,645.95) | - |
| Less : Unused amounts reversed | (10.73) | |
| Add : Unwinding of discount and changes in discount rate | 124.32 | - |
| **Closing balance** | **3,199.25** | **-** |
| | | |
| **Non-current** [(i)] | 2,300.26 | - |
| **Current** [(ii)] | 898.99 | - |

**Notes:**
(i) The expected period of utilisation of non current provision is within 5-7 years.
(ii) The expected period of utilisation of current provision is within next 1 year.

### (b) Provisions for contractual obligation for infrastructure upgrade works

Certain SPVs estimates and provides for contract liability in respect of unavoidable obligations to improve/upgrade the infrastructure to be undertaken as per Concession Agreement with NHAI. These estimates are corroborated through purchase orders/ work orders placed or to be placed by these SPVs as per the road survey reports issued by an independent field expert. As the estimated cost is based on the various assumptions such as current infrastructure (road, pavements, etc.) condition, inflation in material cost etc., hence the Management is required to apply judgement over these factors.

**Movement in Provisions for contractual obligation for infrastructure upgrade works**

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Addition on account of Acquisition (refer note 51) | 2,803.91 | - |
| Add : Additional provision capitalised under service concession arrangement | 128.25 | - |
| Less : Utilised | (418.42) | - |
| Add : Unwinding of discount and changes in discount rate | 18.05 | - |
| Less : Reversal on account of change in estimation [Refer note 6] | (128.25) | - |
| **Closing balance** | **2,403.54** | **-** |
| | | |
| **Current** [(i)] | 2,403.54 | - |

(i) The expected period of utilisation of current provision is within next 1 year.

## 50 Details of dues to Micro, Small and Medium Enterprises

The details of dues to MSMEs as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and disclosures pursuant to the MSMED Act are as follows:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 246.86 | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | 0.31 | - |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | | |
| - Principal | 134.02 | - |
| - Interest | 38.95 | - |
| (iv) The amount of interest due and payable for the year | 6.91 | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | 26.66 | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

**Note :**

(i) Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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## 51 Business Combination

### (i) Acquisition of Subsidiaries

Pursuant to the Share Purchase Agreements dated March 30, 2023, the Trust Group has acquired the following 18 SPVs (except for 0.03% of the equity share capital of MBEL) on April 17, 2023 (the acquisition date), for an equity consideration of Rs. 106,758.69 million. Accordingly the financial statements of the aforesaid subsidiaries for the peiod April 17, 2023 to March 31, 2024 have been considered in the consolidated financial statements of the Trust Group.

The management applied the optional concentration test, under Ind AS 103 "Business Combination", and concluded that the acquired set of activities and assets is not a business because substantially all of the fair value of the gross assets acquired is concentrated in Intangible Assets- Rights under Service Concession Arrangements (other than APEL) and Receivable under Service Concession Arrangements (for APEL), with similar risk characteristics. Accordingly, this transaction has been accounted for as an asset acquisition.

The management identified and recognized the individual identifiable assets acquired and liabilities assumed; and allocated the purchase consideration to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

The Trust Group has acquired the entire equity share capital (except for 0.03% of the equity share capital of MBEL) of HTPL, JLTPL, JVTPL, KETPL, KMTPL, LRTPL, MKTPL, NKTPL, SMTPL, DATRPL, FRHL, WVEPL, NDEPL, WUPTPL, JMTPL, APEL, GAEPL, MBEL on April 17, 2023.

### (ii) The allocated value of the identifiable assets and liabilities of the 18 SPVs as at the date of acquisition were:

| **Assets** | **Amount Rs. Million** |
|---|---|
| Property, Plant and Equipment (net of accumulated depreciation) | 239.13 |
| Capital work-in-progress | 8.87 |
| Investment properties | 7.28 |
| Intangible assets- Rights under Service Concession Arrangements | 2,33,472.67 |
| Intangible assets under development | 2,097.21 |
| Deferred tax assets (net) | 341.16 |
| Current tax assets (net) | 459.35 |
| Investments | 10,325.25 |
| Trade receivables | 809.89 |
| Cash and cash equivalents | 6,285.17 |
| Bank balance other than cash and cash equivalent | 307.80 |
| Assets held for sale | 4.67 |
| Other assets | 4,340.59 |
| **Total Assets (A)** | **2,58,699.04** |
| | |
| **Liabilities** | |
| Borrowings (including current maturities of Non-current borrowings) | 1,32,894.35 |
| Trade Payables | 2,035.57 |
| Provisions | 5,906.38 |
| Deferred Tax Liability (net) | 511.94 |
| Other liabilities | 10,591.65 |
| **Total Liabilities (B)** | **1,51,939.89** |
| | |
| **Non-controlling interest (C )** | **0.46** |
| | |
| **Net Assets (A-B-C)** | **1,06,758.69** |

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## 52A Revenue from contracts with customers

### 1 Disaggregation of revenue

Revenue recognised mainly comprises of revenue from toll collection, claims with NHAI, contract revenue. Set out below is the disaggregation of the Trust Group revenue from contracts with customers

| | Description | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|---|
| | **Operating revenue** | | |
| (a) | Engineering, Procurement and Construction contracts | 4,025.77 | - |
| (b) | Change of Scope | 8.78 | - |
| (c) | Finance and Operation & Maintenance Income on annuity receivable from NHAI | 400.32 | - |
| (d) | Toll collection | 24,715.17 | - |
| (e) | Claims for compensation from NHAI | 11.33 | - |
| | **Total revenue** | **29,161.37** | **-** |

**The table below represents disaggregated revenues from contracts with customers based on nature, amount and timing for the year ended March 31, 2024 and March 31, 2023.**

| Timing of revenue recognition | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Services provided at point in time | 24,726.50 | - |
| Services transferred over time | 4,434.87 | - |
| **Total revenue** | **29,161.37** | **-** |

### 2 Assets and liabilities related to contracts with customers

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

| Description | As at March 31, 2024 | As at March 31, 2023 |
|---|---|---|
| **Contract Assets** | | |
| Trade Receivables | 600.79 | - |
| Receivables under service concession arrangements | 600.91 | - |
| Unbilled Revenue | 107.25 | - |
| **Total** | **1,308.95** | **-** |
| **Contract Liability** | | |
| | - | - |
| | | - |

### 3 Performance Obligation

**Income from toll collection**

The performance obligation in service of toll collection is recorded as per rates notified by the NHAI and approved by management and payment is generally due at the time of providing service

**Contract revenue**

The performance obligation under service concession arrangements (SCA) is due on completion of work as per terms of SCA.

**4** Refer note 52B for disclosure in accordance with Appendix D: Service Concession Arrangements Disclosures of Ind AS 115: Revenue from Contracts with Customers.

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**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**HTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Hazaribagh – Ranchi Section (KM 41.500 – KM 115.290) Road Project on NH-33 in the state of Jharkhand as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-33 (NH-33) from KM-41.50 to KM 115.29 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| End of Concession period | October 18, 2050 |
| Stage of Completion | Completed with Commercial Operation Date (COD) as September 04, 2013 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Operation & Maintenance ("O&M") Handover Date | March 31, 2028 |
| Obligation to provide services: | Operation and routine maintenance of the highway |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods from O&M handover date. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 26 years, 6 months and 18 days |

**JLTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Jhansi-Lalitpur Section (KM 00.00 – KM 49.70) Road Project on NH-25 in the state of Uttar Pradesh as agreed between the Company and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-25 (NH-25) from KM-00.00 to KM 49.70 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| Estimated Reduction period | 1826 Days |
| End of Concession period | October 18, 2045 (including estimated reduction period) |
| Stage of Completion | Completed with Commercial Operation Date (COD) as November 12, 2014 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Operation & Maintenance ("O&M") Handover Date | March 31, 2027 |
| Obligation to provide services: | Operation and routine maintenance of the highway |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods from O&M handover date. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 21 years, 06 months and 18 days (including estimated reduction period) |

**JVTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Jhansi-Lalitpur Section (KM 49.70 – KM 99.00) Road Project on NH-26 in the state of Uttar Pradesh as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-26 (NH-26) from KM-49.70 to KM 99.00 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| Estimated Reduction period | 1826 Days |
| End of Concession period | October 18, 2045 (including estimated reduction period) |
| Stage of Completion | Completed with Commercial Operation Date (COD) as March 19, 2012 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Operation & Maintenance ("O&M") Handover Date | March 31, 2027 |
| Obligation to provide services: | Operation and routine maintenance of the highway |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods from O&M handover date. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 21 years, 06 months and 18 days (including estimated reduction period) |

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**KETPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Madurai-Kanyakumari Section (KM 52.300 – KM 116.500) Road Project on NH-07 in the state of Tamil Nadu as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-07 (NH-07) from KM-52.30 to KM 116.50 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| End of Concession period | October 18, 2050 |
| Stage of Completion | Completed with Commercial Operation Date (COD) as August 15, 2011 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | Operation and routine maintenance of the highway |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 26 years, 06 months and 18 days |

**KMTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Kotwa-Muzaffarpur Section (KM 440.00 – KM 520.00) Road Project on NH-28 in the state of Bihar as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-28 (NH-28) from KM-440.00 to KM 520.00 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| Estimated Reduction period | 1826 Days |
| End of Concession | October 18, 2045 (including estimated reduction period) |
| Stage of Completion | Completed with Commercial Operation Date (COD) as December 09, 2012 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | Operation and maintain the project |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 21 years, 06 months and 18 days (including estimated reduction period) |

**LRTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Lucknow-Raibareli Section (KM 12+700 to KM 82+700) Road Project on NH 24B in the state of Uttar Pradesh as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-24B (NH-24B) from KM-12+700 to KM 82+700 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 years |
| End of Concession | October 18, 2050 |
| Stage of Completion | Completed with Commercial Operation Date (COD) as March 05, 2015 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Operation & Maintenance ("O&M") Handover Date | March 31, 2029 |
| Obligation to provide services: | Operation and routine maintenance of the highway |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods from O&M handover date. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 26 years, 6 months and 18 days (Including Estimated reduction period) |

**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**MKTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Madurai-Kanyakumari Section (KM 00.00 – KM 52.30) Road Project on NH-07 in the state of Tamil Nadu as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-07 (NH-07) from KM-00.00 to KM 52.30 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| Estimated Reduction period | 1826 days |
| End of Concession period | October 18, 2045 (Including Estimated reduction period) |
| Stage of Completion | Completed with Commercial Operation Date (COD) as September 10, 2012 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | Operation and maintain the project |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 21 years, 06 months and 18 days |

**NKTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Madurai-Kanyakumari Section (KM 180.00 – KM 243.47) Road Project on NH-07 in the state of Tamil Nadu as agreed between the Company and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-07 (NH-07) from KM-180.00 to KM 243.47 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| Estimated extension of concession period | 330 days |
| End of Concession period | September 12, 2051 (Including estimated extention period) |
| Stage of Completion | Completed with Commercial Operation Date (COD) as May 23, 2011 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | Operation and maintain the project |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (including estimated extention period) | 27 years, 05 months and 12 days |

**SMTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Madurai-Kanyakumari Section (KM 116.50 – KM 180.00) Road Project on NH-07 in the state of Tamil Nadu as agreed between the SPV and National Highway Authority of India (NHAI) on Tolling, operation, maintenance and transfer (TOT) basis. |
| Project | National Highway-07 (NH-07) from KM-116.50 to KM 180.00 |
| Nature of Asset | Intangible |
| Year when SCA granted | October 20, 2020 |
| Concession Period | 30 Years |
| End of Concession period | October 18, 2050 |
| Stage of Completion | Completed with Commercial Operation Date (COD) as May 23, 2011 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | Operation and maintenance of the project |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 26 years, 06 months and 18 days |

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**DATRPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of six lanes Delhi - Agra Section (KM 20.500 – KM 200.000) Road Project on NH-2 in the state of Haryana/Uttar Pradesh as agreed between the Company and National Highway Authority of India (NHAI) on Design, Built, Finance, Operate and Transfer (DBFOT) basis under National Highway Development Program (NHDP) phase -V. |
| Project | Project Six lanes Delhi-Agra Section (KM 20.500 – KM 200.000) Road Project on NH-2 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) for Toll Road Carriageway) |
| Year when SCA granted | October 16, 2012 |
| Concession period | 26 Years |
| Estimated extension of concession period | 1134 days |
| Stage of completion | Completed with Provisional Commercial Operation Date (COD) as May 20, 2022. The date of issue of this Provisional Completion date shall be the COD, as defined in the said concession agreement. |
| End of concession period | March 26, 2044 (Including estimated extension period) |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | To establish, develop, finance, design, construct the roads & bridges and operation and maintenance of rehabilitation and strengthening of existing 6 lane highway of KM 20.500 to KM 200.000 of NH-2 (Delhi - Agra section) in state of Haryana/Uttar Pradesh on DBFOT basis under National Highway Development Program (NHDP) phase -V. |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024-(Including estimated extension period) | 20 years |

**FRHL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of four lanes Farakka – Raiganj Section (KM 295.00 – KM 398.000) Road Project on NH-34 in the state of West Bengal as agreed between the SPV and National Highway Authority of India (NHAI) on Design, Built, Finance, Operate and Transfer (DBFOT) basis under National Highway Development Program (NHDP) phase -III |
| Project | Four lanes Farakka – Raiganj Section (KM 295.00 – KM 398.000) Road Project on NH-34 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway) |
| Year when SCA granted | February 01, 2011 |
| Concession period | 30 Years |
| Estimated extension of concession period | 90 Days |
| Stage of completion | Completed with Commercial Operation Date (COD) as May 03, 2021 |
| End of concession period | May 03, 2041 (Including estimated extension period) |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | To establish, develop, finance, design, construct the roads & bridges and operation and maintenance of rehabilitation and strengthening of existing 4 lane divided highway of (KM 295.00 to KM 398.00) of NH-34 (Farakka- Raiganj section) in state of West Bengal on DBFOT basis under National Highway Development Program (NHDP) phase -III. |
| Major Overlays | In terms of the SCA , the SPVs obligation to carry out overlay of the roads has not been defined. However, basis quality parameters to be maintained as per SCA, the management is expecting to carry out the overlay of the roads at interval of five to six years. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (inlcuding estimated extension period) | 17 years and 01 months |

**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**WVEPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Walayar – Vadakkancherry (KM 182.250 to KM 240.000) Road Project on NH-47 (Now NH-544) in the State of Kerala as agreed between the SPV and National Highway Authority of India (NHAI) on Design, Build, Finance, Operate and Transfer (DBFOT) basis. |
| Project | National Highway-47 (Now NH-544) from KM 182.250 to KM 240.000 (approx 54 km) on the Walayar- Vadakkencherry section. |
| Nature of Asset | Intangible |
| Year when SCA granted | September 17, 2012 |
| Cash support by way of grant | 2646.00 million (29% of the total project cost) adjusted with intangible asset. |
| Concession period | 20 Years |
| Estimated extension of concession period | 1550 days |
| Stage of completion | Completed with commercial operation date (COD) on October 31, 2015 |
| End of concession period | August 15, 2037 (Including estimated extension period) |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | Establish, develop, finance and design and construct the roads and bridges on NH-47 (NH-544) and to operate and maintain the project. |
| Major Overlays | In terms of the SCA , the SPVs obligation to carry out overlay of the roads has not been defined. However, basis quality parameters to be maintained as per SCA, the management is expecting to carry out the overlay of the roads at interval of six to seven years. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (including estimated extention period) | 13 years and 137 days |

**NDEPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of four lanes (KM 28.200 – KM 110.000) Road Project on NH-48 in the state of Karnataka as agreed between the SPV and National Highway Authority of India (NHAI) on Built, Operate and Transfer (BOT) basis under National Highway Development Program (NHDP) phase -III A. |
| Project | Four lanes (KM 28.200 – KM 110.000) Road Project on NH-48 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway) |
| Year when SCA granted | July 9, 2007 |
| Original Concession Period | 25 Years w.e.f January 5, 2008 i.e. Appointed Date (180 days from date of signing of agreement i.e. July 07, 2007) |
| Details of substitution of concessionaire | Substitution of concessionaire vide Supplementary agreement dated January 11, 2021 to Original concession agreement dated July 9, 2007 for balance concession period from January 11, 2021 to February 13, 2033.(Including estimated extension period) |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Stage of completion | Completed with Provisional Commercial Operation Date (COD) as June 23, 2012. The date of issue of this Provisional Completion date shall be the COD, as defined in the said concession agreement. |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement. |
| Obligation to provide services: | To establish, design, engineering, financing, construction and operation and maintenance of rehabilitation and strengthening of existing 2- lane road and widening to 4 lane divided highway of KM 28.200 to KM 110.000 of NH-48 in state of Karnataka on BOT basis under National Highway Development Program (NHDP) phase -III A. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 | 8 years, 10 months and 13 days |

**Cube Highways Trust**
**Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024**
**(All amounts in Rs. million unless otherwise stated)**

**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**WUPTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of four lanes Meerut – Muzaffarnagar Section (KM 52.250 – KM 131.000) Road Project on NH-58 in the state of Uttar Pradesh as agreed between the Company and National Highway Authority of India (NHAI) on Built, Operate and Transfer (BOT) basis under National Highway Development Program (NHDP) phase -III A. |
| Project | Four lanes Meerut – Muzaffarnagar Section (KM 52.250 – KM 131.000) Road Project on NH-58 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway) |
| Year when SCA granted | September 09, 2005 |
| Appointed Date | March 09, 2006 |
| Concession period | 20 Years |
| Estimated extension of concession period | 109 days |
| End of Concession Period | April 23, 2026 (Including estimated extension period) |
| Stage of completion | Completed with Commercial Operation Date (COD) as April 25, 2011 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | To establish, develop, finance, design, construct the roads & bridges and operation and maintenance of rehabilitation and strengthening of existing 2- lane road and widening to 4 lane divided highway of KM 52.250 to KM 131.000of NH-58 (Meerut- Muzaffarnagar section) in state of Uttar Pradesh on BOT basis under National Highway Development Program (NHDP) phase -III A. |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (including estimated extension period) | 2 years and 23 days |

**JMTPL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of Jaipur – Mahua Section (KM 120.000 – KM 228.000) Road Project on NH-21 in the state of Rajasthan as agreed between the Company and National Highway Authority of India (NHAI) on Built, Operate and Transfer (BOT) basis. ("Project Highway") |
| Project | National Highway-21 (NH-21) from KM-120.00 to KM 228.00 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway) |
| Year when SCA granted | September 23, 2005 |
| Concession period | 25 Years |
| Estimated extension of concession period | 47 Days |
| End of Concession period | July 02, 2031 (Including estimated extension period) |
| Stage of completion | Completed with Commercial Operation Date (COD) as March 8, 2008 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | To establish, develop, finance and design and construct the roads and bridges on NH-21 and to operate and maintain the project. |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (including estimated extension period) | 7 years and 3 months |

**MBEL**

| | |
|---|---|
| Description and right to use specified asset | Toll collection from the users and operation and maintenance of four lanes Bharatpur – Mahua Section (KM 63.000 – KM 120.000) Road Project on NH-11 in the state of Rajasthan as agreed between the Company and National Highway Authority of India (NHAI) on Built, Operate and Transfer (BOT) basis. ("Project Highway") |
| Project | Four lanes Bharatpur – Mahua Section (KM 63.000 – KM 120.000) Road Project on NH-11 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) i.e. Intangible Assets-Toll Road Carriageway) |
| Year when SCA granted | October 13, 2005 |
| Appointed date | April 10, 2006 |
| Concession period | 25 Years |
| Estimated extension of concession period | 49 Days |
| End of Concession period | June 21, 2031 (Including estimated extension period) |
| Stage of completion | Completed with Commercial Operation Date (COD) as May 8, 2009 |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Obligation to provide services: | To establish, develop, finance and design and construct the roads and bridges on NH-11 and to operate and maintain the project |
| Major Overlays | In terms of the SCA , the SPV is obligated to carry out overlay of the roads at the end of specified periods. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (including estimated extension period) | 7 years 2 months |

**52B Service Concession Arrangement**

The details of service concession arrangements of all the SPVs are as follows:

**GAEPL**

| | |
|---|---|
| Description and right to use specified asset | Design, Engineering, Finance, Construction, Operation and Maintenance of Ghaziabad – Aligarh Section of NH-91 from Km. 23.600 to Km. 149.900 in the State of Uttar Pradesh under NHDP Phase-III on Design, Build, Finance, Operate and Transfer (the "DBFOT") Basis |
| Project | Project 4/6 lanes Ghaziabad – Aligarh Section of NH-91 from Km. 23.600 to Km. 149.900 |
| Nature of Asset | Intangible (Rights under Service Concession Arrangements (SCA) for Toll Road Carriageway) |
| Year when SCA granted | 20th May 2010 |
| Concession period | 24 Years |
| Estimated extension of concession period | 1572 Days |
| End of concession period | June 19, 2039 (Including estimated extension period) |
| Premature termination | On force majeure event or parties defaulting on their obligation |
| Major Overlays | In terms of the SCA , the SPVs obligation to carry out overlay of the roads has not been defined. However, basis quality parameters to be maintained as per SCA, the management is expecting to carry out the overlay of the roads at interval of six to seven years. |
| Remaining amortisation period of rights under SCA as at March 31, 2024 (including estimated extension period) | 15 years, 2 months and 19 days |

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**53 (i)** WVEPL has certain potential claims against various third parties inter alia including National Highway Authority of India, state transport authorities, insurance companies and also certain receivables for the period prior to March 31, 2019. the Company has entered Claims Management Agreement dated January 9, 2020 as amended by the Amendment Agreement dated September 18, 2020 with KNR ("Agreement') wherein the Company and KNR have commercially agreed that any monetary compensation received by the Company pursuant to such claims shall be passed through to KNR, subject to deductions of related costs and expenses, applicable taxes and certain specific adjustments as stipulated in the Agreement. No amounts have been received from third parties referred above and therefore, no adjustments have been made in these Financial Statements for the same.

**(ii)** In earlier years, WUPTPL received favourable Arbitration Award dated July 22, 2020 amounting to Rs. 1244.30 million (including interest upto the date of award) towards its claim of Prolongation of Concession Period, change of scope, toll loss due to incorrect rounding off, etc. The aforesaid Award was challenged under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Delhi at New Delhi by WUPTPL and NHAI. WUPTPL also invoked another arbitration in respect of Change of Law due to ECC & mining ban and initiated arbitration proceeding vide email dated July 13, 2020.

Pursuant to the Settlement Agreement with NHAI dated December 19, 2022, WUPTPL has settled for a lumpsum amount of Rs. 985.00 million (including interest) against all the disputes between the Company and NHAI ("Parties"), arbitration cases/ arbitration awards as a full and final settlement. It was also agreed that the Parties shall not raise any claims or damages against each other of whatsoever nature under any clause of the Concession Agreement and otherwise.

(ii) In terms of the Letter Agreement dated May 10, 2016 entered into amongst WUPTPL and other parties [including Gayatri Projects Limited and NCC Limited (together referred as "EPC contractors")], it was agreed that WUPTL shall be required to make payments, net of applicable taxes if any, to the EPC contractors towards the work undertaken by them upon WUPTPL receiving monies from NHAI.

The claims received from NHAI amounting to Rs. 965.30 million (net of TDS) are bifurcated in EPC and revenue claims basis the nature of the claims filed with/received from NHAI. Accordingly, an amount of 803.60 million (net of TDS) is passed on to EPC contractors as EPC claims which is included in "other payable" in financial statement (refer note 22) and balance amount of Rs. 165.00 million is retained by WUPTPL being revenue claim which is included in "other income" in financial statement in the F.Y. 2022-23.

During the year ended March 31, 2024, WUPTPL has paid Rs. 407.34 million to the NCC Limited towards EPC claims out of amount received from NHAI.

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**54 Investment Management and Project Management Fees**

**(i) Project Management Fees**

Pursuant to Project Implementation and Management Agreement dated January 02, 2023 (PM Agreement) in consideration of services to be rendered by Project Manager in accordance with and subject to agreement and applicable law, each project SPV's agree to pay fees ("Fee") from their respective funds, on an arm length basis, to the Project Manager. The fee shall be calculated annually and shall be higher of :-
(a) 1.55% of the standalone revenue of the project SPV based on audited financial statements of Project SPV.
OR
(b) During the terms of relevant Concession Agreement for each Project SPV the Minimum Threshold as specified in Schedule 4 of the PM Agreement in relation to each Project SPV, subject to escalation of 5% per annum.

**(ii) Investment Management Fees**

In terms of the InvIT Regulations, the Trust has entered into Investment Management Agreement dated March 11, 2022 with Cube Highways Fund Advisors Private Limited ("the Investment Manager"), which got amended on May 30, 2022 and on December 16, 2022 (herein after referred to as IM Agreement).

As per Schedule II of the IM Agreement as amended from time to time, the Investment Manager shall be entitled to a fee from the funds of the Trust in accordance with the IM Agreement ("Management Fee") as under:

| **For the period March 11, 2022 to May 30 2022 (in terms of IM agreement dated March 11, 2022)** | **For the period May 31, 2022 to December 15, 2022 (in terms of Amended and Restated IM agreement dated May 30, 2022)** | **For the period after December 16, 2022 (in terms of Amended and Restated IM agreement dated December 16, 2022 )** |
|---|---|---|
| Higher of:<br><br>(a) 1% of the consolidated revenue of the Project SPVs * ("Fee Percentage");<br>or<br>(b) Rs. 210 million subject to an escalation of 9% per annum | Higher of:<br><br>(a) Subsequent to the Initial Offer, the Management Fee shall be 0.88% of the revenue of the Initial SPVs * ("Fee Percentage");<br>or<br>(b) Rs. 190 million ("Minimum Threshold") subject to an escalation of 7% per annum | Higher of:<br><br>(a) Subsequent to the Initial Offer, the Management Fee shall be 0.94% of the revenue of the Initial SPVs ("Fee Percentage");<br>or<br>(b) Rs. 190 million ("Minimum Threshold") subject to an escalation of 7% per annum |

**55** During the year ended March 31, 2024, the Trust has been assigned/reaffirmed the credit ratings for its borrowings as follows:-

| **Sr. No.** | **Nature of Borrowings** | **Rating Agency** | **Rating** | **Date** |
|---|---|---|---|---|
| 1 | Rupee Term Loan | CRISIL | "CRISIL AAA/Stable" | May 30, 2023, reaffirmed on July 11, 2023 and August 23, 2023. |
| | | ICRA | "ICRA AAA/Stable" | May 05, 2023, reaffirmed on May 30, 2023, July 26, 2023 and September 04, 2023. |
| | | India Ratings | "IND AAA/Stable" | May 10, 2023, reaffirmed on June 05, 2023, July 07, 2023 and August 25, 2023. |
| 2 | Debt Securities | ICRA | "ICRA AAA/Stable" | May 30, 2023, reaffirmed on July 26, 2023. |
| | | India Ratings | "IND AAA/Stable" | June 05, 2023, reaffirmed on July 07, 2023 and August 25, 2023. |

**56** At the end of each reporting period, in terms of Ind AS 36 "Impairment of Assets" the Management carries out impairment assessment for Intangible assets Rights Under Service Concession Arrangements in individual subsidiary (cash generating unit) and determine the recoverable amount of non-current investments in subsidiaries as at the reporting date.

An impairment loss is recognised if the carrying amount of the Intangible assets exceeds its recoverable amount. The recoverable amount is determined by the Management based on the value in use approach using an External Independent Valuer. The key judgements in determining the value in use approach included revenue and other cash flow projections for the remaining concession period, changes in interest rates, discount rates, risk premium for market conditions etc. The revenue projection is based on assumptions made by the Management regarding future traffic growth and inflation factor for assessing user toll fee as supported by the studies from the Third-party Independent Consultant.

Based on the aforesaid impairment assessment done by management, the Trust has recognized following impairment loss / (reversal) - net in respect of Intangible assets Rights Under Service Concession Arrangements in the Statement of Profit and Loss.

**Summary of Impairment loss**

| | **Impairment Loss** | | **Recoverable Value** | | **Discounting rate (%)** | |
|---|---|---|---|---|---|---|
| | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** | **For the year ended March 31, 2024** | **For the year ended March 31, 2023** |
| WUPTPL | 122.51 | - | 1,778.51 | - | 10.70 | - |
| GAEPL | 1,421.00 | - | 29,946.00 | - | 10.60 | - |
| NDEPL | 368.10 | - | 5,329.00 | - | 10.70 | - |
| FRHL | 3,039.43 | - | 26,570.00 | - | 10.60 | - |
| LRTPL | 920.84 | - | 7,652.00 | - | 10.40 | - |
| **Total** | **5,871.88** | **-** | **71,275.51** | **-** | **-** | **-** |

The overall recoverable value of the Intangible assets – Rights under Service Concession Arrangements in SPVs of the Trust as at March 31, 2024 as compared to the overall carrying value of these Intangible Assets as at March 31, 2024 is higher by Rs. 37,797.58 million {after considering impairment losses aggregating Rs. 5,871.87 million}. The aforesaid recoverable value of these Intangible assets – Rights under Service Concession Arrangements is based on Enterprise Value as determined by the External Independent Valuer.

**57 Distribution**

**A)** The Board of Directors of the Investment Manager have declared distribution of Rs. 2.15 per unit amounting to Rs. 2,774.25 million, Rs. 2.00 per unit amounting to Rs. 2,580.69 million and Rs. 2.00 per unit amounting to Rs. 2,580.69 million in their meeting held on August 10, 2023, November 13, 2023 and February 09, 2024 respectively and the aforesaid distribution was paid to eligible unitholders on August 18, 2023, November 15, 2023 and February 15, 2024 respectively.

| **Particulars** | **For the year ended March 31, 2024** |
|---|---|
| Interest (Return on capital) | 6,849.16 |
| Dividend | 1,032.28 |
| Other Income on surplus fund at Trust | 54.19 |
| | **7,935.63** |

**B)** Subsequent to the year ended March 31, 2024, the Investment Manager's Board of Directors approved a distribution of Rs. 3.94 per unit, which aggregates to Rs. 5,083.96 million for the quarter ended March 31, 2024 to be paid on or before 15 days from the date of declaration. This distribution along with previous distributions during the year aggregates to Rs. 10.09 per unit for the year ended March 31, 2024, comprising Rs. 1.94 per unit as repayment of capital, Rs. 8.15 as return on capital comprising of Rs. 7.10 per unit as interest, Rs. 0.99 per unit as a dividend, and the remaining Rs. 0.06 per unit as other income on surplus fund at Trust.

**58** The Trust has proposed the acquisition of up to 100% equity shareholding in seven highway assets from Singapore-based Cube Highways and Infrastructure III Pte Ltd. and Cube Highways Infrastructure Pte. Ltd., the Sponsors of Cube InvIT, in one or more tranches. The proposed acquisition was approved by the Board of Directors of the Investment Manager held on Thursday, April 25, 2024, subject to the approval of Ordinary Unitholders of Cube InvIT. The Board also approved the postal ballot notice to seek the approval of Ordinary Unitholders for this proposed acquisition.

These assets will be acquired through internal accruals and a mix of debt, subject to necessary approvals. The seven highway assets, which include six Hybrid Annuity Model (HAM) assets and one Build-Operate-Transfer (BOT) asset, span around 2,200 lane kms and are spread across geographic footprints of Andhra Pradesh, Maharashtra, Telangana, and Tamil Nadu. The acquisition is expected to be completed subject to the satisfaction of customary closing conditions, including receipt of statutory clearances and approval of Ordinary Unitholders of Cube InvIT.

**59** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

**60** The Trust Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

**61** The Trust Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**62** The Trust Group has not been declared as a wilful defaulter by any bank or financial institution or other lender.

**63** Investors can view the Consolidated financial statement of the Trust on the Trust's website (www.cubehighwaystrust.com) and on the website of BSE Limited (www.bseindia.com) and NSE Limited (www.nseindia.com).

**64** The Consolidated Financial Statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on May 22, 2024.

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
**(the "Investment Manager") in its capacity**
as the Investment Manager of Cube Highways Trust

Sandeep Lakhanpal Digitally signed by Sandeep Lakhanpal Date: 2024.05.22 22:36:47 +05'30'

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Gurugram
Date: May 22, 2024

VINAY CHANDRAMOULI SEKAR Digitally signed by VINAY CHANDRAMOULI SEKAR Date: 2024.05.22 22:37:10 +05'30'

**Vinay Chandramouli Sekar**
**Chief Executive Officer**

Place : Noida
Date: May 22, 2024

PANKAJ VASANI Digitally signed by PANKAJ VASANI Date: 2024.05.22 22:42:38 +05'30'

**Pankaj Vasani**
Chief Finance Officer

Place : Noida
Date: May 22, 2024

MRIDUL GUPTA Digitally signed by MRIDUL GUPTA Date: 2024.05.22 22:43:13 +05'30'

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: May 22, 2024

**S. B. Billimoria & Co. LLP**

Chartered Accountants
7th floor, Building 10
Tower B
DLF Cyber City Complex
DLF City Phase II
Gurugram-122 002
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

**INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS OF THE TRUST GROUP**

To
The Board of Directors,
Cube Highways Fund Advisors Private Limited (the "Investment Manager") in its capacity as an Investment Manager of Cube Highways Trust (the "Issuer" or the "Trust")
B-376, Upper Ground Floor,
Nirman Vihar,
New Delhi 110092

**Report on the Audit of the Special Purpose Combined Financial Statements of the Trust Group**

**Opinion**

We have audited the accompanying Special Purpose Combined Financial Statements of Cube Highways Trust (the "Issuer" or the "Trust") and its subsidiaries comprising of:

1. Jaipur-Mahua Tollway Limited;
2. Mahua Bharatpur Expressways Limited;
3. Western UP Tollway Limited;
4. Farakka-Raiganj Highways Limited;
5. DA Toll Road Private Limited;
6. Nelamangala Devihalli Expressway Private Limited (formerly known as "Gradient Infra Assets Advisors Private Limited");
7. Walayar Vaddakencherry Expressways Private Limited (formerly known as "KNR Walayar Tollways Private Limited");
8. Hazaribagh Tollway Limited;
9. Kotwa-Muzaffarpur Tollway Limited;
10. Jhansi-Lalitpur Tollway Limited;
11. Jhansi-Vigakhet Tollway Limited;
12. Lucknow-Raebareli Tollway Limited;
13. Madurai-Kanyakumari Tollway Limited;
14. Kanyakumari-Etturavattam Tollway Limited;
15. Salaipudhur-Madurai Tollway Limited;
16. Nanguneri-Kanyakumari Tollway Limited;
17. Ghaziabad Aligarh Expressway Private Limited; and
18. Andhra Pradesh Expressway Limited

(collectively, the "Trust Group") as described in Note 1 of the Special Purpose Combined Financial Statements, which comprise the Special Purpose Combined Balance Sheet as at March 31, 2023, 2022 and 2021, the Special Purpose Combined Statement of Profit and Loss (including Other Comprehensive Income/Loss), the Special Purpose Combined Statement of Cash Flows and the Special Purpose Combined Statement of Changes in Equity for the years ended March 31, 2023, 2022 and 2021, and a summary of significant accounting policies and other explanatory information (together referred to as the "Special Purpose Combined Financial Statements").

S. B. Billimoria & Co. LLP
Chartered Accountants

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on the special purpose financial statements of Ghaziabad Aligarh Expressway Private Limited ("GAEPL") referred to in the Other Matter section below, the aforesaid Special Purpose Combined Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note 2(I) to the Special Purpose Combined Financial Statements.

**Basis for Opinion**

We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Special Purpose Combined Financial Statements section of our report. We are independent of the Trust Group in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Combined Financial Statements.

**Emphasis of Matters**

i. Basis of Accounting and Restriction on Use - We draw attention to Note 2(I) to the Special Purpose Combined Financial Statements, which describes the purpose and basis of preparation of the Special Purpose Combined Financial Statements. The Special Purpose Combined Financial Statements have been prepared by the Investment Manager to meet the requirements of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "SEBI Debt Regulations") and for inclusion in the Information Memorandum prepared by the Investment Manager in connection with the proposed issue of Secured, Redeemable, Rated, Listed Non-Convertible Debt Securities ("Debt Securities") by Cube Highways Trust. As a result, the Special Purpose Combined Financial Statements may not be suitable for another purpose. Our report is intended solely for the purpose of inclusion in Information Memorandum and is not to be used, referred to or distributed for any other purpose without our prior written consent.

ii. We draw attention to Note 53(ii)(A) of the Special Purpose Combined Financial Statements, which describes about settlement of certain transactions through DA Toll Road Private Limited on acquisition of shareholding of DA Toll Road Private Limited by the New Shareholder and accounting thereof, during the year ended March 31, 2021.

iii. We draw attention to Note 53(iii)(A) of the Special Purpose Combined Financial Statements, which describes about settlement of certain transactions through Farakka-Raiganj Highways Limited on acquisition of shareholding of Farakka-Raiganj Highways Limited by the New Shareholder and accounting thereof, during the year ended March 31, 2021.

Our opinion is not modified in respect of these matters.

**Management's Responsibility for the Special Purpose Combined Financial Statements**

The Investment Manager's Board of Directors is responsible for the preparation and presentation of these Special Purpose Combined Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income/loss, cash flows and changes in equity of the Trust Group in accordance with the basis of preparation as set out in Note 2(I) to the Special Purpose Combined Financial Statements for the purpose set out in "Emphasis of Matter- Basis of Accounting and Restriction on Use" paragraph above.

S.B. Billimoria & Co. LLP
Chartered Accountants

The respective Board of Directors of the companies included in the Trust Group and the Board of Directors of Investment Manager are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Trust Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Combined Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Special Purpose Combined Financial Statements by the Board of Directors of the Investment Manager, as aforesaid.

In preparing the Special Purpose Combined Financial Statements, the Board of Directors of the Investment Manager and the respective Board of Directors of companies included in the Trust Group are responsible for assessing the ability of the Trust Group and the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Investment Manager and the respective Board of Directors of companies included in the Trust Group either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Investment Manager and the respective Board of Directors of companies included in the Trust Group are also responsible for overseeing the Trust Group's financial reporting process.

**Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements**

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

As part of our audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Combined Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Trust Group's internal financial control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Investment Manager.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust Group to cease to continue as a going concern.

S.B. Billimoria & Co. LLP
Chartered Accountants

- Evaluate the overall presentation, structure and content of the Special Purpose Combined Financial Statements, including the disclosures, and whether the Special Purpose Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Trust Group to express an opinion on the Special Purpose Combined Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Special Purpose Combined Financial Statements of such entities included in the Special Purpose Combined Financial Statements of which we are the independent auditors. For the other entity included in the Special Purpose Combined Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Special Purpose Combined Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Combined Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Combined Financial Statements.

We communicate with those charged with governance of the Trust Group and such other entities included in the Special Purpose Combined Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter**

We did not audit the special purpose financial statements of GAEPL, whose special purpose financial statements reflect total assets, total revenues and net cash (outflows)/ inflows, for the relevant years is tabulated below, as considered in the Special Purpose Combined Financial Statements. These special purpose financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of GAEPL, and our report on other legal and regulatory requirements mentioned below, in so far as it relates to the aforesaid GAEPL is based solely on the report of the other auditors.

(Amount Rs. in million)

| Particulars | As at/for the year ended March 31, 2023 | As at/for the year ended March 31, 2022 | As at/for the year ended March 31, 2021 |
|---|---|---|---|
| Total assets | 20,277.61 | 17,485.57 | 18,146.12 |
| Total revenue | 4,315.78 | 2,255.02 | 2,531.17 |
| Net cash inflows/ (outflows) | 12.10 | (8.55) | 10.99 |

S. B. Billimoria & Co. LLP
Chartered Accountants

**S. B. Billimoria**
**& Co. LLP**

Our opinion on the Special Purpose Combined Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

**For S.B. Billimoria & Co. LLP**
Chartered Accountants
(Firm's Registration No. 101496W/W100774)

S.B. Billimoria & Co. LLP
Chartered Accountants

**Pramod B. Shukla**
Partner
Membership No. 104337
UDIN: 23104337BGYEZM8891

Place: Noida
Date: June 08, 2023

**CUBE HIGHWAYS TRUST**

**Special Purpose Combined Balance Sheet**

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

| | Notes | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | 3 | 239.26 | 166.93 | 110.13 |
| Capital work-in-progress | 4 | 9.64 | 3.94 | 13.82 |
| Investment properties | 5 | 7.28 | 7.35 | 7.35 |
| Intangible assets | 6 | 121,555.87 | 119,777.48 | 121,536.39 |
| Intangible assets under development | 7 | 1,940.02 | 7,260.76 | 10,422.91 |
| Financial assets: | | | | |
| Investments | 8 | 0.01 | 0.01 | 0.01 |
| Other financial assets | 9 | 742.59 | 970.67 | 1,731.54 |
| Deferred tax assets (net) | 26 | 30.69 | 215.70 | 198.94 |
| Current tax assets (net) | 10 | 447.91 | 433.58 | 128.44 |
| Other non-current assets | 11 | 279.23 | 141.48 | 66.27 |
| **Total non-current assets** | | **125,252.50** | **128,977.90** | **134,215.80** |
| **Current assets** | | | | |
| Inventories | 12 | 147.63 | 41.84 | 23.02 |
| Financial assets | | | | |
| Investments | 13 | 10,391.06 | - | 1,159.46 |
| Trade receivables | 14 | 729.75 | 751.21 | 755.54 |
| Cash and cash equivalents | 15 | 4,363.83 | 18,490.11 | 8,851.89 |
| Bank balances other than cash and cash equivalents | 16 | 601.38 | 2,633.84 | 4,284.98 |
| Other financial assets | 17 | 3,246.93 | 3,135.74 | 10,238.34 |
| Current tax assets (net) | 10 | - | - | 40.04 |
| Other current assets | 18 | 1,008.82 | 985.83 | 385.42 |
| **Total current assets** | | **20,489.40** | **26,038.57** | **25,738.69** |
| Assets held for sale | 19 | 4.67 | 4.67 | 4.67 |
| **Total assets** | | **145,746.57** | **155,021.14** | **159,959.16** |
| **EQUITY AND LIABILITIES** | | | | |
| **EQUITY** | | | | |
| Capital | 20 | 8,522.87 | 8,522.87 | 7,792.87 |
| Other equity | 21 | (8,325.44) | (8,283.01) | (4,478.78) |
| **Total equity** | | **197.43** | **239.86** | **3,314.09** |
| **LIABILITIES** | | | | |
| **Non-current liabilities** | | | | |
| Financial liabilities | | | | |
| Borrowings | 22 | 119,332.25 | 112,338.40 | 110,138.20 |
| Trade payables | 24 | | | |
| - total outstanding dues of micro enterprises and small enterprises | | - | 6.04 | 1.65 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 13.47 | 6.52 | 8.66 |
| Other financial liabilities | 23 | 1,033.59 | 3,335.10 | 1,615.73 |
| Provisions | 25 | 2,178.67 | 3,303.47 | 3,401.34 |
| Deferred tax liabilities (net) | 26 | 570.24 | 777.11 | 1,071.73 |
| **Total non-current liabilities** | | **123,128.22** | **119,766.64** | **116,237.31** |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| Borrowings | 27 | 5,331.04 | 17,502.62 | 13,156.01 |
| Trade payables | 28 | | | |
| - total outstanding dues of micro enterprises and small enterprises | | 187.58 | 150.41 | 148.88 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,952.66 | 1,870.35 | 2,465.72 |
| Other financial liabilities | 29 | 10,529.53 | 4,193.14 | 10,337.88 |
| Other current liabilities | 30 | 416.37 | 226.30 | 294.67 |
| Provisions | 31 | 4,003.74 | 11,071.82 | 12,964.96 |
| Current tax liabilities (net) | 10 | - | - | 1,039.64 |
| **Total current liabilities** | | **22,420.92** | **35,014.64** | **40,407.76** |
| **Total liabilities** | | **145,549.14** | **154,781.28** | **156,645.07** |
| **Total equity and liabilities** | | **145,746.57** | **155,021.14** | **159,959.16** |

**The above Special Purpose Combined Balance Sheet should be read in conjunction with the accompanying notes (1 - 64)**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

S.B. Billimoria & Co. LLP Chartered Accountants

**Pramod B. Shukla**
Partner

Place: Noida
Date: June 08, 2023

Cube Highways Fund Advisors Pvt. Ltd.

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Noida
Date: June 08, 2023

**Vinay Chandramouli Sekar**
Chief Executive Officer
Place: Noida
Date: June 08, 2023

**Pankaj Vasani**
Chief Financial Officer
Place: Noida
Date: June 08, 2023

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place: Noida
Date: June 08, 2023

**CUBE HIGHWAYS TRUST**

**Special Purpose Combined Statement of Profit and Loss**

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

| | Notes | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|---|
| **Income** | | | | |
| Revenue from operations | 32 | 25,718.45 | 20,550.40 | 16,285.19 |
| Other income | 33 | 1,060.39 | 1,021.91 | 513.40 |
| **Total Income** | | **26,778.84** | **21,572.31** | **16,798.59** |
| **Expenses** | | | | |
| Cost of construction | 34 | 2,167.85 | 1,387.77 | 2,308.40 |
| Operation and maintenance expenses | 35 | 4,753.67 | 8,404.82 | 3,799.46 |
| Employee benefits expense | 36 | 340.23 | 306.41 | 210.65 |
| Other expenses | 37 | 1,834.79 | 1,298.28 | 1,015.11 |
| **Total expenses** | | **9,096.54** | **11,397.28** | **7,333.62** |
| **Earnings before finance costs, depreciation, amortisation, impairment, exceptional item and tax** | | **17,682.30** | **10,175.03** | **9,464.97** |
| Finance costs | 38 | 13,347.32 | 13,940.24 | 10,417.46 |
| Depreciation and amortisation expense | 39 | 5,941.41 | 5,492.71 | 3,778.03 |
| Impairment charge/(reversal) of impairment of intangible assets | 57 | - | (268.67) | 167.40 |
| **Loss before exceptional item and tax** | | **(1,606.43)** | **(8,989.25)** | **(4,897.92)** |
| **Exceptional items:** | | | | |
| Claims receivable on NHAI settlement | 53(iii) | - | - | 3,243.74 |
| **Loss before tax** | | **(1,606.43)** | **(8,989.25)** | **(1,654.18)** |
| **Less: Tax expense/(income)** | 41 | | | |
| Current tax | | 155.15 | 85.67 | 1,122.94 |
| Deferred tax | | (350.45) | (823.25) | (367.76) |
| | | **(195.30)** | **(737.58)** | **755.18** |
| **Loss for the year** | | **(1,411.13)** | **(8,251.67)** | **(2,409.36)** |
| **Other comprehensive income** | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Re-measurement gains/(losses) on defined benefit obligations | | 3.69 | (1.59) | 18.94 |
| Income tax relating to these items | | (1.16) | 0.32 | (4.65) |
| **Total other comprehensive income/(loss) for the year** | | **2.53** | **(1.27)** | **14.29** |
| **Total comprehensive loss for the year** | | **(1,408.60)** | **(8,252.94)** | **(2,395.07)** |

**Earnings Per Unit - Refer note 40**

**The above Special Purpose Combined Statement of Profit and Loss should be read in conjunction with the accompanying notes (1 - 64)**

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

S.B. Billimoria & Co. LLP Chartered Accountants

**Pramod B. Shukla**
Partner

Place: Noida
Date: June 08, 2023

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

Cube Highways Fund Advisors Pvt. Ltd.

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place : Noida
Date: June 08, 2023

**Vinay Chandramouli Sekar**
Chief Executive Officer
Place : Noida
Date: June 08, 2023

**Pankaj Vasani**
Chief Financial Officer
Place : Noida
Date: June 08, 2023

**Mridul Gupta**
Compliance Officer & CS
MRN: A30111
Place : Noida
Date: June 08, 2023

**CUBE HIGHWAYS TRUST**
**Special Purpose Combined Statement of Cash Flows**
**(All amounts in ₹ million unless otherwise stated)**

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| **A. Cash flows from operating activities** | | | |
| **Loss before tax** | **(1,606.43)** | **(8,989.25)** | **(1,654.18)** |
| **Adjustments for:** | | | |
| Depreciation and amortisation expense | 5,941.41 | 5,492.71 | 3,778.03 |
| (Profit)/Loss on sale/write-off of property, plant and equipment (net) | (0.15) | (2.12) | 0.44 |
| Net gain on sale of mutual funds | (77.88) | (95.49) | (11.12) |
| Net (gain)/loss on investments/ derivatives measured at fair value through profit or loss | (86.79) | 29.64 | 92.81 |
| Liabilities no longer required written back/ Remission of loan liability | (136.78) | (220.68) | (55.80) |
| Interest income | (535.13) | (420.59) | (284.95) |
| Claims for compensation/ concession extension | - | - | (576.30) |
| Impairment charge/(reversal) of impairment of intangible assets and investment properties (net) | - | (268.67) | 167.87 |
| Impairment loss allowance on financial assets (including write-offs) | 162.15 | 44.82 | 46.19 |
| Gain on cash flows changes on non-convertible debentures (net) | - | - | (19.38) |
| Finance costs (excluding derivative hedging cost) | 13,335.10 | 13,910.60 | 10,316.38 |
| Provision for damages | 42.13 | - | 41.61 |
| Unrealised (gain)/ loss on foreign currency transaction | - | - | (96.75) |
| Stock Appreciation Right | 9.72 | - | - |
| **Operating cash flows before working capital changes and other adjustments** | **17,047.35** | **9,480.97** | **11,744.85** |
| **Working capital changes and other adjustments:** | | | |
| Decrease/(Increase) in inventories | (105.79) | (18.80) | (10.04) |
| Decrease/(Increase) in trade receivables | (114.44) | (20.62) | (130.13) |
| Decrease/(Increase) in financial assets and non financial assets | (266.34) | 3,353.13 | (2,883.80) |
| *(Decrease)/Increase in trade payables* | 204.47 | (371.00) | 1,120.34 |
| (Decrease)/Increase in provisions | (7,236.23) | 4,904.79 | 1,587.66 |
| (Decrease)/Increase in financial liabilities and non financial liabilities | 231.87 | (7,314.79) | 2,100.31 |
| **Cash flow generated from operating activities post working capital changes** | **9,760.89** | **10,013.68** | **13,529.19** |
| Income tax (paid)/ refund (net) | (161.39) | (1,385.88) | 32.19 |
| **Net cash generated from operating activities (A)** | **9,599.50** | **8,627.80** | **13,561.38** |
| **B. Cash flows from investing activities** | | | |
| Payment towards property, plant and equipment and intangible assets | (3,689.15) | (9,375.92) | (59,726.08) |
| Proceeds from sale of property, plant and equipment | 0.27 | 2.13 | 1.49 |
| Proceeds from NHAI on settlement [Refer note 53(iii)] | - | 5,253.91 | - |
| Movement in bank balances (including deposits) not considered as cash and cash equivalents (net) | 3,015.06 | (306.07) | (1,506.65) |
| Investment in equity shares | - | - | (0.01) |
| (Investment)/redemption from mutual funds (net) | (10,214.17) | 1,254.97 | (915.62) |
| Interest received | 527.09 | 409.28 | 221.34 |
| **Net cash used in investing activities (B)** | **(10,360.90)** | **(2,761.70)** | **(61,925.53)** |
| **C. Cash flows from financing activities** | | | |
| Proceeds from issue of capital (including security premium) | - | 730.00 | 6,653.02 |
| Payment for capital reduction [Refer note 21] | - | - | (600.00) |
| Proceeds from long term borrowings | 16,362.39 | 42,184.30 | 69,458.25 |
| Repayment of long term borrowings | (17,113.14) | (32,221.95) | (11,402.46) |
| (Repayments)/proceeds from short term borrowings (net) | (3,134.24) | 346.06 | 11.48 |
| Interest paid (including interest capitalised) | (8,475.22) | (9,204.41) | (10,458.04) |
| **Net cash generated from/(used in) financing activities (C)** | **(12,360.21)** | **1,834.00** | **53,662.25** |
| **D. Net increase/(decrease) in cash and cash equivalents (A+B+C)** | **(13,121.61)** | **7,700.10** | **5,298.10** |
| **E.** Cash and cash equivalents at the beginning of the year | 14,780.62 | 7,080.52 | 1,782.42 |
| **Cash and cash equivalents at the end of the year (D+E) (Refer reconciliation below)** | **1,659.01** | **14,780.62** | **7,080.52** |
| **Reconciliation of cash and cash equivalents as per Special Purpose Combined Statement of Cash Flows** | | | |
| Cash and cash equivalents as per above comprise of following: | | | |
| Cash and cash equivalents [Refer note 15] | 4,363.83 | 18,490.11 | 8,851.89 |
| Less: Earmarked balances [Refer note 15] | (2,704.82) | (3,709.49) | (1,771.37) |
| **Balance as per Special Purpose Combined Statement of Cash Flows** | **1,659.01** | **14,780.62** | **7,080.52** |

**Notes:**

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

S.B. Billimoria & Co. LLP Chartered Accountants

Cube Highways Fund Advisors Pvt. Ltd.

**CUBE HIGHWAYS TRUST**
**Special Purpose Combined Statement of Cash Flows**
**(All amounts in ₹ million unless otherwise stated)**

**2. Changes in liabilities arising from financing activities**

**For the year ended March 31, 2023**

| Particulars | Balance as at April 01, 2022 | Cash flows from financing activities | | Conversion of sub-ordinate loan into borrowings/remission of borrowings | Unrealised foreign exchange | Valuation gain on non-convertible debentures | Impact in equity | Non-cash adjustment | Balance as at March 31, 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | Inflow | Outflow | | | | | | |
| **Long Term Borrowings** | | | | | | | | | |
| Term loan | 67,981.51 | 6,937.39 | (11,437.68) | - | - | - | - | 85.33 | 63,566.55 |
| Non Convertible Debentures and Optionally Convertible Debentures | 55,032.53 | 9,425.00 | (2,257.15) | - | - | - | (1,259.36) | (262.63) | 60,678.39 |
| Other long term borrowings | 3,692.74 | - | (3,418.31) | - | - | 143.92 | - | - | 418.35 |
| **TOTAL (A)** | **126,706.78** | **16,362.39** | **(17,113.14)** | - | - | **143.92** | **(1,259.36)** | **(177.30)** | **124,663.29** |
| **Short Term Borrowings** | | | | | | | | | |
| Loans from others | 3,134.24 | - | (3,134.24) | - | - | - | - | - | - |
| **TOTAL (B)** | **3,134.24** | - | **(3,134.24)** | - | - | - | - | - | - |
| **Total liabilities from financing activities (C = A+B)** | **129,841.02** | **16,362.39** | **(20,247.38)** | - | - | **143.92** | **(1,259.36)** | **(177.30)** | **124,663.29** |

**For the year ended March 31, 2022**

| Particulars | Balance as at April 01, 2021 | Cash flows from financing activities | | Conversion of sub-ordinate loan into borrowings/remission of borrowings | Unrealised foreign exchange | Valuation gain on non-convertible debentures | Impact in equity | Non-cash adjustment | Balance as at March 31, 2022 |
|---|---|---|---|---|---|---|---|---|---|
| | | Inflow | Outflow | | | | | | |
| **Long Term Borrowings** | | | | | | | | | |
| Term loan | 76,239.70 | 19,273.30 | (27,598.15) | - | - | - | - | 66.66 | 67,981.51 |
| Non Convertible Debentures and Optionally Convertible Debentures | 39,776.39 | 21,661.00 | (4,475.35) | - | - | - | (2,091.79) | 162.28 | 55,032.53 |
| Other long term borrowings | 3,004.48 | 1,250.00 | (148.45) | - | - | - | (413.29) | - | 3,692.74 |
| **TOTAL (A)** | **119,020.57** | **42,184.30** | **(32,221.95)** | - | - | - | **(2,505.08)** | **228.94** | **126,706.78** |
| **Short Term Borrowings** | | | | | | | | | |
| Loans from others | 4,273.64 | 458.00 | (111.94) | - | - | - | (1,485.46) | - | 3,134.24 |
| **TOTAL (B)** | **4,273.64** | **458.00** | **(111.94)** | - | - | - | **(1,485.46)** | - | **3,134.24** |
| **Total liabilities from financing activities (C = A+B)** | **123,294.21** | **42,642.30** | **(32,333.89)** | - | - | - | **(3,990.54)** | **228.94** | **129,841.02** |

**For the year ended March 31, 2021**

| Particulars | Balance as at April 01, 2020 | Cash flows from financing activities | | Conversion of sub-ordinate loan into borrowings/remission of borrowings | Unrealised foreign exchange | Valuation gain on non-convertible debentures | Impact in equity | Non-cash adjustment | Balance as at March 31, 2021 |
|---|---|---|---|---|---|---|---|---|---|
| | | Inflow | Outflow | | | | | | |
| **Long Term Borrowings** | | | | | | | | | |
| Term loan | 40,520.92 | 40,429.96 | (4,176.89) | - | (96.75) | - | - | (437.54) | 76,239.70 |
| Non Convertible Debentures and Optionally Convertible Debentures | 11,724.59 | 29,028.29 | (4,053.82) | 6,310.83 | - | (19.38) | (3,227.28) | 13.16 | 39,776.39 |
| Other long term borrowings | 3,314.79 | - | (3,171.75) | 2,906.34 | - | (160.58) | 111.18 | 4.50 | 3,004.48 |
| **TOTAL (A)** | **55,560.30** | **69,458.25** | **(11,402.46)** | **9,217.17** | **(96.75)** | **(179.96)** | **(3,116.10)** | **(419.88)** | **119,020.57** |
| **Short Term Borrowings** | | | | | | | | | |
| Loans from others | 4,442.66 | 64.58 | (53.10) | (180.50) | - | - | - | - | 4,273.64 |
| **TOTAL (B)** | **4,442.66** | **64.58** | **(53.10)** | **(180.50)** | - | - | - | - | **4,273.64** |
| **Total liabilities from financing activities (C = A+B)** | **60,002.96** | **69,522.83** | **(11,455.56)** | **9,036.67** | **(96.75)** | **(179.96)** | **(3,116.10)** | **(419.88)** | **123,294.21** |

3 The above Special Purpose Combined Statement of Cash Flows should be read in conjunction with the accompanying notes (1-64)

As per our report of even date attached

**For S.B. Billimoria & Co. LLP**
Chartered Accountants

**Pramod B. Shukla**
Partner

Place: Noida
Date: June 08, 2023

**For and on behalf of the Board of Directors of**
**Cube Highways Fund Advisors Private Limited**
(the "Investment Manager") in its capacity
as the Investment Manager of Cube Highways Trust

**Sandeep Lakhanpal**
Director
DIN: 07171147
Place: Noida
Date: June 08, 2023

**Vinay Chandramouli Sekar**
Chief Executive Officer
Place: Noida
Date: June 08, 2023

**Pankaj Vasani**
Chief Financial Officer
Place: Noida
Date: June 08, 2023

**Mridul Gupta**
Compliance Officer & CS
Place: Noida
Date: June 08, 2023

**Schedule IV**

**FORMAT OF APPLICATION FORM**

**CUBE HIGHWAY TRUST**

**Reg. No.:** IN/InvIT/22-23/0022
**Principal Place of Business:** B-376, UGF, Nirman Vihar, New Delhi 110 092, India[12]
**Corporate Office:** Unit No. 1901, 19th Floor, Tower B, World Trade Tower Plot No C-1, Sector 16 Noida UP 201301
**Phone:** +0120-4868300; **Fax:** N.A.[13]
**Email**: compliance.officer@cubehighways.com; Website: www.cubehighwaystrust.com

**APPLICATION FORM FOR PRIVATE PLACEMENT OF LISTED, RATED, SECURED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR [●] (INDIAN RUPEES [●] ONLY) EACH (THE "DEBENTURES") ON A PRIVATE PLACEMENT BASIS (THE "ISSUE")**

Addressed to: [•]

Date of Application: _____, 2024

Dear Sir/Madam,

We have received, read, reviewed and understood all the terms and conditions contained in the general information document dated_____("**General Information Document**").

Now, therefore, we hereby agree to subscribe to such number of Debentures as mentioned hereunder in this application form, subject to the terms of issue of Debentures as specified in the General Information Document, and the Debt Security Trust Deed executed by and between Cube Highway Trust (Issuer) acting though its Investment Manager, [●] and **[●]** dated _____(**Debt Security Trust Deed**). We undertake to make payment for the subscription of the Debentures in the manner provided in the Debt Security Trust Deed and the General Information Document. We undertake that we will sign all such other documents and do all such other acts, if any, that may be reasonably required to be done on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us.

We authorise you to place our name(s) on the Register of Debenture Holders of the Issuer that may be maintained in the depository system and to register our address(es) as given below.

The certified true copies of (i) Board resolution/ letter of authorization, and (ii) specimen signatures of authorised signatories of the applicants, are enclosed herewith.

Capitalised terms, unless defined herein shall have the meaning given to the term in the Debt Security Trust Deed and/or the General Information Document, as the context may require.

[12] *Since the Issuer is an infrastructure investment trust, it does not have a registered office address or a corporate office address. It only has a principal place of business.*

[13] *The Issuer does not have a fax number.*

The details of the application are as follows:

| | ***In Figures*** | ***In words*** | Date: |
|---|---|---|---|
| No. of Debentures | | | FOR OFFICE USE ONLY |
| Amount (Rs) | | | Date of receipt of<br><br>Application Sl. No: |

| | |
|---|---|
| **Name of Applicant** | Cube Highway Trust |
| **Occupation/Business** | Infrastructure Investment Trust |
| **Nationality** | Indian |
| **Complete address** | [●] |
| **Phone number** | [●] |
| **Email** | [●] |
| **PAN** | [●] |
| **IT Circle/Ward/District** | [●] |
| **Bank account details** | [●] having account number [●] |

I/We the undersigned, want to hold the Debentures of the Issuer in the dematerialised form. Details of my/our Beneficiary Account are given below:

| | |
|---|---|
| **DEPOSITORY NAME** | **NSDL ( ) CDSL ( )** |
| **DEPOSITORY PARTICIPANT NAME** | |
| **DP-ID** | |
| **BENEFICIARY ACCOUNT NUMBER** | |

Yours faithfully,

For _____

(Name and Signature of Authorised Signatory)

Enclosures: (i) Board resolution / letter of authorization

(ii) specimen signatures of authorised signatories of the applicants

**INSTRUCTIONS**

1. Application must be completed in full BLOCK LETTERS IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Signatures should be made in English.

3. The Debentures are being issued at par to the face value. Full amount has to be paid on application per Debenture applied for. Applications for incorrect amounts are liable to be rejected. Face Value: INR 1,00,000 (Indian Rupees One Lakh only) each.

4. Money orders or postal orders will not be accepted. The payments can be made by NEFT/ RTGS, the details of which are given below. Payment shall be made from the bank account of the person subscribing. In case of joint-holders, monies payable shall be paid from the bank account of the person whose name appears first in the application.

5. No cash will be accepted.

6. The applicant should mention its permanent account number or the GIR number allotted to it under the Income Tax Act, 1961 and also the relevant Income-tax circle/ward/District.

7. Applications under power of attorney/relevant authority:

   In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the memorandum and articles of association and/or bye-laws of the investor must be attached to the application form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason therefore. Further any modifications / additions in the power of attorney or authority should be notified to the Issuer at its registered office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

8. An application once submitted cannot be withdrawn. The applications should be submitted during normal banking hours at the office mentioned below:

   Address: **[●]**

9. The applications would be scrutinised and accepted as per the terms and conditions specified in this General Information Document.

10. Any application, which is not complete in any respect, is liable to be rejected.

11. The investor / applicant shall apply for the Debentures in electronic, i.e., dematerialised form only. Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the application form. In case of any discrepancy in the information of Depository/Beneficiary Account, the Issuer shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

12. The applicant is requested to contact the office of the Issuer as mentioned above for any clarifications.

13. Over and above the aforesaid terms and conditions, the Debentures, if any issued under this General Information Document, shall be subject to the General Information Document, the Debt Security Trust Deed and also be subject to the provisions of the constitutional documents of the Issuer.

14. Payments must be made by RTGS to the Bank Account (ICCL):

| | |
|---|---|
| Beneficiary Name | |
| Name of Beneficiary Bank | |
| Account number of Beneficiary Bank | |
| IFSC Code of Beneficiary Bank | |

## Schedule V
## Unit-holding pattern of the Issuer

***Allotment history of the Issuer and detailed unitholding pattern of the Issuer is as follows as on June 15, 2024:***

| Date of issue | No. of Units issued | Face Value (Rs.) | Issue Price (Rs.) | Consideration (Cash, other than cash etc.) | Nature of allotment | Cumulative unit capital |
|---|---|---|---|---|---|---|
| 19.04.2023 | 76,77,63,385 | - | - | Allotment of units against swap of securities | Allotment of units against swap of securities | 76,77,63,385 |
| 19.04.2023 | 52,25,82,727 | - | - | Cash | Private Placement | 1,29,03,46,112 |

***Unit-holding pattern of the Issuer as an March 31, 2024:***

| Category | Category of Unit holder | No. of Units Held | As a % of Total Out-standing Units | No. of units mandatorily held | | Number of units pledged or otherwise encumbered | |
|---|---|---|---|---|---|---|---|
| | | | | No. of units | As a % of total units held | No. of units | As a % of total units held |
| **(A)** | **Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties** | | | | | | |
| **(1)** | **Indian** | | | | | | |
| (a) | Individuals / HUF | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (b) | Central/State Govt. | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (c) | Financial Institutions/Banks | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (d) | Any Other (specify) | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| | BODIES CORPORATES | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| | **Sub- Total (A) (1)** | **-** | **0.00** | **-** | **0.00** | **-** | **0.00** |
| **(2)** | **Foreign** | | | | | | |
| (a) | Individuals (Non-Resident Indians/ Foreign Individuals) | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (b) | Foreign government | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (c) | Institutions | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (d) | Foreign Portfolio Investors | - | 0.00 | 0 | 0.00 | 0 | 0.00 |
| (e) | Any Other (specify) CORPORATE BODY-FOREIGN BODIES | 767,763,385 | 59.50 | 767,763,385 | 100.00 | 193,551,917 | 15.00 |
| | **Sub- Total (A) (2)** | **767,763,385** | 59.50 | 767,763,385 | 100.00 | 193,551,917 | 15.00 |
| | **Total unit holding of Sponsor & Sponsor Group* (A) = (A)(1)+(A)(2)** | **767,763,385** | **59.50** | **767,763,385** | **100.00** | **193,551,917** | **15.00** |

| | | | | |
|---|---|---|---|---|
| **(B)** | **Public Holding** | | | |
| **(1)** | **Institutions** | | | |
| (a) | Mutual Funds | 90,000,000 | 6.97 | |
| (b) | Financial Institutions/Banks | - | 0.00 | |
| (c) | Central/State Govt. | - | 0.00 | |
| (d) | Venture Capital Funds | - | 0.00 | |
| (e) | Insurance Companies | 25,000,000 | 1.94 | |
| (f) | Provident/pension funds | 6,000,000 | 0.46 | |
| (g) | Foreign Portfolio Investors | 6,129,072 | 0.47 | |
| (h) | Foreign Venture Capital investors | - | 0.00 | |
| (i) | Alternative Investment Fund | 15,000,000 | 1.16 | |
| | Bodies Corporate (FB) | 316,453,655 | 24.52 | |
| | **Sub- Total (B) (1)** | **458,582,727** | **35.54** | |
| **(2)** | **Non-Institutions** | | | |
| (a) | Central Government/State Governments(s)/President of India | - | 0.00 | |
| (b) | Individuals | 2,800,000 | 0.22 | |
| (c) | NBFCs registered with RBI | - | 0.00 | |
| (d) | Any Other (specify) | - | 0.00 | |
| | TRUSTS | - | 0.00 | |
| | NON-RESIDENT INDIANS | 400,000 | 0.03 | |
| | CLEARING MEMBERS | - | 0.00 | |
| | BODIES CORPORATES | 60,800,000 | 4.71 | |
| | | | | |
| | **Sub- Total (B) (2)** | **64,000,000** | **4.96** | |
| | **Total Public Unit holding (B) = (B)(1) + (B)(2)** | **522,582,727** | **40.50** | |
| | **Total Units Outstanding (C) = (A) + (B)** | **1,290,346,112** | **100.00** | |
| *** Includes Units held by Associates / Related Parties of Investment Manager, Sponsor & Project Manager** | | | | |

## Schedule VI

## Due Diligence Certificate issued by the Debenture Trustee

[*annexed separately*]

**CL/24-25/07966** ***(Annexure IIA)***

**DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM**
***(Applicable for Secured and Unsecured Issuances)***

To,
The Manager,
**BSE Limited**
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

**SUB.: ISSUE LISTED, RATED, SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1,00,000/- (INDIAN RUPEES ONE LAKH) EACH, FOR AN AMOUNT AGGREGATING UP TO INR 700,00,00,000 /- (INDIAN RUPEES SEVEN HUNDRED CRORES ONLY IN MULTIPLE SERIES/ TRANCHES ("SERIES")BY WAY OF PRIVATE PLACEMENT BY CUBE HIGHWAY TRUST.**

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement**.**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

**Place: Mumbai**
**Date: June 13, 2024**

**For Catalyst Trusteeship Limited**

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

**Ms. Kalyani Pandey**
**Compliance Officer**

## Schedule VII
## Related Party Transactions of the Issuer

Please refer note number 28 of the standalone financials (attached herewith) for related party transactions.

**Annexure I**
**In-Principle approval**

[*annexed separately*]

DCS/COMP/RM/IP-PPDI/049/24-25

June 19, 2024

**CUBE HIGHWAY TRUST**
Unit No. 1901, 19th Floor.
Tower B, World Trade Tower Plot No C-1
Sector 16 Noida-201301, U.P

**Re: Private Placement of Listed, Rated, Secured, Redeemable, Non-Convertible Debentures (The "Debentures") in multiple series/one or more Tranches as maybe approved by the Unitholders of the Issuer from Time to Time under this General Information Document read with relevant Key Information Document, on a Private Placement Basis by Cube Highway Trust. (The "Company") Or ("Issuer") Under Gid No.: –Cht1fy202425; Dated June 19, 2024 (The Issue)**

We acknowledge receipt of your application on the online portal on June 19, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

***10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
**For BSE Limited**

**Hardik Bhuta**
**Asst. Gen. Manager**

**Akshay Arolkar**
**Deputy Manager**

**Annexure II**

**REPAYMENT DATE/SCHEDULE IN RELATION TO OUTSTANDING NON-CONVERTIBLE SECURITIES**

| Sr. No | Date of Payment | Principal Repayment | Interest Repayment | Outstanding Balance |
|---|---|---|---|---|
| 1. | 15/04/2024 | 82,400,000 | 193,381,813 | 9,970,400,000 |
| 2. | 15/07/2024 | 92,700,000 | 185,675,545 | 9,877,700,000 |
| 3. | 15/10/2024 | 92,700,000 | 185,970,643 | 9,785,000,000 |
| 4. | 15/01/2025 | 92,700,000 | 184,225,350 | 9,692,300,000 |
| 5. | 15/04/2025 | 92,700,000 | 178,513,099 | 9,599,600,000 |
| 6. | 15/07/2025 | 92,700,000 | 178,770,256 | 9,506,900,000 |
| 7. | 15/10/2025 | 92,700,000 | 178,989,471 | 9,414,200,000 |
| 8. | 15/01/2026 | 92,700,000 | 177,244,179 | 9,321,500,000 |
| 9. | 15/04/2026 | 92,700,000 | 171,683,693 | 9,228,800,000 |
| 10. | 15/07/2026 | 92,700,000 | 171,864,967 | 9,136,100,000 |
| 11. | 15/10/2026 | 92,700,000 | 172,008,300 | 9,043,400,000 |
| 12. | 15/01/2027 | 92,700,000 | 170,263,007 | 8,950,700,000 |
| 13. | 15/04/2027 | 92,700,000 | 164,854,286 | 8,858,000,000 |
| 14. | 15/07/2027 | 82,400,000 | 164,959,678 | 8,775,600,000 |
| 15. | 15/10/2027 | 82,400,000 | 165,221,050 | 8,693,200,000 |
| 16. | 14/01/2028 | 82,400,000 | 161,890,661 | 8,610,800,000 |
| 17. | 14/04/2028 | 82,400,000 | 160,356,152 | 8,528,400,000 |
| 18. | 14/07/2028 | 92,700,000 | 158,821,644 | 8,435,700,000 |
| 19. | 13/10/2028 | 92,700,000 | 157,095,321 | 8,343,000,000 |
| 20. | 15/01/2029 | 92,700,000 | 160,491,054 | 8,250,300,000 |
| 21. | 13/04/2029 | 92,700,000 | 148,577,534 | 8,157,600,000 |
| 22. | 13/07/2029 | 103,000,000 | 151,916,355 | 8,054,600,000 |
| 23. | 15/10/2029 | 103,000,000 | 154,943,215 | 7,951,600,000 |
| 24. | 15/01/2030 | 103,000,000 | 149,707,337 | 7,848,600,000 |
| 25. | 15/04/2030 | 103,000,000 | 144,555,772 | 7,745,600,000 |

| | | | | |
|---|---|---|---|---|
| 26. | 15/07/2030 | 113,300,000 | 144,243,812 | 7,632,300,000 |
| 27. | 15/10/2030 | 113,300,000 | 143,695,773 | 7,519,000,000 |
| 28. | 15/01/2031 | 113,300,000 | 141,562,637 | 7,405,700,000 |
| 29. | 15/04/2031 | 113,300,000 | 136,398,425 | 7,292,400,000 |
| 30. | 15/07/2031 | 133,900,000 | 135,804,014 | 7,158,500,000 |
| 31. | 15/10/2031 | 133,900,000 | 134,775,387 | 7,024,600,000 |
| 32. | 15/01/2032 | 133,900,000 | 132,254,409 | 6,890,700,000 |
| 33. | 15/04/2032 | 133,900,000 | 128,323,285 | 6,756,800,000 |
| 34. | 15/07/2032 | 133,900,000 | 125,829,708 | 6,622,900,000 |
| 35. | 15/10/2032 | 133,900,000 | 124,691,474 | 6,489,000,000 |
| 36. | 14/01/2033 | 133,900,000 | 120,842,555 | 6,355,100,000 |
| 37. | 15/04/2033 | 133,900,000 | 118,348,978 | 6,221,200,000 |
| 38. | 15/07/2033 | 133,900,000 | 115,855,402 | 6,087,300,000 |
| 39. | 14/10/2033 | 133,900,000 | 113,361,825 | 5,953,400,000 |
| 40. | 13/01/2034 | 133,900,000 | 110,868,249 | 5,819,500,000 |
| 41. | 14/04/2034 | 133,900,000 | 108,374,672 | 5,685,600,000 |
| 42. | 14/07/2034 | 133,900,000 | 105,881,096 | 5,551,700,000 |
| 43. | 13/10/2034 | 133,900,000 | 103,387,519 | 5,417,800,000 |
| 44. | 15/01/2035 | 133,900,000 | 104,220,117 | 5,283,900,000 |
| 45. | 13/04/2035 | 133,900,000 | 95,156,398 | 5,150,000,000 |
| 46. | 13/07/2035 | 133,900,000 | 95,906,790 | 5,016,100,000 |
| 47. | 15/10/2035 | 133,900,000 | 96,492,770 | 4,882,200,000 |
| 48. | 15/01/2036 | 133,900,000 | 91,918,753 | 4,748,300,000 |
| 49. | 15/04/2036 | 133,900,000 | 88,426,060 | 4,614,400,000 |
| 50. | 15/07/2036 | 154,500,000 | 85,932,483 | 4,459,900,000 |
| 51. | 15/10/2036 | 154,500,000 | 83,967,975 | 4,305,400,000 |
| 52. | 15/01/2037 | 154,500,000 | 81,059,154 | 4,150,900,000 |
| 53. | 15/04/2037 | 154,500,000 | 76,451,412 | 3,996,400,000 |
| 54. | 15/07/2037 | 206,000,000 | 74,423,669 | 3,790,400,000 |
| 55. | 15/10/2037 | 206,000,000 | 71,363,083 | 3,584,400,000 |

| | | | | |
|---|---|---|---|---|
| 56. | 15/01/2038 | 206,000,000 | 67,484,654 | 3,378,400,000 |
| 57. | 15/04/2038 | 206,000,000 | 62,223,482 | 3,172,400,000 |
| 58. | 15/07/2038 | 206,000,000 | 59,078,582 | 2,966,400,000 |
| 59. | 15/10/2038 | 206,000,000 | 55,849,369 | 2,760,400,000 |
| 60. | 14/01/2039 | 206,000,000 | 51,406,039 | 2,554,400,000 |
| 61. | 15/04/2039 | 206,000,000 | 47,569,768 | 2,348,400,000 |
| 62. | 15/07/2039 | 185,400,000 | 43,733,496 | 2,163,000,000 |
| 63. | 14/10/2039 | 185,400,000 | 40,280,852 | 1,977,600,000 |
| 64. | 13/01/2040 | 185,400,000 | 36,828,207 | 1,792,200,000 |
| 65. | 13/04/2040 | 185,400,000 | 33,375,563 | 1,606,800,000 |
| 66. | 13/07/2040 | 401,700,000 | 29,922,918 | 1,205,100,000 |
| 67. | 15/10/2040 | 401,700,000 | 23,182,041 | 803,400,000 |
| 68. | 15/01/2041 | 401,700,000 | 15,125,871 | 401,700,000 |
| 69. | 15/04/2041 | 401,700,000 | 7,398,524 | - |

**SECURITY PROVIDED IN RELATION TO OUTSTANDING NON-CONVERTIBLE SECURITIES**

1. A first ranking pari passu Security Interest, by way of hypothecation on the following:

   (a) on all moveable assets and the receivables of the Issuer in relation to the Project SPVs, present and future including but not limited to:
   - (i) all receivables of the Issuer from the Project SPVs;
   - (ii) loans and advances (and all rights, title,
   - (iii) security and interest thereunder) made by the Issuer to Project SPVs except for the Excluded SPVs, including the rights under the Substitution Agreement – Project SPVs, Escrow Agreement – Project SPVs and all other Project Documents;
   - (iv) the interest and principal repayment of loans advanced by the Issuer to Project SPVs;
   - (v) dividends and any other amounts to be paid or payable by the Project SPVs to the Issuer;
   - (vi) inventories, contractual rights, securities, patents, trademarks, other Intellectual Property and Intellectual Property Rights, equipment and/or insurances (in each instance, if any); and all other current assets of the Issuer, including
   - (vii) all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future.

   (b) all the Accounts and all other bank accounts of the Issuer in which the Free Cashflows from the Project SPVs owned by the Issuer will be deposited/redited or any other account opened/maintained by the Issuer in relation to such Project SPVs. It is hereby clarified that bank accounts opened by the Issuer in pursuance to Regulation 9(1) of the Securities and Exchange Board of India (Investment Infrastructure) Regulations, 2014 shall not be included for the purposes of this Section.

(c) a first ranking exclusive Security Interest, by way of hypothecation on the DSR;

an agreement to assign the loans advanced by the Issuer to the Project SPVs (except for the Excluded SPVs) and securities created in favour of the Issuer in respect of such loans (including the right of substitution and termination and invocation of the provisions of Escrow Agreement-Project SPVs in case of default by such Project SPVs except for the Excluded SPVs) in relation to such loans granted by the Issuer. Provided that such assignment shall be effective upon occurrence of an Event of Default;

2. a pledge of all bonds, non-convertible debentures, or any other securities (except the equity shares) of Project SPVs (other than the Excluded SPVs) held by the Issuer.
3. a pledge of 100% (one hundred percent) equity shares on a Fully Diluted Basis of all Project SPVs (except for the Excluded SPVs), other than the Nominees' Shares.
4. a negative lien, other than on Permitted Disposals, on the immovable and movable assets (including current assets and cash flows) of the Project SPVs except for the Excluded SPVs, subject to the rights of the Authorities under the respective Concession Agreements.
5. a shortfall undertaking from the Project SPVs except by the Excluded SPVs, in relation to upstreaming of funds and/or direct payment to the Debt Security Holders towards dues owed and payable by the Issuer in relation to the Debt Securities in a form and manner instructed by the Debt Security Holders.
6. a pledge of bonds, non-convertible debentures, or any other security (except equity shares) of the Excluded SPVs held by the Issuer and pledge over 100% (one hundred percent) equity shares of APEL and pledge over 99.97% (ninety nine point nine seven percent) equity shares of MBEL and a pledge over 100% (one hundred percent) of the equity shares of the other Excluded SPVs, in each case other than the Nominees' Shares.
7. a contractual arrangement to ensure that the Security Trustee is appointed as the irrevocable agent of the Issuer (including but not limited to in the respective Substitution Agreement – Project SPVs, Escrow Agreement – Project SPVs) under the loans and advances proposed to be granted by the Issuer to all the Project SPVs except Excluded SPVs.

Capitalized terms used under this Annexure shall have the meaning ascribed to it under the debenture trust deed executed on June 14, 2023 between the Issuer and Catalyst Trusteeship Limited.

**Annexure III**

**REPAYMENT DATE/SCHEDULE IN RELATION TO OUTSTANDING SECURED LOAN FACILITIES**

| Sr. No. | Date | Percentage % | Amount (INR Crores) |
|---|---|---|---|
| 1. | 30-Jun-24 | 0.875% | 87.50 |
| 2. | 30-Sep-24 | 0.875% | 87.50 |
| 3. | 31-Dec-24 | 0.875% | 87.50 |
| 4. | 31-Mar-25 | 0.875% | 87.50 |
| 5. | 30-Jun-25 | 0.900% | 90.00 |
| 6. | 30-Sep-25 | 0.900% | 90.00 |
| 7. | 31-Dec-25 | 0.900% | 90.00 |
| 8. | 31-Mar-26 | 0.900% | 90.00 |
| 9. | 30-Jun-26 | 0.900% | 90.00 |
| 10. | 30-Sep-26 | 0.900% | 90.00 |
| 11. | 31-Dec-26 | 0.900% | 90.00 |
| 12. | 31-Mar-27 | 0.900% | 90.00 |
| 13. | 30-Jun-27 | 0.825% | 82.50 |
| 14. | 30-Sep-27 | 0.825% | 82.50 |
| 15. | 31-Dec-27 | 0.825% | 82.50 |
| 16. | 31-Mar-28 | 0.825% | 82.50 |
| 17. | 30-Jun-28 | 0.850% | 85.00 |
| 18. | 30-Sep-28 | 0.850% | 85.00 |
| 19. | 31-Dec-28 | 0.850% | 85.00 |
| 20. | 31-Mar-29 | 0.850% | 85.00 |
| 21. | 30-Jun-29 | 0.950% | 95.00 |
| 22. | 30-Sep-29 | 0.950% | 95.00 |
| 23. | 31-Dec-29 | 0.950% | 95.00 |
| 24. | 31-Mar-30 | 0.950% | 95.00 |
| 25. | 30-Jun-30 | 1.050% | 105.00 |
| 26. | 30-Sep-30 | 1.050% | 105.00 |
| 27. | 31-Dec-30 | 1.050% | 105.00 |

| Sr. No. | Date | Percentage % | Amount (INR Crores) |
|---|---|---|---|
| 28. | 31-Mar-31 | 1.050% | 105.00 |
| 29. | 30-Jun-31 | 1.325% | 132.50 |
| 30. | 30-Sep-31 | 1.325 | 132.50 |
| 31. | 31-Dec-31 | 1.325 | 132.50 |
| 32. | 31-Mar-32 | 1.325 | 132.50 |
| 33. | 30-Jun-32 | 1.300 | 130.00 |
| 34. | 30-Sep-32 | 1.300 | 130.00 |
| 35. | 31-Dec-32 | 1.300 | 130.00 |
| 36. | 31-Mar-33 | 1.300 | 130.00 |
| 37. | 30-Jun-33 | 1.275 | 127.50 |
| 38. | 30-Sep-33 | 1.275 | 127.50 |
| 39. | 31-Dec-33 | 1.275 | 127.50 |
| 40. | 31-Mar-34 | 1.275 | 127.50 |
| 41. | 30-Jun-34 | 1.275 | 127.50 |
| 42. | 30-Sep-34 | 1.275 | 127.50 |
| 43. | 31-Dec-34 | 1.275 | 127.50 |
| 44. | 31-Mar-35 | 1.275 | 127.50 |
| 45. | 30-Jun-35 | 1.275 | 127.50 |
| 46. | 30-Sep-35 | 1.275 | 127.50 |
| 47. | 31-Dec-35 | 1.275 | 127.50 |
| 48. | 31-Mar-36 | 1.275 | 127.50 |
| 49. | 30-Jun-36 | 1.500 | 150.00 |
| 50. | 30-Sep-36 | 1.500 | 150.00 |
| 51. | 31-Dec-36 | 1.500 | 150.00 |
| 52. | 31-Mar-37 | 1.500 | 150.00 |
| 53. | 30-Jun-37 | 2.000 | 200.00 |
| 54. | 30-Sep-37 | 2.000 | 200.00 |
| 55. | 31-Dec-37 | 2.000 | 200.00 |
| 56. | 31-Mar-38 | 2.000 | 200.00 |
| 57. | 30-Jun-38 | 2.000 | 200.00 |

| Sr. No. | Date | Percentage % | Amount (INR Crores) |
|---|---|---|---|
| 58. | 30-Sep-38 | 2.000 | 200.00 |
| 59. | 31-Dec-38 | 2.000 | 200.00 |
| 60. | 31-Mar-39 | 2.000 | 200.00 |
| 61. | 30-Jun-39 | 1.750 | 175.00 |
| 62. | 30-Sep-39 | 1.750 | 175.00 |
| 63. | 31-Dec-39 | 1.750 | 175.00 |
| 64. | 31-Mar-40 | 1.750 | 175.00 |
| 65. | 30-Jun-40 | 2.000 | 200.00 |
| 66. | 30-Sep-40 | 2.000 | 200.00 |
| 67. | 31-Dec-40 | 2.000 | 200.00 |
| 68. | 31-Mar-41 | 2.000 | 200.00 |
| 69. | 30-Jun-41 | 1.875 | 187.50 |
| 70. | 30-Sep-41 | 1.875 | 187.50 |
| 71. | 31-Dec-41 | 1.875 | 187.50 |
| 72. | 31-Mar-42 | 1.875 | 187.50 |