

**National Highways Infra Investment  
Managers Private Limited**

(Investment Manager to National Highways Infra Trust)

CIN: U65929DL2020GOI366835 | Website: www.nhit.co.in | Email: nhiimpl@nhit.co.in



**Date: 14<sup>th</sup> November, 2024**

<b>Corporate Relations Department, BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	<b>The Listing Department, National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
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**Ref: Scrip Code: 543385; Scrip ID/Symbol: NHIT**

**Sub: Half Year Report of National Highway Infra Trust (“NHIT” or “Trust”) for the period ended 30<sup>th</sup> September, 2024**

Dear Sir/ Ma’am,

In terms of the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, enclosed please find the Half-yearly Report of National Highway Infra Trust (“NHIT” or “Trust”) for the period ended 30<sup>th</sup> September, 2024.

You are requested to take the above information on record.

Sincerely,

For **National Highways Infra Trust**

By Order of the Board

**National Highways Infra Investment Managers Private Limited**

**GUNJAN** Digitally signed by

GUNJAN SINGH

**SINGH** Date: 2024.11.14

17:39:18 +05'30'

**Gunjan Singh**

**Company Secretary and Compliance Officer**

## Half Yearly Report

### Report for the Half Year ended 30<sup>th</sup> September 2024

We National Highways Infra Investment Managers Private Limited, Investment Manager of National Highways Infra Trust (“NHIT” or “Trust”) hereby submit the half-yearly report for the period from 1<sup>st</sup> April, 2024 to 30<sup>th</sup> September, 2024, of NHIT along with Financial information for the half year ended 30<sup>th</sup> September, 2024.

1. Investment Manager's brief report of activities of the InvIT and summary of the audited consolidated financial statements for the half year of the InvIT

National Highways Authority of India (NHA) (“**Sponsor**”) settled the National Highways Infra Trust (“**NHIT**” or “**Trust**”) on 19<sup>th</sup> October, 2020, as a contributory irrevocable Trust, pursuant to the Trust Deed executed under the provisions of the Indian Trusts Act, 1882. NHIT was registered with Securities and Exchange Board of India (“**SEBI**”) on 28<sup>th</sup> October, 2020, as an infrastructure investment trust (“**InvIT**”) under Regulation 3(1) of the SEBI InvIT Regulations, 2014 having registration number IN/InvIT/20-21/0014. National Highways Infra Investment Managers Private Limited (“**NHIIMPL**”) has been appointed as the Investment Manager to NHIT. Currently, NHIT holds a diversified portfolio of fifteen (15) operating toll roads with an aggregate length of about 1,525 km spread across the 9 states of Assam, Gujarat, Karnataka, Madhya Pradesh (“**MP**”), Maharashtra, Rajasthan, Telangana, Uttar Pradesh (“**UP**”) and West Bengal (“**WB**”), with concession periods ranging between 20 to 30 years. NHIT through its two wholly owned Special Purchase Vehicles (“**SPV**”), NHIT Western Projects Private Limited (“**NWPPL**”) (*formerly known as National Highways Infra Projects Private Limited*) and NHIT Eastern Projects Private Limited (“**NEPPL**”), has entered into 15 independent concession agreements with NHA for toll roads against a concession fee of over Rs. 26,000 crore. The concession agreements for first bundle (5 operating toll roads) became effective on 16<sup>th</sup> December, 2021, for second bundle (3 operating toll roads) on 29<sup>th</sup> October, 2022 and for third bundle (7 operating toll roads) on 1<sup>st</sup> April, 2024. In order to acquire concession right for these roads, NHIT has cumulatively raised ~ Rs. 14,713 crore from equity capital markets and balance through debt instruments, since November 2021. Historically, units of NHIT were issued at a price of Rs. 101.00 in November 2021 and were listed on both BSE and NSE on 10<sup>th</sup> November, 2021. The additional units issued for funding second and third round of monetisation were listed on both BSE and NSE respectively on 12<sup>th</sup> October, 2022 and 19<sup>th</sup> March, 2024. Additionally, NHIT has issued Non-Convertible Debentures (“**NCDS**”) during the FY 2022-2023, which were listed on the BSE and NSE on 27<sup>th</sup> October, 2022.

- The brief report on the activities of the NHIT is attached as **Annexure I**.

- The Un-Audited Financial Statements (Standalone and Consolidated) as on 30<sup>th</sup> September, 2024 (Half Year) are attached as **Annexure XI**.

2. Brief details of all the assets of the InvIT, project-wise

- The brief details of assets of NHIT are attached as **Annexure II**.

3. Details of revenue during the year, project-wise from the underlying projects

- The revenue details during the half year, project wise from the underlying projects are attached as **Annexure III**.

4. Brief summary of the valuation as per full valuation report as at the end of the half year
  - Executive summary of Valuation as on 30<sup>th</sup> September, 2024 is attached as **Annexure IV**.
  - Valuation report as on 31<sup>st</sup> March, 2024 is attached as **Annexure VI**.
5. Any information or report pertaining to the specific sector or sub-sector that may be relevant for an investor to invest in units of the InvIT
  - A report on Indian Road Sector is attached as **Annexure V**.
6. Details of changes during the half year pertaining to
  - a. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions
    - During the period under review, NHIT has neither acquired any assets, nor disinvested any of its assets.
  - b. Valuation of assets and NAV (as per the full valuation reports)
    - Valuation report along with Enterprise Value as on 31<sup>st</sup> March, 2024 attached as **Annexure VI**.
  - c. Borrowings or repayment of borrowings (standalone and consolidated)
    - As per the below table

(Rs. in Crores)

S. No.	Type of Loan	Amount outstanding as on 1 <sup>st</sup> April 2024	Additional Loan taken during Apr 2024 to Sep 2024	Principal Paid during April 2024 to September 2024	Interest paid during April 2024 to Sept 2024	Balance Outstanding as on 30 <sup>th</sup> September, 2024
1.	Secured Bank Loan - R1	1,504.83	299.66	10.04	68.25	1,794.45
2.	Secured Bank Loan - R2	106.45	100.00	8.58	5.88	197.87
3.	Secured Bank Loan - R3	8,639.84	15.00	31.60	346.72	8,641.40
4.	NCDs - R2	1,500.00	-	-	59.41	1,500.00

d. Credit rating

There has been no change in the credit ratings of NHIT. The ratings have been confirmed by both the credit rating agencies as under:

India Rating & Research: AAA  
Care Ratings Limited: AAA

- Credit Rating letters issued by Care Ratings Limited as on 11<sup>th</sup> April, 2024 and India Ratings & Research as on 10<sup>th</sup> April, 2024 is attached as **Annexure VII**.

e. Sponsor, Investment Manager, Trustee, valuer, directors of the Trustee or Investment Manager or sponsor, etc.

- i. There is no change in the Sponsor, Investment Manager and the Trustee of NHIT during the Half year.
- ii. During the period under review, M/s RBSA Valuation Advisors LLP (RBSA), Registered Valuers, (IBBI Registration Number: IBBI/RV-E/05/2019/110), were appointed as the Valuers for carrying out the valuation of National Highways Infra Trust (“NHIT”) and its Project SPVs upto 30<sup>th</sup> November, 2024.

Further, M/s Ernst & Young Merchant Banking Services LLP (Registration No.: IBBI/RV-E/05/2021/155) (“EY”) has been appointed as Valuer of NHIT and its Project SPVs from 1<sup>st</sup> December, 2024 till the conclusion of the Annual Meeting of the Unitholders to be held in the year 2026.

iii. During the period under the review following were the changes in the Directors/ Board members of Sponsor, Investment Manager, Trustee of NHIT

<b>Investment Manager</b>	
1.	Ms. Usha Rao Monari has been appointed as Independent Director for a term of 5 years w.e.f. 16 <sup>th</sup> April, 2024
<b>Trustee</b>	
1.	Mr. Arun Kumar Agarwal has been appointed as Director w.e.f. 19 <sup>th</sup> July, 2024
2.	Mr. Hare Krushna Dandapani Panda has been appointed as Director w.e.f. 19 <sup>th</sup> July, 2024
3.	Mr. Balkrishna Variar has been appointed as Director w.e.f. 24 <sup>th</sup> June, 2024

- The details of Sponsor, Investment Manager, Trustee, Valuer, along with the details of Directors of Trustee, Investment Manager and Sponsor are attached as **Annexure VIII**.

f. Clauses in trust deed, investment management agreement, or any other agreement entered into pertaining to activities of InvIT

- No changes in Trust Deed, Investment management agreement, or any other agreement entered into pertaining to activities of InvIT.

- During the period under review, the Debenture Trust Deed dated 21<sup>st</sup> October, 2022 (including Master Supplementary Debenture Trust Deed(s) dated 19<sup>th</sup> September, 2023 (“Debenture Trust Deed”) entered into between National Highways Infra Trust (“NHIT”) (represented by IDBI Trusteeship Services Limited (as Trustee to NHIT (“InvIT Trustee”)) and National Highways Infra Investment Managers Private Limited (as the Investment Managers (“Investment Manager” or “IM”)) and SBICAP Trustee Company Limited (as the Debenture Trustee (“Debenture Trustee”)) has been amended with the approval of the Debenture Holders received on 17<sup>th</sup> September, 2024 and Debenture Trustee approval on 20<sup>th</sup> September, 2024 and Stock Exchange approval on 11<sup>th</sup> October, 2024.



g. Any regulatory changes that has impacted or may impact cash flows of the underlying projects

- None

h. Change in material contracts or any new risk in the performance of any contract pertaining to the InvIT:

**During the period under review following new contracts were awarded for Round 1, Round 2 and Round 3 assets:**

- Manpower Services for collection of fees in respect of Nine (9) Projects (12 Toll Plazas)
- Three (3) Nos. Supplementary Agreement signed for subsisting agreement for Initial Improvement works in respect of Three (3) Projects.

i. Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the InvIT

- None

j. Any other material change during the half year

There are no material changes during the period under review, however as on the date of this report following material change may be noted:

- As per the Supplementary Agreement dated 30<sup>th</sup> March 2024, M/s A.K. Constructions Company was to collect user fee on behalf of M/s NHIT Eastern Projects Private Limited ("Project SPV 2" or "NEPPL") till 30<sup>th</sup> September, 2024 for Boharipara and Mohatara toll plazas.
- Accordingly, NHA terminated the Tolling Contract dated 13<sup>th</sup> March 2024 ("Tolling Contract") and the Supplementary Agreement to the Tolling Contract dated 30<sup>th</sup> March 2024 ("Supplementary Agreement") with effect from 7<sup>th</sup> October 2024.
- M/s A.K. Constructions Company (Petitioner) filed a petition impugning the termination order dated 30<sup>th</sup> September 2024 ("Termination Order"), issued by NHA in Jabalpur Bench of the Bench of Madhya Pradesh. The Hon'ble Court granted stay on the termination order, till 9<sup>th</sup> December, 2024.
- In view thereof, NHIT Eastern Projects Private Limited ("Project SPV 2" or "NEPPL") could not take over Boharipara and Mohatara toll plazas on the date as mentioned in the Termination Order (7<sup>th</sup> October 2024). Hence, NEPPL would be filing an application before the Hon'ble Court seeking vacation of the interim stay.

7. Revenue of the InvIT for the last 5 years, project-wise

- The details of Project wise revenues are attached as **Annexure III**. The date of appointment for R1 Projects is 16<sup>th</sup> December 2021, R2 Projects is 29<sup>th</sup> October 2022 and for R3 Projects is 1<sup>st</sup> April, 2024.

8. Update on development of under-construction projects, if any

- There are no under-construction projects, therefore this is **Not Applicable**.

9. Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis as at 30<sup>th</sup> September, 2024

- Following are the details during the period under review:

(Rs. in Crores)

S. No.	Type of Loan	Balance Outstanding as on 30 <sup>th</sup> September, 2024	Credit Rating	Debt Maturity Profile	Gearing Ratio of NHIT (Standalone Basis)	Gearing Ratio of NHIT (Consolidated Basis)
1	Secured Bank Loan - R1	1,794.45	AAA	Structured Quarterly Payments started from 31 <sup>st</sup> December 2021 and ending on 31 <sup>st</sup> March 2041	1. Debt Equity Ratio - 0.74 2. Debt Service Coverage Ratio - 1.69 3. Interest Service Coverage Ratio - 3.10	1. Debt Equity Ratio - 0.85 2. Debt Service Coverage Ratio - 2.11 3. Interest Service Coverage Ratio - 1.08
2	Secured Bank Loan - R2	197.87	AAA	Structured Quarterly Payments started from 31 <sup>st</sup> December 2023 and ending on 31 <sup>st</sup> March 2042		
3	Secured Bank Loan - R3	8,641.40	AAA	Structured Quarterly Payments started from 30 <sup>th</sup> June 2024 and ending on 31 <sup>st</sup> March 2042		
4	NCDs - R2	1,500.00	AAA	Structured Annual Repayments starting from 24 <sup>th</sup> October 2030 and ending on 24 <sup>th</sup> October 2047		

10. The total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any during the half year

- Following are the details of Operating expenses:

Operating Expenses	Amount (Rs. in Crores)
Investment Manager Fees	9.90
Trustee Fees	0.05
Finance Charges	481.34
Other Expenses	1.67
<b>Total</b>	<b>492.95</b>

11. Past performance of the InvIT with respect to unit price, distributions made and yield for the last 5 years, as applicable

**a) Following are the details of the Unit Price of NHIT:**

(i) BSE

All amounts in Rs

Financial Year	Highest	Lowest	Closing Price
2021-22	116.10	101.99	116.10
2022-23	Nil Trade		
2023-24	125.75	116.45	125.75
2024-25 (H1)	131.50	126.75	131.50

(ii) NSE

All amounts in Rs

Financial Year	Highest	Lowest	Closing Price
2021-22	109.00	101.25	109.00
2022-23	120.00	101.25	109.74
2023-24	126.25	113.00	126.25
2024-25 (H1)	132.36	122.00	131.50

**b) Following is the distribution table since the listing:**

Record Date	26 <sup>th</sup> May 2022	16 <sup>th</sup> Aug 2022	27 <sup>th</sup> Sep 2022	14 <sup>th</sup> Feb 2023	22 <sup>nd</sup> May 2023	11 <sup>th</sup> Aug 2023	8 <sup>th</sup> Nov 2023	2 <sup>nd</sup> Feb 2024	4 <sup>th</sup> March 2024	27 <sup>th</sup> May 2024	12 <sup>th</sup> Aug 2024	Total Since Listing
Distribution per unit (Rs./unit)	0.79	1.75	1.61	1.41	1.60	1.75	1.82	1.69	0.63	0.71	1.80	13.76

*\*Distribution per unit is rounded off to 2 digits*

*\*In the Board meeting of NHIIMPL, held on 12<sup>th</sup> November, 2024, the Distribution to unitholders of Rs. 1.829/- per unit for the quarter ended 30<sup>th</sup> September, 2024 was declared.*

12. Unit price quoted on the exchange at the beginning and end of the first half year of FY 24-25, the highest and lowest unit price and the average daily volume traded during the first half year of FY 24-25

- Following are the details of Unit Price:

(i) NSE Details:

Period	Date	Open	High	Low	Prev Close	VWAP	Volume	Value	No. of Trades
Beginning of Half Year	24 <sup>th</sup> April, 2024	126.50	126.50	126.50	126.25	126.50	2,00,000	2,53,00,000	1
End of Financial Year	24 <sup>th</sup> September, 2024	131.50	131.50	131.50	131.50	131.50	2,00,000	2,63,00,000	1

(ii) BSE Details:

Period	Date	Open	High	Low	Prev Close	VWAP	Volume	Value	No. of Trades
Beginning of Half Year	13 <sup>th</sup> May, 2024	126.75	126.75	126.75	126.75	126.75	2,00,000	2,53,50,000	1
End of Financial Year	11 <sup>th</sup> September, 2024	131.50	131.50	131.50	131.50	131.50	2,00,000	2,63,00,000	1

13. (1) Details of all related party transactions during the half year, value of which exceeds five per cent. of value of the InvIT assets-

- None

(2) Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle in which it has investment in.

The details of the monies lent by NHIT to the SPVs during the period under review (i.e. 1st April, 2024 to 30th September, 2024) are as follows:

- NHIT had lent an amount of Rs. 399.66 Crores to NHIT Western Projects Private Limited (“NWPPL” or “Project SPV1”).
- NHIT had lent an amount of Rs. 15.00 Crores to NHIT Eastern Projects Private Limited (“NEPPL” or “Project SPV2”).

14. Details of issue and buyback of units during the half year, if any:

- Not Applicable

15. Brief details of material and price sensitive information

- During the half year, the Trust from time to time, has been providing price-sensitive details of material and price-sensitive information to the Stock Exchanges in accordance with the SEBI InvIT Regulations.

16. Brief details of material litigations and regulatory actions, which are pending, against the InvIT, sponsor(s), Investment Manager, Project Manager(s), or any of their associates and the Trustee] if any, as at the end of the Half year (30<sup>th</sup> September, 2023)

- The details of material litigations of Sponsor and Trustee is attached as **Annexure IX**.

- There are no pending litigations against InvIT, Investment Manager and Special Purpose Vehicles of NHIT.

17. Risk factors

- The details of risk factors are attached as **Annexure X**

18. Information of the contact person of the InvIT

**Ms. Gunjan Singh**

Company Secretary and Compliance Officer of Investment Manager (acting on behalf of NHIT)

**Contact details are as follows:**

**Reg Office Address:** G-5 & 6, Sector – 10, Dwarka, New Delhi 110 075

**Corporate Office Address:** Unit No. 324, 3rd Floor, D-21, Corporate Park, Sector – 21, Dwarka, New Delhi – 110077

**Tel:** 011-49253927

**E-mail:** [cs.nhim@nhit.co.in](mailto:cs.nhim@nhit.co.in)

19. Financial statements for the half year; (Standalone and consolidated)

- The Financial Statements as on 30<sup>th</sup> September, 2024 (Half Year) are attached as **Annexure XI**.

20. Updated valuation report by the valuer taking into account any material developments during the previous half-year

- Executive Summary of Valuation as on 30<sup>th</sup> September, 2024 is attached as **Annexure IV**.

21. Any other material events during the half-year

- Enclosed as part of reply to Point 6 (j) above.

## EXECUTIVE SUMMARY- APRIL 2024

Business Area	Remarks
Operational Performance	<ul style="list-style-type: none"> <li>NHIPPL: Toll Revenue of Rs. 78.1 cr in April 2024 vis-a-vis April 2023 of Rs. 77.8 cr (0.4%↑)</li> <li>NEPPL: Started receiving assured remittance; total revenue of Rs 105.3 cr in Apr 2024</li> </ul>
Financial Performance	<ul style="list-style-type: none"> <li>Audit of Books of Accounts underway</li> </ul>
Other Key Developments	<ul style="list-style-type: none"> <li>Transition plan for takeover of Project Leap assets initiated; process for onboarding of contractors underway</li> <li>Hiring in full swing for takeover of Project Leap assets</li> </ul>
EHS	<ul style="list-style-type: none"> <li>More than 6.6 mn safe man hours achieved cumulatively across Round 1 and Round 2 projects since July 2022</li> <li>GHG emission data under compilation to be shared from June onwards</li> </ul>

# EXECUTIVE SUMMARY- MAY 2024

Business Area	Remarks
Operational Performance	<ul style="list-style-type: none"><li>Portfolio revenue of Rs. 192.5 cr in May 2024</li><li>Toll Fee revision for FY 25 implemented w.e.f. 3rd June 2024</li></ul>
Financial Performance	<ul style="list-style-type: none"><li>Portfolio EBITDA of Rs. 178.6 cr in May 2024</li></ul>
Other Key Developments	<ul style="list-style-type: none"><li>Implementation of Transition Plan for takeover of Project Leap assets in full flow; expect key activities to be over by July 2024</li><li>Internal Audit finding of Q3 FY 24 presented to Board; Audit for Q4 completed</li></ul>
EHS	<ul style="list-style-type: none"><li>More than 7.2 mn safe man hours achieved cumulatively across Round 1 and Round 2 projects from July 2022.</li></ul>

# EXECUTIVE SUMMARY- JUNE 2024

Business Area	Remarks
Operational Performance	<ul style="list-style-type: none"><li>NWPPL: Toll Revenue of Rs. 80.6 cr in June 2024 vis-a-vis budget of Rs. 81.6 cr (1.3% ↓)</li><li>NEPPL: Total revenue of Rs 105.5 cr in June 2024 vis-a-vis budget of Rs. 103.4 cr (~2.1%↑)</li></ul>
Financial Performance	<ul style="list-style-type: none"><li>EBITDA of ~Rs 67.7 cr in June 2024 in NWPPL vis a- vis budget of Rs 65.5cr (~3.6%↑)</li><li>EBITDA of ~Rs 102.9 cr in June 2024 in NEPPL vis a- vis budget of Rs 95.7 cr (~7.5%↑)</li></ul>
Key Developments	<ul style="list-style-type: none"><li>NHAI vide its letter dated 3rd July 2024 has offered 12 projects to NHIT for monetization in FY 2025, Due Diligence being commenced</li></ul>
EHS	<ul style="list-style-type: none"><li>More than 7.6 mn safe man hours achieved cumulatively across Round 1 and Round 2 projects from July 2022</li></ul>



# EXECUTIVE SUMMARY JULY 2024

Business Area	Remarks
Operational Performance	<ul style="list-style-type: none"><li>NWPPL: Toll Revenue of Rs. 81.6 cr in July 2024 vis-a-vis budget of Rs. 80.6 cr (1.3% ↑)</li><li>NEPPL: Total revenue of Rs 107.2 cr in July 2024 vis-a-vis budget of Rs. 111.7 cr (4.2%↓)</li></ul>
Financial Performance	<ul style="list-style-type: none"><li>EBITDA of ~Rs 70.6 cr in July 2024 in NWPPL vis a- vis budget of Rs 64.5 cr (~9.4%↑)</li><li>EBITDA of ~Rs 102.2 cr in July 2024 in NEPPL vis a- vis budget of Rs 104.0 cr (~1.7%↓)</li></ul>
Key Developments	<ul style="list-style-type: none"><li>NHAI has offered 12 projects to NHIT for monetization in FY 2025, Due Diligence commenced. Critical Issue report to be presented to the board on 12<sup>th</sup> August 2024</li></ul>
EHS	<ul style="list-style-type: none"><li>More than 6.6 mn safe man hours achieved cumulatively across Round 1 and Round 2 projects from July 2022</li></ul>

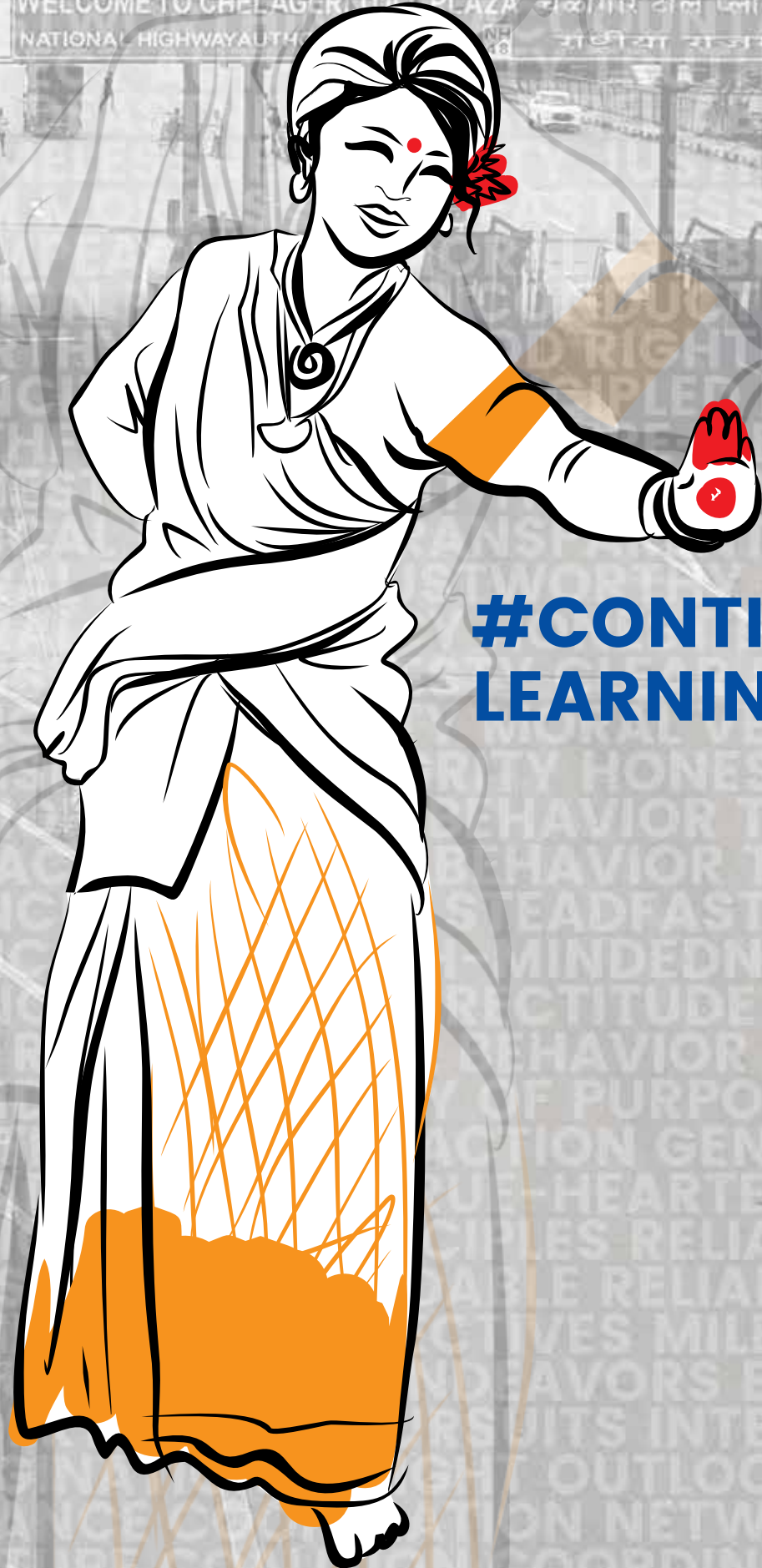
# EXECUTIVE SUMMARY- AUGUST 2024

Business Area	Remarks
Operational Performance	<ul style="list-style-type: none"> <li>NWPPL: Toll Revenue of Rs. 81.1 cr in Aug 2024 vis-a-vis budget of Rs. 81.8 cr (0.9% ↓)</li> <li>NEPPL: Total revenue of Rs 108.9 cr in Aug 2024 vis-a-vis budget of Rs. 111.0 cr (1.9%↓)</li> </ul>
Financial Performance	<ul style="list-style-type: none"> <li>EBITDA of ~Rs 68.9 cr in Aug 2024 in NWPPL vis a- vis budget of Rs 65.7 cr (~4.8%↑)</li> <li>EBITDA of ~Rs 103.3 cr in Aug 2024 in NEPPL vis a- vis budget of Rs 103.3 cr</li> </ul>
Key Developments	<ul style="list-style-type: none"> <li>For KK project, Rs 187.2 cr paid to Authority towards negative change of scope in respect of Initial Improvement works</li> <li>Diligence commenced on two additional projects i.e. Muzaffarnagar-Haridwar and Bareilly-Sitapur projects</li> <li>HR Strategy cum Offsite conducted from 29<sup>th</sup> -31<sup>st</sup> Aug 2024</li> </ul>
EHS	<ul style="list-style-type: none"> <li>More than 8.6 mn safe man hours achieved cumulatively across Round 1 and Round 2 projects from July 2022</li> </ul>

# EXECUTIVE SUMMARY– SEPTEMBER 2024

Business Area	Remarks
Operational Performance	<ul style="list-style-type: none"> <li>NWPPL: Toll Revenue of Rs. 80.7 cr in Sep 2024 vis-a-vis budget of Rs. 79.2 cr (1.9% ↑)</li> <li>NEPPL: Toll revenue of Rs 105.3 cr in Sep 2024 vis-a-vis budget of Rs. 106.7 cr (1.3% ↓)</li> </ul>
Financial Performance	<ul style="list-style-type: none"> <li>EBITDA of ~Rs 66.9 cr in Sep 2024 in NWPPL vis a- vis budget of Rs 63.1 cr (6%↑)</li> <li>EBITDA of ~Rs 101.3 cr in Sep 2024 in NEPPL vis a- vis budget of Rs 99.0 cr (2.3%↑ )</li> </ul>
Key Developments	<ul style="list-style-type: none"> <li>Commencing diligence on one additional project i.e. Raipur- Simga - Bilaspur for FY25 asset monetisation</li> <li>Second Strategy Meet held in New Delhi on 5<sup>th</sup> &amp; 6<sup>th</sup> Sep</li> <li>Takeover of Project Leap Assets underway post transition period</li> </ul>
EHS	<ul style="list-style-type: none"> <li>More than 9.1 mn safe man hours achieved cumulatively across Round 1 and Round 2 projects from July 2022</li> </ul>





**#CONTINUOUS  
LEARNING**



**OUR ASSET  
PORTFOLIO**





A four-lane road on NH-27 with project length of 45 kms.

It starts from north of Palanpur in Gujarat at km 601+000 and ends at km 646+000, south of Abu Road in the state of Rajasthan. The asset has one toll plaza at Khemana (km 602+750).

This road is one of the key connectors between western Gujarat and Rajasthan and other northern and eastern Indian states. NH-27, the second-longest highway in India, starting from Porbandar in Gujarat and ending at Silchar in Assam, while passing through the states of Rajasthan, Madhya Pradesh, Uttar Pradesh, Bihar and West Bengal. The Asset caters to the north-west movement between Haryana, Punjab, Delhi, in the north and the different business centres of Gujarat. It also caters to east-west movement between Silchar, Guwahati, Siliguri, Lucknow and Udaipur in eastern India and industrial cities like Morbi, Jamnagar and Gandhidham, and ports such as Kandla and Mundra in Gujarat. Consequently, the commercial traffic on the road is of long-distance in nature. The local and short distance traffic is predominantly cars, jeeps and vans (CJV) traversing between Palanpur, Abu Road, Swaroopganj, Deesa and other small towns.



A four-lane road on NH-27 with project length of 31 kms.

This road is adjacent to the Palanpur – Abu Road and starts near Abu Road in Rajasthan at km 646+000 and ends at km 677+000 near Swaroopganj in the state of Rajasthan. The asset has one toll plaza at Undavariya (km 670+750).

Abu Road – Swaroopganj has similar traffic pattern and connectivity as Palanpur – Abu Road.

The Dilwara Temples or Delvada Temples, a group of Svetambara Jain temples built between the 11<sup>th</sup> and 16<sup>th</sup> centuries, are located in close proximity to Palanpur – Abu Road and Abu Road – Swaroopganj





A four-lane road on NH-27 with project length of 160.50 kms.

It starts near Chittorgarh in the state of Rajasthan at km 891+929 and ends near Kota in the state of Rajasthan at km 1052+429. The asset has three toll plazas at Bassi (km 929+629), Aroli (km 986+469), and Dhaneshwar (km 1032+979).

The road is part of the East – West corridor envisaged under National Highway Development Program (Phase – II). The road serves the east-west long-distance traffic which is majorly plying between Lucknow, Gorakhpur in eastern region and Palanpur, Rajkot in western region. Apart from long distance traffic, it also serves the short distance traffic which is mainly generated between Bundi, Kota, Baran, Udaipur and Chittorgarh areas.

The Chittorgarh Fort also known as Chittor Fort, a UNESCO World Heritage Site, is located at a distance of ~30 kms from the Bassi toll plaza of the asset. Chittorgarh Fort, covering an area of 280 ha sprawling over a 180 m high hill, is located in the present-day town of Chittorgarh. Further a temple of Meera Bai, a Krishna devout and a Rajput princess, is located within the premises of Chittorgarh Fort.



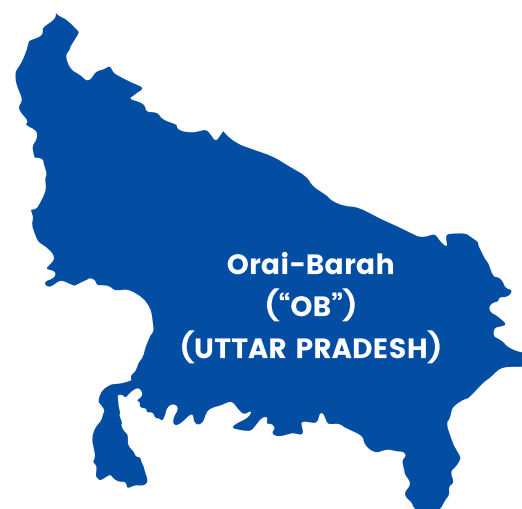
A four-lane road on NH-27 with project length of 75.30 kms.

It starts at Shivpuri in the state of Madhya Pradesh at km 1305+087 and ends at Jhansi in the state of Uttar Pradesh at km 1380+387. The road connects the districts of Jhansi in the state of Uttar Pradesh and Shivpuri in the state of Madhya Pradesh. The asset has one toll plaza at Raksha near Jhansi (km 1374+570).

In continuation to "AP", "AS" and "CK", this asset also forms part of NH-27. The road stretch witnesses higher proportion of long route traffic between the eastern and western regions. Asset stretch is used by the traffic originating and destined in the regions such as Kanpur - Lucknow cluster, Indore cluster, Maharashtra and Gujarat.

The Ram Raja Temple of Orchha, is a sacred Hindu pilgrimage located at a distance of 30 km from the Raksha toll plaza of the asset. Ram Raja Temple is the only place where Lord Shri Ram is worshipped both as a God and a King.





A four-lane road on NH-27 with project length of 62.80 kms.

It starts near Orai village under district Jalaun in the state of Uttar Pradesh at km 1515+713 and ends near Barah under district Kanpur Dehat in the state of Uttar Pradesh at km 1578+36. The asset has one toll plaza at Usaka (km 1519+880)

In continuation to "AP", "AS", "CK" and "SJ", this asset also forms part of the East – West corridor envisaged under National Highway Development Program (Phase – II), connecting several prominent tourist and industrial cities, such as Porbandar (a port city), Rajkot, Palanpur, Udaipur, Chittorgarh, Jhansi, Kanpur, Lucknow, Muzaffarpur, Purnea, Siliguri, Jalpaiguri etc.

The project road serves as a major route for east-west long-distance traffic between Lucknow, Gorakhpur in the eastern region and Palanpur, Rajkot in western region. Apart from long distance traffic, it also serves to short distance traffic which is mainly generated between Orai, Jhansi, Kanpur, Lucknow and Unnao region.

Orai, a town in the Bundelkhand region, which witnessed the valour of legendary Rani Lakshmibai Newalkar from Jhansi, Warrior brothers Alah & Udal from Mahoba and Kalpi, the birthplace of Ved Vyas who authored Mahabharata.



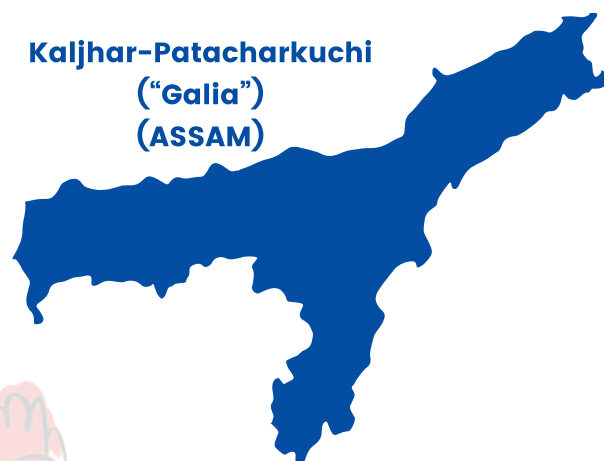
A four-lane road on NH-27 with project length of 114.17 kms.

It starts at Kachugaon in the state of Assam at km 30+000 of NH-27 (old NH-31C) and passes through Rakhaldubi Bus Junction at km 92+671 / 961+500 of NH-27 (old NH-31) and ends at Kaljhar in the state of Assam at km 1013+000. The asset has two toll plazas at Patgaon (km 49+600) and Dahalapara (KM 971+200) located 215 kms and 160 km west of Guwahati respectively.

The asset, is connected via the Siliguri corridor, also famously referred to as the Chicken Neck. The Siliguri Corridor and the asset connects the seven sisters of Northeast India to the rest of India. The asset acts as a feeder for NE India and caters to the long-distance traffic entering the region via Assam.



### Kaljhar-Patacharkuchi ("Galia") (ASSAM)



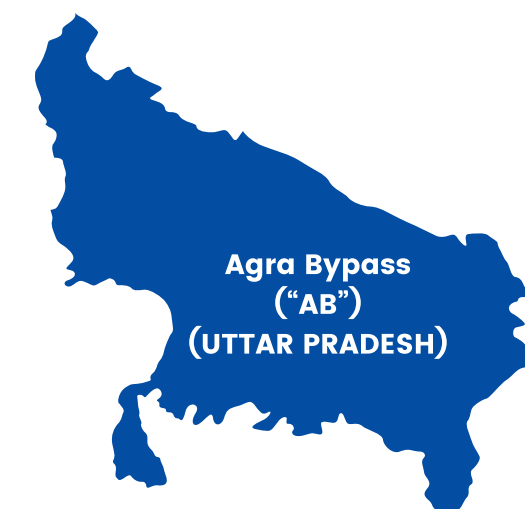
A four-lane road on NH-27 with project length of 27.3 kms.

This road is adjacent to "KRK" and starts at Kaljhar in the state of Assam at km 1013+000 and ends at Patacharkuchi in the state of Assam at km 1040+300. The asset has one toll plaza at Galia (km 1017+350) located 120 kms west of Guwahati.

In continuation to other six assets, this asset is located near origin of east - west corridor of India under NH-27. The asset forms part of the most industrialized state (Assam) within northeast (NE) region of India.

Kaljhar - Patacharkuchi has similar traffic pattern and connectivity as "KRK".

"KRK" and "Galia" are in proximity to the famous Maa Kamakhya Temple of Guwahati - the oldest and one of the most sacred of the Ashtadasa (eighteen) Shakti Peethas.



### Agra Bypass ("AB") (UTTAR PRADESH)



A four -lane road originating on NH-19 (old NH-2) and terminating on NH-44 (old NH-3). The project length under the asset is 32.80 km.

The asset starts from junction of NH-2 (km 176+800) in the state of Uttar Pradesh at km 0+00 and ends at junction with NH-3 (km 13+030) in the state of Uttar Pradesh at km 32 +800. The asset has one toll plaza at Raibha (km 10+800) and acts as a bypass to the city of Agra in the state of Uttar Pradesh and a key link between Delhi and the regions of Gwalior, Maharashtra and all southern states. It further connects the traffic originating from west from areas such as Gujarat and Jaipur to the cities in the East (Kanpur, Lucknow and beyond), thereby supporting the east-west movement. This road also acts as a connector between major highways in the state of Uttar Pradesh, branches out to NH-52 (old NH-3) and NH-44 (old NH-7) at Gwalior.

Agra's Taj Mahal, one of the Seven Wonders of the World, built under the regime of the fifth Mughal emperor Shah Jahan in the memory of his beloved wife, is just 35 kms from the Asset.





A four-lane road on NH-44 with project length of 107.35 kms.

The asset starts at km 546+420 and ends at km 653+770 in the state of Madhya Pradesh. The asset has two toll plazas at Madai (KM 549+200) and Khawasa (KM 651+718).

The asset is the part of longest highway (NH-44) in India connecting Srinagar with Kanyakumari and passing through the cities of Jammu, Jalandhar, Delhi, Faridabad, Agra, Gwalior, Jhansi, Sagar, Nagpur, Hyderabad, Bengaluru and Salem. NH-44 is part of North-South corridor envisaged under National Highway Development Program (Phase – II).

The road forms part of north-south long-distance strategic corridor and is present in the state of Madhya Pradesh closer to Maharashtra border. It lies between the urban centres of Jabalpur and Nagpur and has a divided section between Lakhnadon and Khawasa traversing through the districts of Mandai, Chhapara and Seoni in the state of Madhya Pradesh.

The Pench Tiger Reserve ("Pench") and the Kanha-Pench Tiger Corridor are located in the vicinity/surrounding of the asset. Pench harbours a population of around 50 tigers residing in the prey-rich woodlands of park's region. Besides this, the Pench also has 39 species of mammals 13 species of reptiles and 3 species of amphibians.



A four-lane road on NH-44 with project length of 138.15 kms.

The asset starts from south of Nagpur at Borkhedi (km 36+600), traversing through the districts of Nagpur, Wardha and Yavatmal in the state of Maharashtra and ends near Maharashtra/Telangana Border (km 175+000). The asset has two toll plazas at Darodha (km 92.500) and Kelapur (km 150.450). The toll plaza at Kelapur is proposed to be shifted to km 156.650.

The asset is in vicinity of Nagpur, which is home to several manufacturing hubs, food processing units and CONCOR's multi modal logistics hub. Yavatmal (textile/cotton), Butibori (MIDC), and Chandrapur (coal) are some of key traffic generators for the asset.

Kelapur toll plaza of the asset is in close proximity to the Tipeswar Tiger Reserve & Wildlife Sanctuary; spanning across 148.63 square km in Pandarkawada in Yavatmal. With a beautiful ecosystem of rare birds, animals and plants, Tipeswar Wildlife Sanctuary is situated amidst the picturesque Patanbori & Parwa Ranges of the Pandarkawada Forest Division. Further, this region produces finest quality cotton and a major cotton trading hub of India.





A four-lane road on NH-44 with project length of 74.60 kms.

The asset starts at Kothakota (km 135+469) in the state of Telangana and ends at Kurnool (km 211+000) in the state of Andhra Pradesh. The asset has one toll plaza at Pullur (km 200+950).

The road serves the long distance traffic majorly plying between Hyderabad, Nagpur, Northern India and Bengaluru, Mysuru in southern India. Apart from serving the long distance traffic, it also serves the short distance traffic which is mainly generated between Mahbubnagar, Kothakota, Wannaparthy, Pebbair and Kurnool/Ananthpur areas.

Alampur Jogulamba temple, dedicated to Goddess Jogulamba, is one of the Maha Shakti Peethas is located at a distance of less than 20 kms from Pullur Toll plaza in Telangana.



A four-lane road on NH-48 with project length of 77.70 kms.

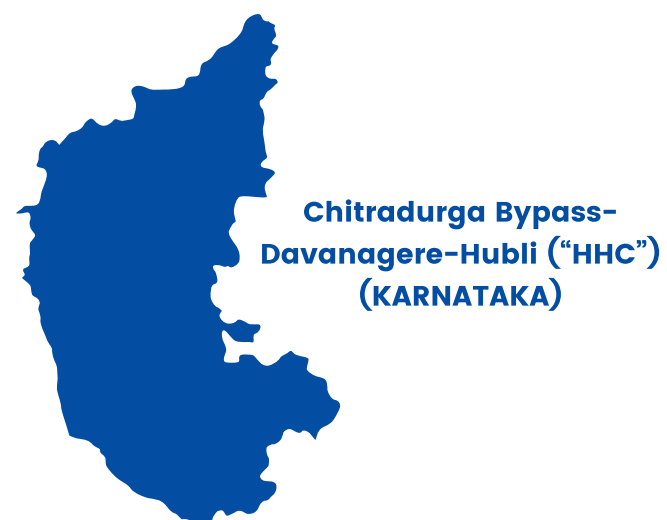
The asset starts from north of Belgaum (km 515+000) in the state of Karnataka and ends at Kagal (km 592+705) near Karnataka - Maharashtra border in the state of Karnataka. The asset has two toll plazas at Hattargi (km 537+770) and Kognoli (km 591+240).

The road forms part of the Golden Quadrilateral connecting the four major metropolitan cities in India (Delhi-Mumbai-Chennai-Kolkata) and seven states. Regionally, it also connects the cities of Mumbai in the west to Bangalore/Chennai in the south, and also serves short distance traffic between the towns of Kolhapur, Belgaum, Hubli, Belur and Dharwad.

This road is under capacity augmentation and is being expanded to six lanes by NHA, which shall improve the riding quality. The capacity augmentation work is expected to be completed by March, 2025.

Belgaum Fort, nestled in the heart of Belgaum city, stands as a silent witness to the tumultuous history and architectural grandeur of the region. The Historical tapestry of Belgaum Fort, built in the 13<sup>th</sup> century, includes fortification by the Ratta Dynasty, the Yadavas, Bahmani Sultanate, and the Adil Shahi dynasty. Belgaum Fort lies at a distance of ~10 kms from the starting chainage of the Asset.





A six-lane road on NH-48 with project length of 214.47 kms.

The asset starts at Chitradurga in the state of Karnataka at existing km 0+000 and ends at Hubli in the state of Karnataka at existing km 403+000. The asset has three toll plazas at Hebbalu (km 237+650), Chalageri (km 286+110) and Bankapur (km 352+550)

Similar to “BK”, this road also forms part of the Golden Quadrilateral connecting many of the major industrial, agricultural and cultural centres of India.

“HHC” Project has similar traffic pattern and connectivity as Belgaum – Kagal.

Chitradurga Fort spreads across several hills and a peak, lies in Chitradurga. The closest point on the asset is ~10 kms from the Chitradurga Fort. Locally known as Elusuttina Kote (fort of seven circles), was built between the 11<sup>th</sup> and 13<sup>th</sup> centuries by the Chalukyas and Hoysalas. Chitradurga Fort is also famous for its sophisticated water harvesting system.



A four-lane road on NH-49 with project length of 56.12 kms.

The asset starts at Chichra in the state of West Bengal at km 185+150 and ends near Kharagpur in the state of West Bengal at km 129+000. The asset has one toll plaza at Balibhasa (KM157+915) near Guptamoni.

The project stretch is a part of East – West connectivity which connects Mumbai and Kolkata.

Kharagpur received the distinction of holding first IIT, established as part of the initial visions of independent India. The Balibhasa toll plaza of asset is located at a distance of ~20 km from India's first self-sufficient knowledge powerhouse. Further, Hijli Detention Camp, a former detention camp operated during the period of British colonial rule, now known as Shaheed Bhavan in IIT Kharagpur is another piece of history.





A four-lane road on NH-30 and NH-34 with project length of 306.34 kms.

The asset starts at km 656+000 of NH-30 (Km 242+400 of old NH-7) and ends at Km 1428+557 of NH 34 in the State of Madhya Pradesh. The asset has four toll plaza at Odhaki Paipkhar (Km 675+700 of NH 30), Kherwasani (Km 739+000 of NH 30), Mohtara (KM 840+567 of NH-30) and Boharipar (Km 1362+780 of NH-34).

The project stretch connects Rewa, Katni, Jabalpur and Lakhnadon districts of Madhya Pradesh. In the larger road network, the project stretch provides connectivity between East-West Corridor connecting Kolkata in West Bengal to Delhi and North-South corridor (NH-44) towards south at Jabalpur.

Maihar Devi Temple dedicated to a revered goddesses Sharda is situated in Maiher, Satna, Madhya Pradesh. The temple is set at the peak of Trikoota hill which is just 5 km from the closet point on the asset. Maihar is additionally known for the Indian Classical Musician - Ustad Allauddin Khan, the founder of the Maihar-Senia gharana.



### Annexure III

#### Project Wise Details of Toll Revenue

Rs. In Crores

Name of Projects	FY 21-22 (w.e.f. 14.12.21)	FY 22-23	FY 23-24	FY 24-24 (Upto Sep 24)
<b>NWPPL</b>				
Abu Road - Swaroopganj	17.77	65.56	69.01	35.50
Palanpur - Abu Road	22.21	92.34	97.55	50.34
Kothakota - Kurnool	38.73	171.47	192.85	101.58
Belgaum - Kagal	34.63	128.74	110.12	48.21
Chittorgarh - Kota	26.27	93.34	97.36	52.59
Agra Bypass		37.70	102.74	52.24
Shivpuri Jhansi		28.69	80.15	40.66
Borkhedi Wadner		69.33	194.13	104.85
Total	<b>139.61</b>	<b>687.17</b>	<b>943.91</b>	<b>485.97</b>
<b>NEPPL</b>				
Chichra – Kharagpur				47.84
Rewa –Lakhnadon				159.03
Kachugaon – Kaljhar				70.63
Kaljhar – Patacharkuchi				18.49
Lakhnadon – Khawasa				105.71
Orai - Barah				62.72
Haveri - Hubli - Chitradurga				179.94
Total	-	-	-	<b>644.36</b>
<b>Grand Total</b>	<b>139.61</b>	<b>687.17</b>	<b>943.91</b>	<b>1,130.33</b>



# **EQUITY VALUATION OF NHIT WESTERN PROJECTS PRIVATE LIMITED (NWPPL) AND NHIT EASTERN PROJECTS PRIVATE LIMITED (NEPPL) AS OF 30<sup>TH</sup> SEPTEMBER 2024**

**DISCUSSION DRAFT**

Valuation  
Investment Banking  
Restructuring  
Transaction Services  
Transaction Tax  
Risk Consulting  
Dispute & Litigation

# EQUITY VALUATION OF NWPPL (R1 + R2)

## Equity Valuation of NHIT Western Projects Private Limited (NWPPL)

	30th September 2024	30th June 2024
	INR Crore	INR Crore
Enterprise Value	12,995.62	12,386.88
Less: Debt	(10,664.84)	(10,265.14)
Less: Debt Like	(0.13)	(0.10)
Add: Cash	323.41	276.72
<b>Equity Value</b>	<b>2,654.05</b>	<b>2,398.36</b>
Weighted Average Cost of Capital	10.30%	10.50%

### Key updates in September 2024 vis-à-vis June 2024

- No change in Projections since June 2024
- **Revision in WACC** – The change in WACC is mainly due:
  - change in the risk-free rate from 6.92% on 30<sup>th</sup> June 2024 to 6.69% on 30<sup>th</sup> September 2024
  - a 2 bps drop in Beta

# EQUITY VALUATION OF NEPPL (R3)

## Equity Valuation of NHIT Eastern Projects Private Limited (NEPPL)

	30th September 2024	30th June 2024
	INR Crore	INR Crore
Enterprise Value	15,820.80	15,603.76
Less: Debt	(13,697.67)	(13,513.29)
Less: Debt Like	(0.04)	(0.39)
Add: Cash	122.88	70.02
<b>Equity Value</b>	<b>2,245.97</b>	<b>2,160.09</b>
Weighted Average Cost of Capital	10.30%	10.40%

### Key updates in September 2024 vis-à-vis June 2024

- No change in Projections since June 2024
- Revision in WACC – The change in WACC is mainly due:
  - change in the risk-free rate from 6.92% on 30<sup>th</sup> June 2024 to 6.69% on 30<sup>th</sup> September 2024
  - a 2 bps drop in Beta



# EQUITY VALUATION OF NWPPPL (R1 + R2)

## Weighted Average Cost of Capital

	30 <sup>th</sup> September 2024	30 <sup>th</sup> June 2024
<b>Cost of Equity (Ke)</b>		
Risk Free Rate (Rfr)	6.69%	6.92%
Equity Risk Premium	7.00%	7.00%
Levered Beta	~ 0.96	~ 0.98
Company Specific Risk	~ 0.50%	~ 0.50%
<b>Cost of Equity (Ke)</b>	<b>~ 13.93%</b>	<b>~ 14.26%</b>
<b>Cost of Debt (Kd)</b>		
Pre Tax - Cost of Debt (Kd)	8.15%	8.10%
Effective tax rate	~ 18.07%	~ 17.92%
Post Tax - Cost of Debt (Kd)	<b>6.68%</b>	<b>6.65%</b>
Debt / Equity	1.00	1.00
<b>WACC (Rounded-off)</b>	<b>10.30%</b>	<b>10.50%</b>

# EQUITY VALUATION OF NEPPL (R3)

Weighted Average Cost of Capital		
	30 <sup>th</sup> September 2024	30 <sup>th</sup> June 2024
<b>Cost of Equity (Ke)</b>		
Risk Free Rate (Rfr)	6.69%	6.92%
Equity Risk Premium	7.00%	7.00%
Levered Beta	~ 0.96	~ 0.98
Company Specific Risk	~ 0.50%	~ 0.50%
<b>Cost of Equity (Ke)</b>	<b>~ 13.93%</b>	<b>~ 14.26%</b>
<b>Cost of Debt (Kd)</b>		
Pre Tax - Cost of Debt (Kd)	8.15%	8.10%
Effective tax rate	~ 18.53%	~ 18.44%
Post Tax - Cost of Debt (Kd)	<b>6.64%</b>	<b>6.61%</b>
Debt / Equity	1.00	1.00
<b>WACC (Rounded-off)</b>	<b>10.30%</b>	<b>10.40%</b>

# COMPUTATION OF EQUITY VALUE OF SPVs ON 30TH SEP 2024

INR Crore

Equity Value at SPV Level	As per March 2024 Valuation Report	As per June 2024 Valuation Report	As per Sep 2024 Valuation Report
Enterprises Value - A	27,714.2	27,990.6	28,816.4
Less:- Debt and debt like	23,272.9	23,778.9	24,362.7
Add:- Cash	156.8	346.7	446.3
Net Debt - B	23,116.1	23,432.2	23,916.4
<b>Equity Value (A-B)</b>	<b>4,598.1</b>	<b>4,558.5</b>	<b>4,900.0</b>
Distribution from SPV to NHIT post 30 <sup>th</sup> Sep24*	-	218.5	250.2
<b>Equity Value post distribution</b>	<b>4,598.1</b>	<b>4,340.0</b>	<b>4,649.8</b>

\*As per the new SEBI New NDCF Circular "NDCF computed at SPV level can be considered for distribution at Trust level even if cash flows take place post end of the period but before finalisation of accounts of InvIT

# COMPUTATION OF NAV OF NHIT ON 30TH SEP 2024

INR Crore

Net Asset Value at Trust Level	As per March 24 Valuation Report	As per June 24 Valuation Report	As per September 24 Valuation Report
Value of Investment in SPV	4,598.1	4,558.5	4900.0
Add : Debt recoverable from SPV & Debt like	23,272.9	23,778.4	24,362.7
Add : Cash available in NHIT*	274.5	30.5	16.7
Add : Other assets	112.6	308.1	316.6
Less : Liabilities	11,795.8	11,849.9	12,151.7
<b>Net Asset Value (Pre distribution)</b>	<b>16,462.2</b>	<b>16,825.6</b>	<b>17,444.3</b>
<b>NAV per unit (Pre distribution)</b>	<b>125.46</b>	<b>128.22</b>	<b>132.94</b>
Proposed distribution	92.7	236.8	240
<b>Net Asset value post distribution</b>	<b>16,369.5</b>	<b>16,588.8</b>	<b>17,204.3</b>
<b>NAV Per unit ( Post distribution)</b>	<b>124.75</b>	<b>126.42</b>	<b>131.11</b>

\* Cash excludes unutilised funds for unit related offer expenses for leap project approx. Rs 28.83 cr in Sep 24 and Rs. 29.2 Cr in June 24..

# Roads and Highways

2024



# Roads and Highways

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Policy push aimed at improving private participation in national highways

The following are the recent policy changes that the MoRTH and NHAI have undertaken to improve private participation in the sector and increase competition (more details in National Highway and Competition chapters):

- Technical and financial bidder eligibility criteria reduced for HAM and EPC projects, which would promote the entry of smaller players
- Changes in the hybrid-annuity model (HAM) concession agreement aimed at protecting developers' returns and easing their cash flows during the construction period
- Changes in the Build-Operate-Toll (BOT) concession agreement to reinstate developer interest in the model

Apart from this, the government has taken various steps under the Atmanirbhar package to mitigate the impact of Covid-19 on the sector:

- Extension of time (EOT) of up to 3-6 months for all projects and relaxation of milestone achievement
- Monthly payment mechanism, instead of milestone-based payments
- Reduction in performance security from 5% to 3%, release of retention money to the extent of work done
- Additionally, Covid-19 emergency loan facilities and moratorium on loan repayment up to August 2020
- Extension of concession period for BOT-toll operators, due to toll suspension and restriction in movement during lockdowns

Strong government thrust likely to deliver steady growth in fiscal 2024

Overall road sector capex, comprising of National Highways, State Highways & rural roads is estimated to have grown at a CAGR of 14% between fiscals 2018 & 2023. This growth, driven by Bharatmala and increased state spends on roads has been achieved despite brief hiccups such as the pandemic and hampered construction due to elongated monsoons. The outlook of the sector also remains firm supported by higher awarding of previous fiscals, Bharatmala, NIP pipeline of DPR ready projects and steady state capex.

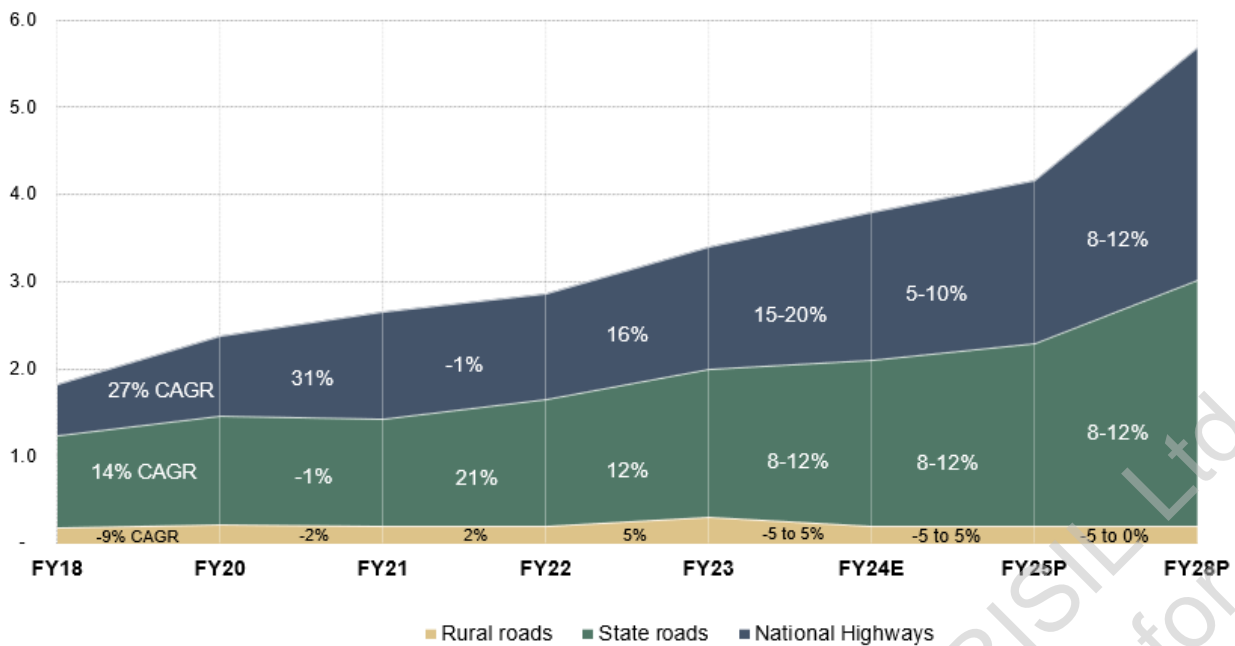
The NH segment contributes around 40-45% of the overall capex. While the execution remained flattish in fiscal 2023 vis--vis fiscal 2022, capex grew by 16% due to a rise in construction of high value projects and high commodity prices. In fiscal 2024, we expect the national highway capex to grow by 15-20% driven primarily by increased execution.

On the low base of fiscal 2021, the state spends grew by 21% in fiscal 2022 and are estimated to have grown further by 10-13% in fiscal 2023 largely in line with the growth in budgetary outlay. In fiscal 2024, state spends are expected to go up further by 8-12% as their percentage achievement of budgetary allocations are expected to be largely in line with historical average.

Momentum to continue, supported by Bharatmala and NIP pipeline



(Rs lakh crore)



Note: Capex excludes the land-acquisition costs

Source: NHAI, MoRTH, State budget documents, PMGSY, CRISIL MI&A Research

NHAI awarding to revive in fiscal 2025, share of BOT to increase substantially

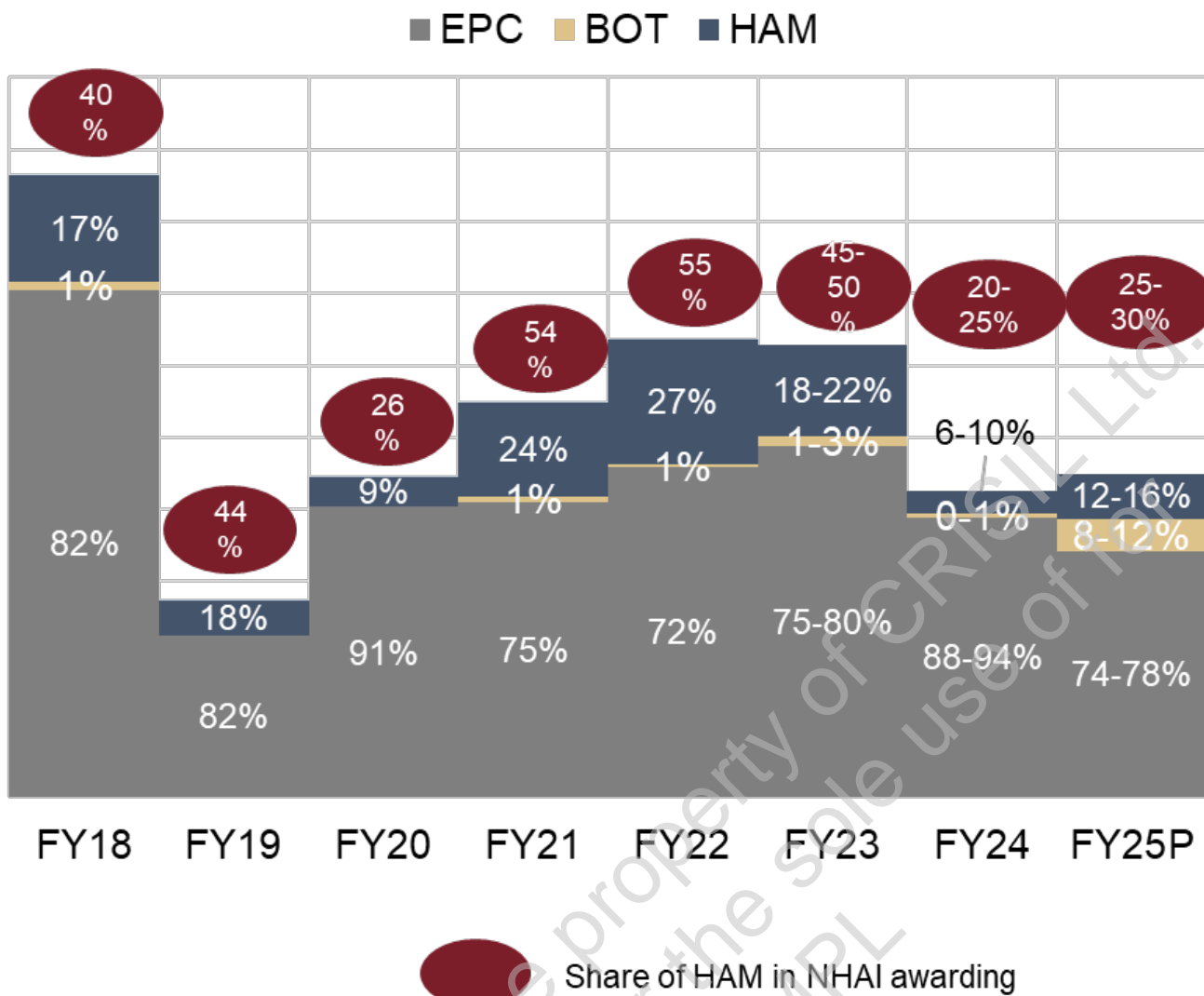
National Highways Authority of India (NHAI) awarding had witnessed a rise from merely 2,222 km in fiscal 2019 to 6,003 km in fiscal 2023. Favorable changes in the BOT and HAM agreements, and relaxation of bidder eligibility criteria not only indicated a clear policy shift to improve private-sector participation but also aided the spurt in the HAM awards. In fiscal 2023, NHAI's awarding volume remained above the 6,000 km mark for the second consecutive year as 6,003 km was awarded during the fiscal year. The share of HAM in awarding increased slightly from 54% in fiscal 2022 to 56% in fiscal 2023. On the other hand, the share of EPC remained unchanged at 43%. However, in fiscal 2024, awarding momentum was marred by various roadblocks. NHAI's flagship Bharatmala Pariyojana Programme (BMP) Phase-1 witnessed significant cost overrun on account of costlier land acquisition and high inflation. Currently, the estimated cost of the BMP phase-1 is almost twice the initial estimate and the ministry is awaiting cabinet approval for a revamped programme and additional funds in order to undertake rapid awarding of projects in the pipeline. As a result, NHAI awarding was ~3,339 kms in fiscal 2024.

Notably, the share of HAM dipped significantly due to the aforementioned issues regarding the BMP. Going forward, the share of HAM is expected to revive to around 25-30% in fiscal 2025. Further, on account of amendments in the BOT MCA, the awarding under the BOT model is also likely to increase substantially. This is likely to be supported by the interest of developers in the revamped BOT model due to the following factors:

- HAM was favored by the road developers due to lower risk and higher profitability. However, the competition in HAM awarding has increased substantially leading to average bid premiums tumbling from a peak of 15-20% to around 4-6% in the last few fiscals. As a result, share of the larger developers have dropped substantially since many large developers have refrained from bidding aggressively for HAM projects in order to protect their margins. Given the amendment in BOT MCA and the scope of higher profitability due to lower bidding competitiveness in the BOT space many large developers are keen on taking up BOT projects.
- Furthermore, owing to the healthy balance sheets the developers are also in a comfortable position to undertake BOT projects with high funding requirements.
- The increased traffic visibility vis--vis earlier years also augurs well for the BOT projects.

The shift towards the BOT model comes against the backdrop of NHAI facing funding challenges and moderation in growth in the central government's budgetary outlay towards the roads & highways sector. Thus, the shift will have a two-pronged benefit by not only alleviating funding challenges to a great extent but also increasing the private investments in the sector.

The share of BOT in NHAI awarding is likely to be around 8-12% in fiscal 2025 on the back of BOT MCA amendments



Source: NHAI, CRISIL MI&A Research

Revenue growth to moderate, margins to recover by 50-100 bps

Owing to the high awarding in the previous fiscals, the orderbook of the road developers had swelled. Furthermore, their superior execution capabilities enabled them to leverage their robust orderbook positioning and ramp up construction despite headwinds such as exorbitant raw material prices and elongated monsoons. Simultaneously, the share of high-value expressways in the construction by these players also went up which further boosted their revenues. As a result, the revenue of the road players is estimated to have grown by 916-118% in fiscal 2024. Given the existing order book positions, the revenue of the road EPC players are further expected to go up by 810-102% in fiscal 2025.

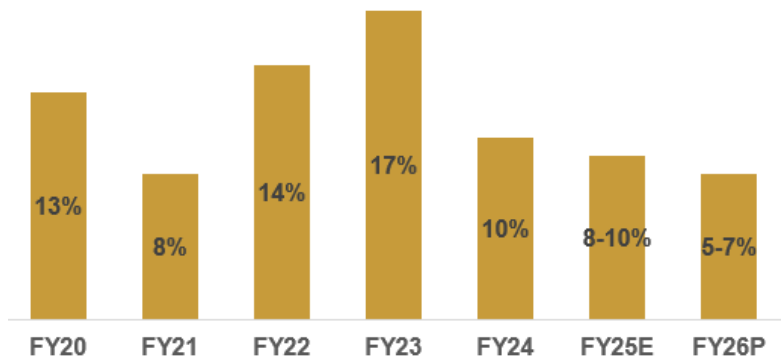
The profitability margins for the road players were impacted in fiscal 2023 due to abnormally high prices of key raw materials such as bitumen, cement and long steel. Furthermore, lower bid premiums in projects due to intense competition also contributed to the fall in margins. Consequently, the margins fell by 100-200 bps in fiscal 2023 and are estimated to have been in 11.5-12.5% range.

Given that the prices of the key commodities have cooled off, the margins are expected to have bottomed out in fiscal 2023. However, the negative impact of projects being won at low bid premiums are expected to continue. Nonetheless, as per CRISIL MI&A estimates, margins are expected to have grown up by 50-100 bps in fiscal 2024 and are likely to stay in the 12-13% range in fiscal 2025 as well.

On account of equity commitment requirements in HAM projects and working capital needs, road players are likely to increase their debt drawdown slightly. Consequently, their TOL/TNW is expected to go up while ISCR is expected to inch down slightly.

Nonetheless, they are still expected to remain at comfortable levels and the credit profile of the road EPC players are expected to remain strong.

Healthy orderbook to drive revenue growth, margins to recover due to softer commodity prices



Note: Standalone financials of 120 road EPC players considered

Source: Company reports, CRISIL MI&A Research

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NHAI awarding to revive in fiscal 2025 with the revamped BOT model likely to account for a sizeable share

National Highways Authority of India (NHAI) awarding had witnessed a rise from merely 2,222 km in fiscal 2019 to 6,003 km in fiscal 2023. However, in fiscal 2024, awarding momentum was marred by various roadblocks. NHAI's flagship Bharatmala Pariyojana Programme (BMP) Phase-1 witnessed significant cost overrun on account of costlier land acquisition and high inflation. Currently, the estimated cost of the BMP phase-1 is almost twice the initial estimate and the ministry is awaiting cabinet approval for a revamped programme and additional funds in order to undertake rapid awarding of projects in the pipeline. As a result, NHAI awarding was ~3,339 kms in fiscal 2024.

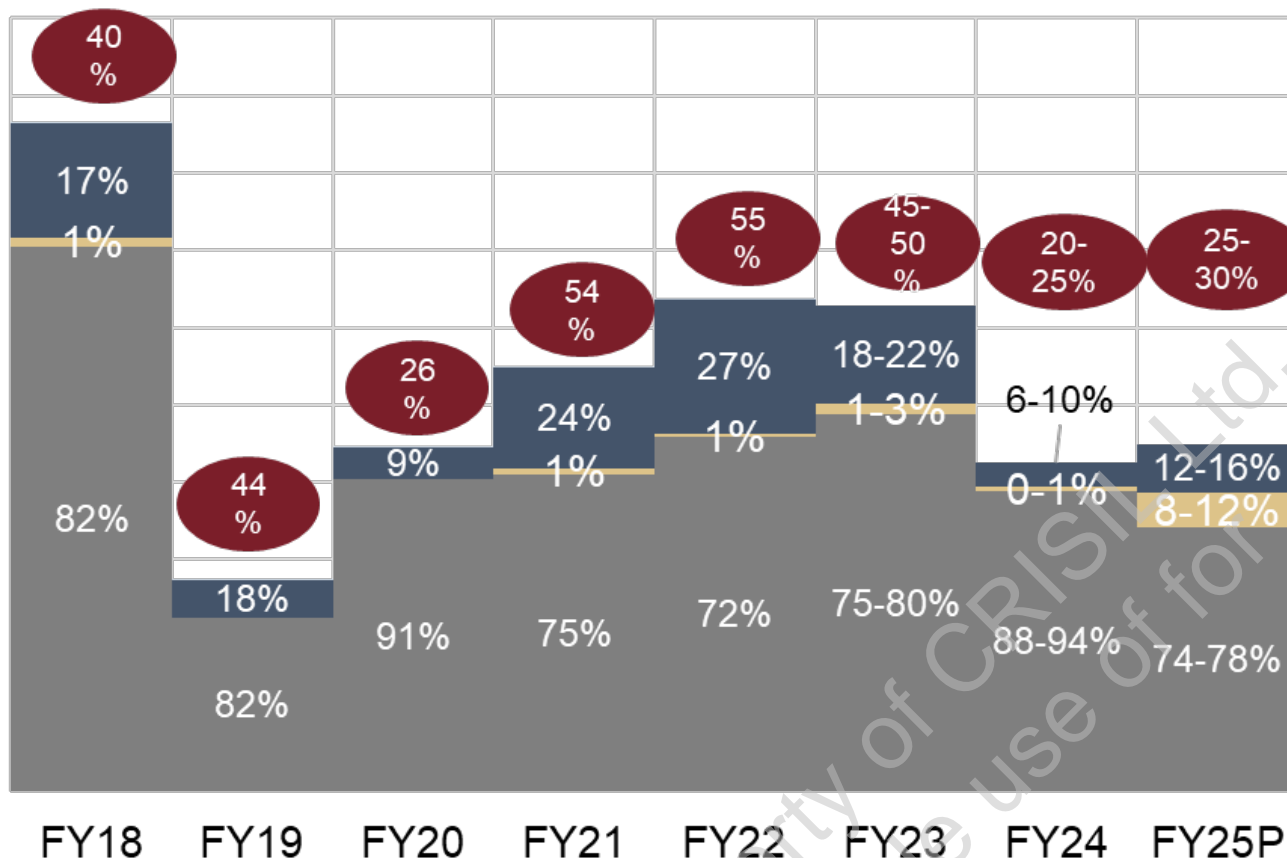
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Share of BOT in NHAI awarding to be around 8-12% in fiscal 2025 on the back of amendments in the BOT MCA

■ EPC ■ BOT ■ HAM



● Share of HAM in NHA awarding

Source: NHA, CRISIL MI&A Research

## NHA execution is also rising steadily with focus on swifter execution

Even though overall national highways construction at the MoRTH level had remained flattish in fiscals 2022 and 2023, NHA execution witnessed strong momentum. NHA execution sequentially rose from 4,175 km in fiscal 2021 to 4,882 km in fiscal 2023.

Acceleration in project awards, sharper focus on resolving land acquisition issues, and the Atmanirbhar Bharat initiatives to ease liquidity (monthly milestone payments, release of retention money, reduction in performance security & extension of 3-6 months in milestones & SCODs) for EPC road players augured well for the pace of execution of NHA projects.

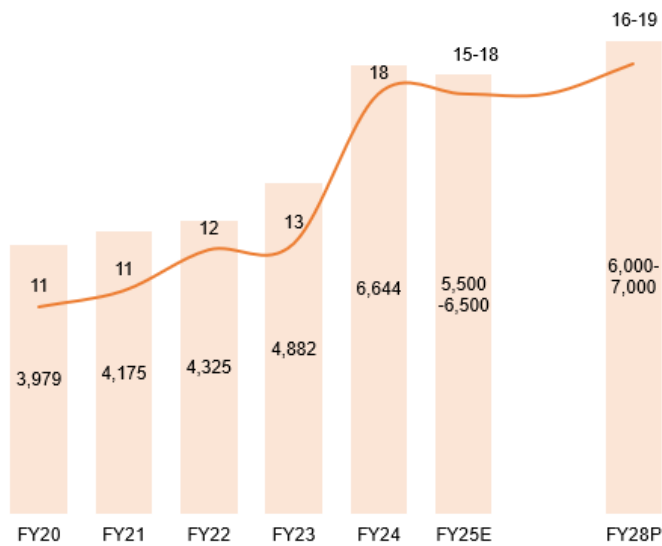
Higher awarding of the previous and many of those projects receiving appointed dates in a timely manner have further boosted NHA execution in fiscal 2024. As a result, 6,644 km of NHA projects were executed during the year. In other words, the construction per day stood at around 18 km. Given the healthy orderbooks of the developers, the momentum in the pace of execution is likely to continue in fiscal 2025 as well. CRISIL MI&A Research expects NHA execution to be between 5,500-6,500 km in fiscal 2025.

Over the medium term, the pace of construction is expected to rise steadily to reach ~19 km per day by fiscal 2028.

NHAs pace of construction rising steadily with continued focus on swifter execution

(Km)

(Km per day)



Source: NHA, CRISIL MI&A Research

## Policy push for HAM enabled higher share in awarding

NHA awards roads & highway projects under:

- EPC
- BOT
- HAM

The Ministry and NHA, post multiple suggestions from various stakeholders have ammended the HAM Model Concession Agreement across the below mentioned paramters in Oct 2020. These are largely aimed to protect developers' returns and ease their liquidity.

Recent changes in HAM MCA incorporate developers' concerns

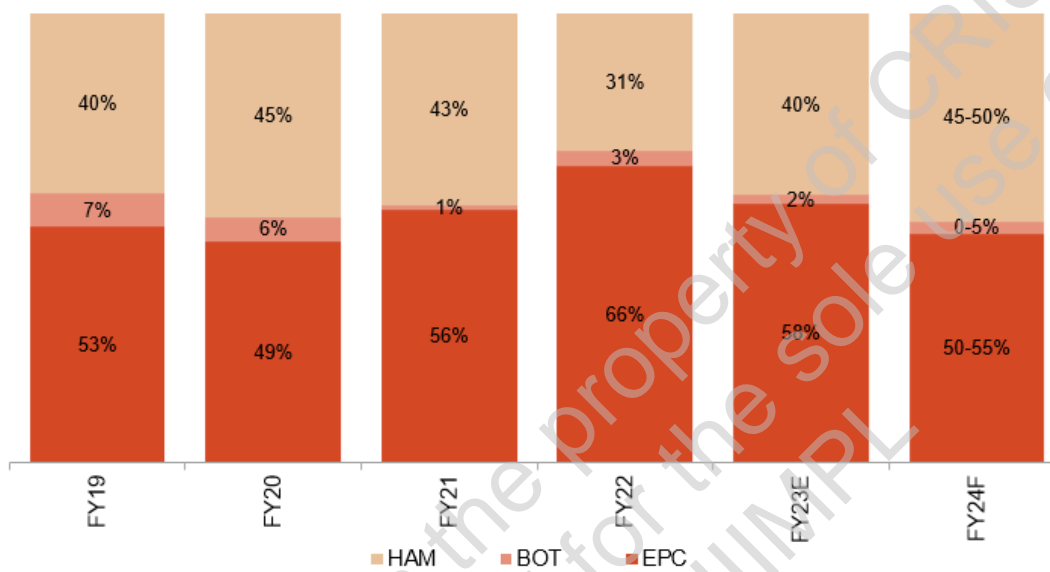
	Old Clause	Revised Clause	Impact
Annuity Payments	Interest on annuity payment linked to <b>RBI determined Bank Rate + 3%</b>	Interest on annuity payment linked to <b>average of one year MCLR of top 5 Scheduled Commercial Banks + 1.25%</b>	Differential between cost of borrowing and interest on annuity reduced thus preventing erosion of developers' returns due to RBI repo rate changes
Milestone Payments	<b>5</b> instalments, each equal to <b>8%</b> of the Bid Project Cost	<b>10</b> instalments, each equal to <b>4%</b> of the Bid Project Cost	Quicker payments helping developers' liquidity
Change in ownership	Original sponsor/ concessionaire shall hold at least 26% of equity during construction period and <b>2 years thereafter</b>	Original sponsor/ concessionaire shall hold at least 26% of equity during construction period and <b>6 months thereafter</b>	Quicker stake sell-off would ease up developers' balance sheets to bid for new projects
Financial Closure	No clarity on amount on FC	FC to be undertaken for an amount no lower than either: 1. Total Project Cost (60% of BPC); or 2. 10% less than (Estimated Project Cost minus 40% of Bid Project Cost)	Would likely prevent termination of projects due to inadequate financing

Dispute resolution board	In case of a dispute, either party may call upon the Independent Engineer to mediate.	Failing mediation by the IE, either party may require such dispute to be referred to the <b>Dispute Resolution Board (DRB)</b> .	Quicker dispute resolution mechanism to prevent stuck projects.
Others	Interest mobilization advance linked to bank rate. Termination payments based on previous milestone payments.	Interest on mobilization advance linked to MCLR. Termination payments based on new milestone payments.	NA

On the back of the higher HAM awarding, CRISIL MI&A's estimates of split for the NHAI capex mix indicates that the share of HAM in NHAI capex is expected to rise. However, given that EPC has also cornered a large share in awarding in the previous fiscals, its share in NHAI capex is expected to remain at ~50-55% in fiscal 2024. Overall, the share of public funds in NHAI investments is likely to hover around the 70% range. Therefore, NHAI funding would remain critical to sustain the sector forward.

As capex under EPC and HAM remains high, burden falls on public funds

(NHAI Capex Mix)



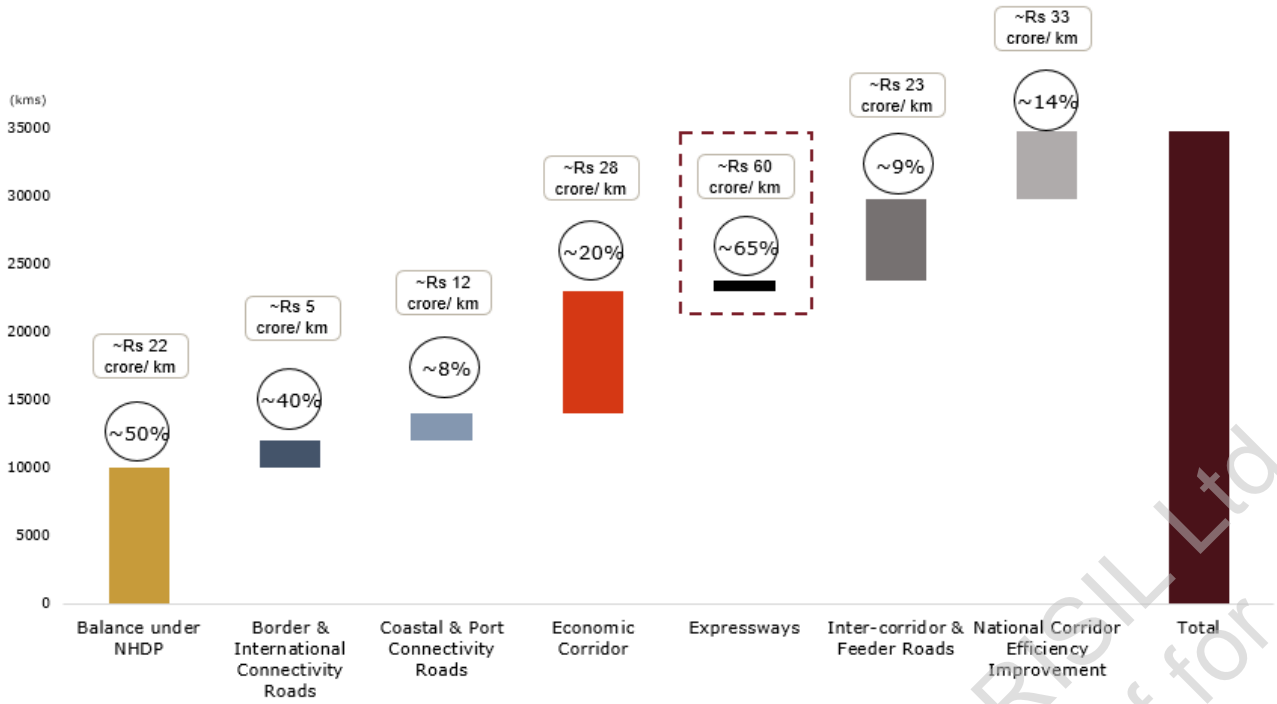
Source: NHAI, CRISIL MI&A Research

## Bharatmala phase-1 awarding focused on expressways; likely to stretch till fiscal 2025

Bharatmala Pariyojana is an umbrella project of the central government since 2015, that aims to improve efficiency in the roads sector. It is expected to supersede the National Highways Development Project (NHDP) and envisages the construction of 65,000 km of highways under the following categories: national corridor (north-south, east-west, and golden quadrilateral), economic corridor, inter-corridor roads, and feeder roads. As per the ministry, Bharatmala, along with the schemes currently undertaken, could require a total outlay of Rs 6.9 trillion.

Phase-I of the scheme envisages development of about 24,800 km length of national highways/roads, plus residual 10,000 km of NHDP between fiscals 2018 and 2022. Awarding under Bharatmala has begun from fiscal 2018 and we believe it will stretch till fiscal 2025 for Phase 1.

Cost per km for expressways are highest



Source: NHAI, CRISIL MI&A Research

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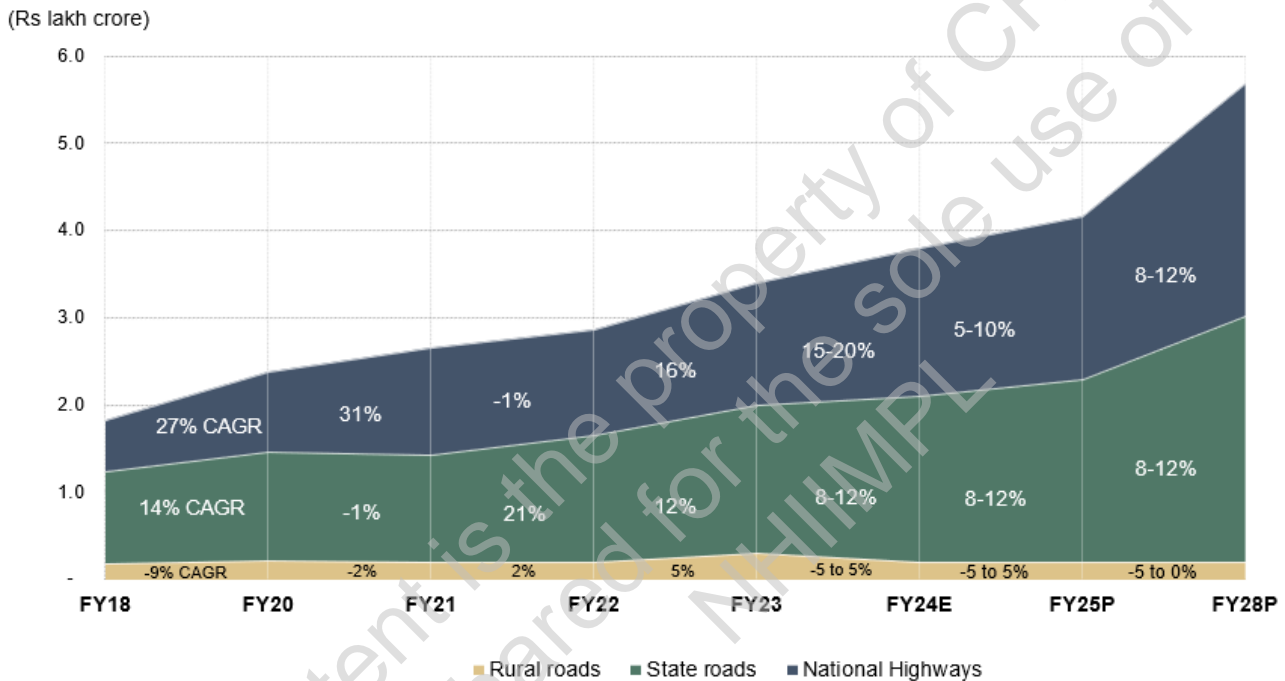
### 3.0 Investments: State roads

State road capex to continue its growth this fiscal, albeit at a slightly lower pace

CRISIL MI&A's analysis of state road budgets indicates that state road capex forms 45-50% of the sector. State capex on roads & highways sector remained flattish in fiscal 2021 due to constrained state funds. On this low base, it grew by 21% in fiscal 2022 and is estimated to have further grown by 10-13% in fiscal 2023 largely in line with the growth in budgetary outlay. Subsequently, growth is expected to moderate slightly to 8-12% over the next 2 years.

Our interactions with market participants indicate that state road projects funded by external agencies such as World Bank or ADB or have private/bank funding such as Expressways under UPEIDA have not had much impact due to COVID-19, as compared to state-funded projects.

State road capex to witness slight moderation in growth on the high base of last fiscal



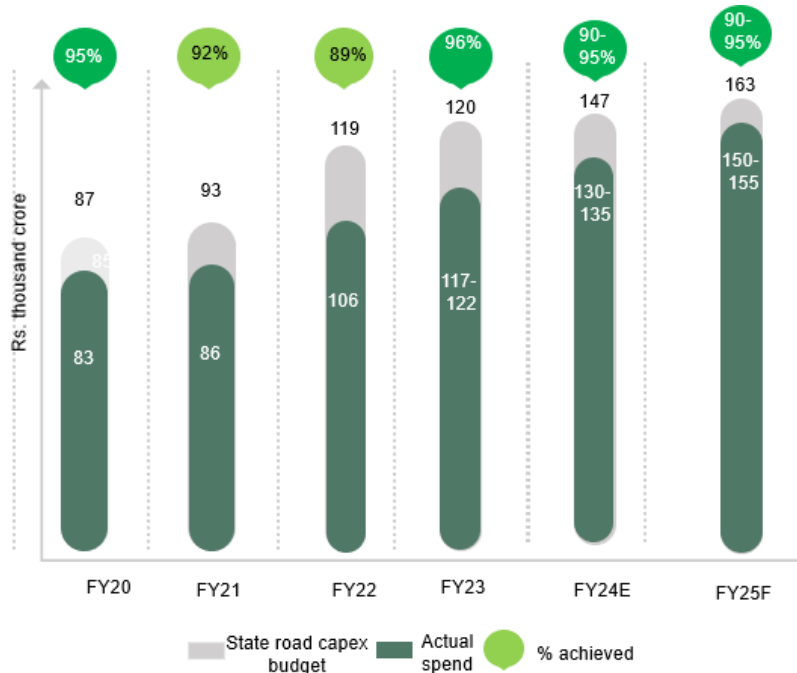
Source: State budget documents, CRISIL MI&A Research

State roads, which include highways, major district roads and rural roads that do not come under the purview of the Pradhan Mantri Gram Sadak Yojana, constitute over 20% of the country's road network and handle ~40% of road traffic. These play an important role in the economic development of mid-sized towns and rural areas, and aid industrial development by enabling the movement of raw materials and products to and from the hinterland.

As per CRISIL MI&A's analysis of the budgets of top 15 states that account for 85% of state road capex, in fiscal 2024, the budgeted capital outlay on roads is higher by 9% vis--vis the revised estimated (RE) of fiscal 2023 while it is 17% higher than the fiscal 2023 budgeted estimates (BE).

The average achievement ratios, i.e. actual spends over the Budgeted Estimates, is in the range of 90-95%. Fiscal 2023 achievement ratio is likely to be largely in line with historical trend and hence, the actual spend is likely to be in the range of Rs 117-120 thousand crores. Due to the higher budgeted expenditures on roads in fiscal 2024, the actual expenditure is expected to go up to Rs 130-135 thousand crores. However, given the high fiscal deficits of some of the constituent states, there is a downside risk to this estimate.

FY25 budgets for top 15 states at 11% on-year, actual expenditure likely to be 15% higher

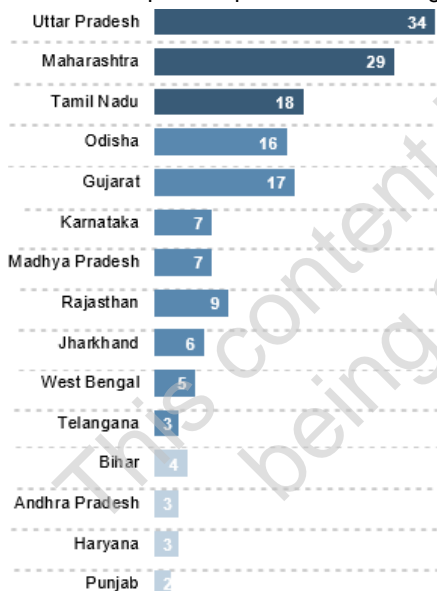


Note: State budget data for 15 states that account for 85% of total state road capex outlay

Source: State budget documents, CRISIL MI&A Research

Looking at the state-wise expenditures on the roads & highways sectors, it is evident that the top spenders on roads & highways setcor have budgeted for higher capital outlay this fiscal as well. The top 3 states - Uttar Pradesh, Maharashtra & Tamil Nadu together account for close to 50% of the total state outlay on the roads & highways sector. On the other hand, the top 5 states together account for 70% of the total state capital outlay on the roads & highways sector. Given these states have relatively strong fiscal deficit profiles as well, the actual expenditure by these states is also likely to be high leading to new investment opportunities.

Traditional top road spenders have budgeted for high capital outlay this fiscal as well



Note: Fiscal deficit: <3% green, 3-3.6% yellow and >3.6% red

Source: State budget documents, CRISIL MI&A Research

## NHAI vs State HAM

Few states such as Maharashtra, Madhya, Karnataka and Rajasthan have implemented the HAM model in awarding of state highway projects. Maharashtra's model is similar to that of NHAI, while those of Madhya Pradesh, Karnataka & Rajasthan.

Maharashtras HAM model similar to NHA's

Parameter	NHAI	Maharashtra	Madhya Pradesh	Karnataka	Rajasthan
Equity contribution by developer					
Operational Period					
Termination payment pre COD					
Termination payment post COD					
Cash flow in initial years					
Mobilization advance					
Overall riskiness					

Source: State Budget documents, CRISIL MI&A Research

Budgetary support and lender comfort - key success factors for the state:

	NHAI	Maharashtra	Madhya Pradesh	Karnataka	Rajasthan
Number of bidders	5-6 bidders	6-7 bidders	4-5 bidders	2-3 bidders	2-3 bidders
Bid Project Cost vs Authority Cost	10-15% above	Almost at par	Almost at par	15-20% above	8-10% above
Awarded projects (kms) till date	>7000	~10000	280	420	750
Average size of Project	~Rs 1,100 crore	~Rs 200 crore	~Rs 150 crore	~Rs 1,000 crore	~Rs 500 crore
Cost per km	Rs 20 crore per km	Rs 2.5-3 crore per km	Rs 3-3.5 crore per km	Rs 7 crore per km	Rs 2-2.5 crore per km
Key players	Dilip Buildcon, Ashoka Buildcon, PNC Infratech, Sadbhav, IRB	Rajpath Infra, SB Deshmukh, Harsh Construction, Welspun,	Ravi Infra, Shreeji, Path, RCL	Sadbhav, KNR	Dineshchandra R Agarwal, GR Infra, Gawar Construction
	Awarding began in FY16	Awarding began in FY18, future pipeline in line with Govt. budget allocation	Awarding began in FY20, future pipeline of ~1300 kms	Awarded in FY19, no future pipeline	Awarded in FY18, future awarding potential of 750 kms in FY21
Funding	Budgetary allocation + IEBR	Budgetary allocation of Rs 30-35 billion per year	\$ 490 mn from ADB	\$ 346 mn from ADB approved for KSHIP Land acquisition & funding issues due to change in Govt.	\$ 190 mn from ADB
Key findings		GoM deposits 50% of its grant in escrow account maintained by bank to ensure no delayed payments	Awarded in Jan 2020 after approval for ADB loan	Projects awarded in June 2018 have only now achieved FC. Appointed date given with 65% land to KNR	750 kms awarded in FY18 under RSHIP-1 with ADB funding. RSHIP Tranche-2 now approved

Source: State Budget documents, CRISIL MI&A Research

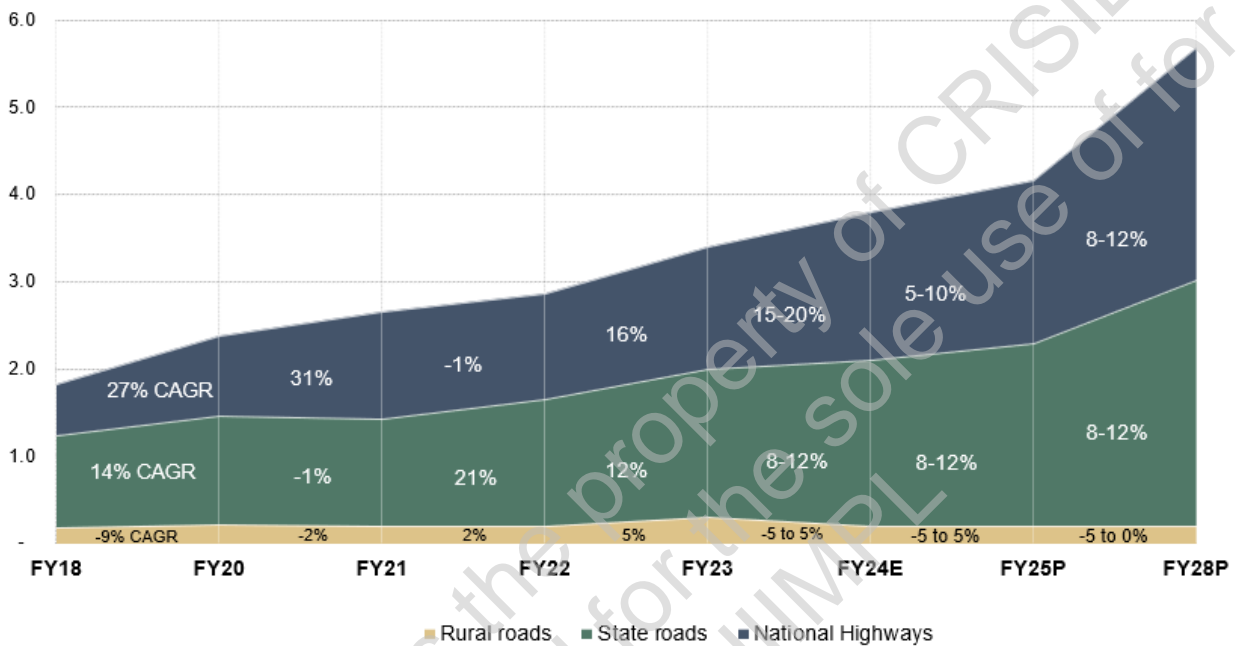
## 4.0 Investments: Rural roads

### Rural roads construction and expenditure to remain muted

Given lower construction targets under PMGSY III, the rural road construction was already on a decline in fiscal 2020. Despite the corona virus pandemic spread in India, kms constructed were up by 34% in fiscal 2021 with a ramp up in Q4 on the low base. In fiscal 2022, ~42,000 kms of rural construction under PMGSY was witnessed. Given that only few kms are pending under PMGSY targets, in fiscal 2024 and 2025, we expect flattish rural road construction which would be largely in the northern and eastern parts of the country

### Expenditure on rural roads to decline in fiscal 2024

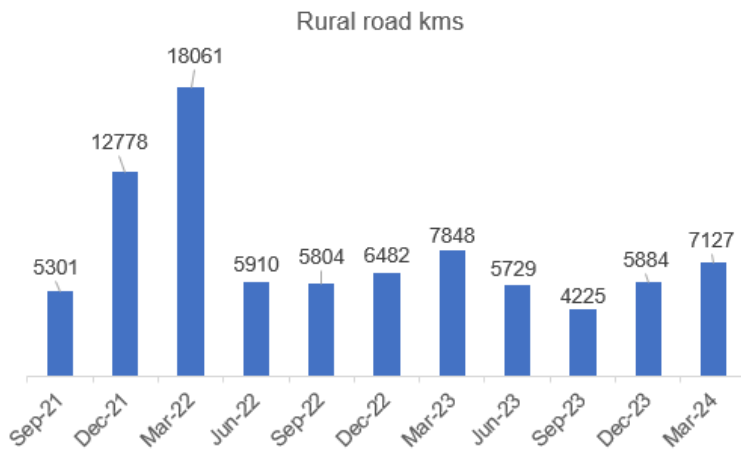
(Rs lakh crore)



Source: PMGSY, CRISIL MI&A Research

Rural road construction (in kms) was almost half in fiscal 2020 at ~27,000 kms construction, as compared with ~49,000 kms in the previous year. Fiscal 2021, saw construction of ~37,000 kms, while fiscal 2022 construction was ~42,000 kms. In fiscal 2023, rural road construction remained muted and failed to achieve the year's target. In fiscal 2024, the target for rural road construction has been slashed to 38,000 km.

### Rural road construction remained muted in fiscal 2024



Rural road construction observed at 5184kms - down 32% y-o-y in Apr-Jun FY25.

Source: PMGSY, CRISIL MI&A Research

After fiscal 2017, budgetary allocation by the Central government to the scheme was kept at Rs 190 billion, budgetary allocation for FY23 has been increased to Rs 195 billion. The actual expenditure has been lower than the allocation, achievement ratio has slipped to 74% from 81% in fiscal 2019. Total investment in PMGSY, both state and Centre, was Rs 234 billion in fiscal 2019, up 35% from Rs 173 billion in fiscal 2018, because of an uptick in length being constructed as well as higher cost per km.

## About the scheme:

Pradhan Mantri Gram Sadak Yojana (PMGSY) is a one-time special intervention to provide rural connectivity, by way of a single all-weather road, to the eligible unconnected habitations in the core network with a population of 500 persons and above (Census 2001) in plain areas.

The Pradhan Mantri Gram Sadak Yojana (PMGSY) phase 1 was launched in 2000. Under the scheme, the Centre recognised 178,184 habitations as requiring all-weather roads, of which 97% of the eligible and feasible habitations have been connected as of November, 2019.

Further, the Government launched a new intervention in the scheme namely PMGSY-II in the year 2013-14 for consolidation of total 50,000 km existing Rural Road Network to improve its overall efficiency as a provider of transportation services for people, goods and services. 41,434 kms of rural roads are sanctioned under PMGSY-II as of date, of which, 75% have been completed.

The umbrella scheme involves construction/upgradation of over 800,000 km of rural roads.

In PMGSY-I, 97% of target has been achieved. In PMGSY-II, 75% of the target has been achieved. PMGSY III target km are lower by 40% as compared to roads constructed over the last 5 fiscals.

## PMGSY-III was announced in Budget 2020

Under the PMGSY-III scheme, announced in the Union Budget 2019-20, it is proposed to consolidate 125,000 km road length in states over the next five years. The scheme will also include 'through routes' and 'major rural links' that connect habitations to Gramin Agricultural Markets (GrAMs), higher secondary schools and hospitals.

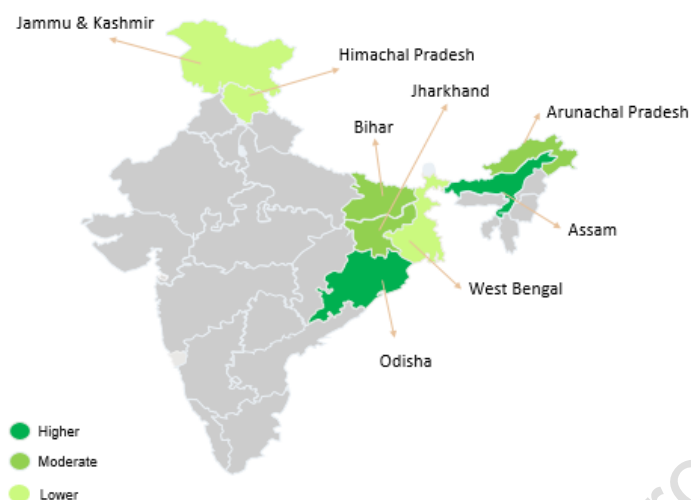
It will entail an estimated cost of Rs 80,250 crore (Central share Rs. 53,800 crore, states' share Rs 26,450 crore).

The road length in km to be constructed under PMGSY-III is significantly lower than the 218,000 km constructed under the umbrella scheme between fiscals 2015 and 2019. CRISIL Research expects investments in rural roads to slow down by ~10% over the next five years, due to the lower targets.

## PMGSY targeted construction largely in Eastern and Northern states

Residual construction target under PMGSY II and future targets under PMGSY III are largely concentrated in northern and eastern states in the country. CRISIL Research believes, Odisha would see 15-20% of targeted rural road construction under PMGSY. Followed by Assam, which would see 9-11% of the total PMGSY target construction. Arunachal Pradesh, Bihar and Uttarakhand would each see 5-10% of the total construction under PMGSY. Other states such as West Bengal, Jammu and Himachal Pradesh also have potential for rural road construction under the scheme.

### Odisha and Assam have highest potential for construction of rural roads under PMGSY



Source: Ministry of Rural Development, Crisil Research

## States share in PMGSY to be monitorable

In the Union Budget 2016-17, the government advanced the target date for the completion of PMGSY-I by three years, from fiscals 2022 to 2019. To support this ambitious goal, it increased allocation substantially in fiscals 2016 and 2017 and maintained the budget allocation for fiscals 2018 and 2019. Nearly 75% of the funding needed for the scheme is to be met through cess funds and the rest through external borrowing.

At the same time, the ratio of Central-to-state spending was revised from 70:30 to 60:40 for most states (the ratio remains 90:10 for the eight north-eastern and the three Himalayan states). Hence, the ability of states to provide funds in proportion to the Centre's contribution is critical to meet the envisaged targets. However, the share of Centre and states has been at an average of 70:30 over the past three years.

## Question mark on maintenance continues

PMGSY is a one-time special scheme undertaken by the Central government to boost infrastructure in rural parts of the country, but maintenance of these roads remains a state subject. All PMGSY roads are covered by five-year maintenance contracts. Maintenance funds to service the contract are to be budgeted by the state government.

With effect from fiscal 2017, financial incentives are given to best-performing states, which show higher achievement on the basis of set parameters. Financial incentives amounting to Rs 10.8 billion and Rs 8.4 billion were awarded in fiscals 2017 and 2018, respectively, for periodic maintenance to best-performing states.

In fiscal 2017 alone, Rs 5.4 billion was credited to the accounts of 20 state rural-road development agencies for carrying out

maintenance on these roads, of which only Rs 3.33 billion was spent. In fiscal 2018, Rs. 9.4 billion was spent on maintenance. Thus, even though execution of new roads under PMGSY is on track, their maintenance remains a key monitorable.

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## 5.0 Financing: Public funding

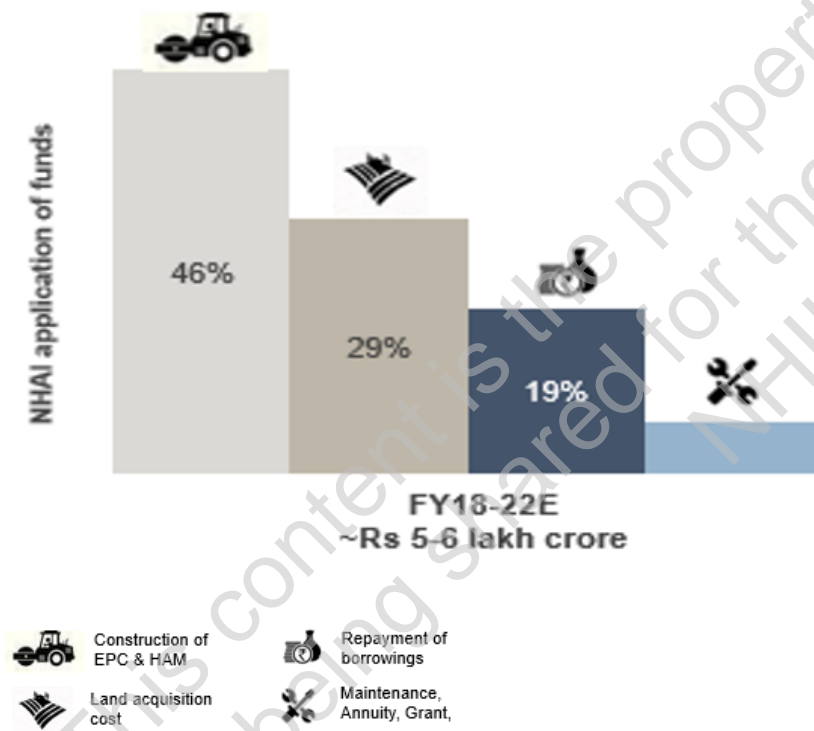
Asset monetisation critical to meet ambitious Bharatmala targets

CRISIL MI&A estimates Rs 17-19 trillion will be invested in national highways between fiscals 2023 and 2027, with public funds dominating the overall spending. With the National Highways Authority of India (NHAI) awarding more projects under the hybrid annuity model (HAM) and on cash-contract basis, it is now relying more on external borrowings and asset monetisation. While asset monetisation via TOT and now the InVIT route is challenging in itself, raising external funds is increasing the debt to equity of the authority and repayments now form a large outflow for NHAI. Timely asset monetisation is critical for NHAI to meet its ambitious Bharatmala targets.

### Due to higher awarding under EPC & HAM, NHAI's outflow toward milestone payments formed ~46% of total met through market borrowings

Out of the Rs 5-6 lakh crore spent over the 5 years (FY18-FY22E), 46% were toward milestone payments for EPC and HAM (40% of HAM) projects. ~29% were toward land acquisition expenditures and 19% toward interest and repayment of borrowing.

NHAI application of funds: 46% of NHAI outflows towards construction



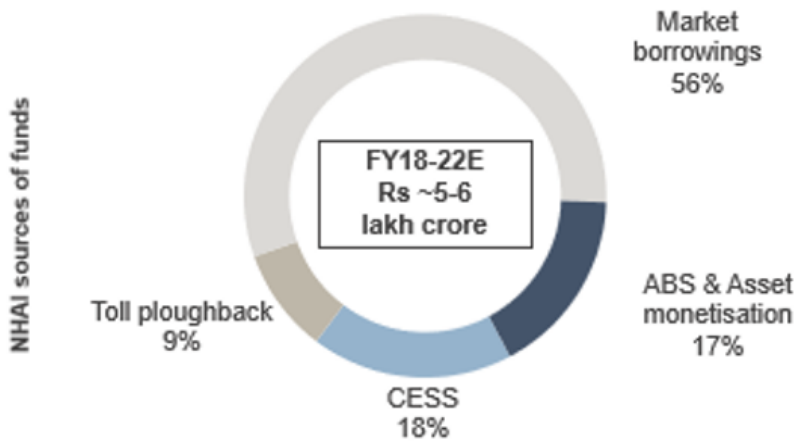
Source: NHAI, CRISIL Research

Looking at the sources, while toll plough back and CESS (budgetary allocation) contributed 18% and 9% respectively to the sources, market borrowings is where the maximum amount (56%) of NHAI's funding came from. Additional Budgetary Support and Asset Monetisation were 17% of total.

With NHAI's requirement expected to increase with ambitious construction targets, additional support via monetisation are critical for its future requirements.

NHAI sources of funds: Market borrowings accounted 56%



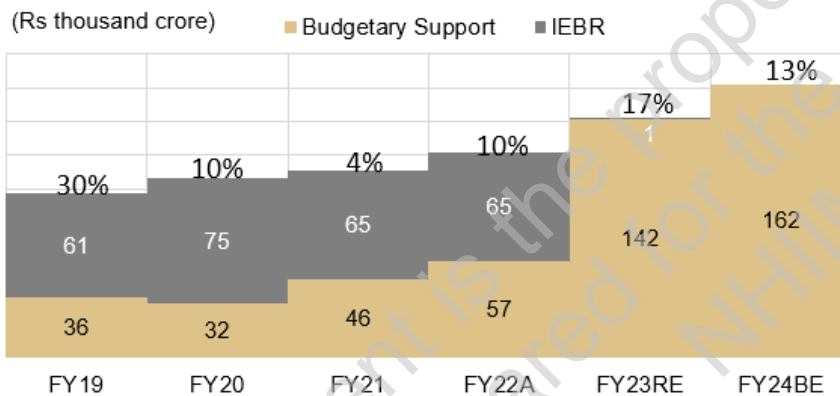


Source: NHA, CRISIL Research

With the high dependence on market borrowings to fund EPC and HAM projects, NHA's debt to equity had risen to 1.2 times by FY21.

To limit the rise in borrowings, NHA's budgetary support in the form of CESS & toll ploughback was increased by 106% for fiscal 2023 (budgeted) and its IEBR had been kept at nil. The trend has continued in fiscal 2024 wherein the IEBR has continued to remain absent in the budgeted estimates for fiscal 2024. The overall support to NHA has marked a 13% increase over FY23RE.

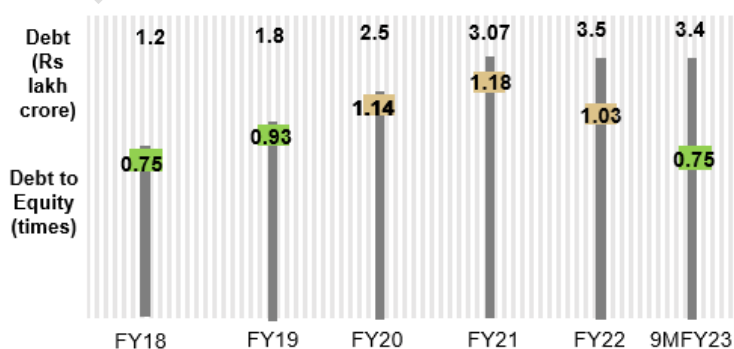
Budgetary support to NHA up by 14% vis-a-vis FY23RE, IEBR remains absent in FY24 budget as well



Source: Union budget, CRISIL Research

Due to the reduction in dependence on external borrowings, NHA's leverage position has seen a sharp improvement. The entity's debt-to-equity ratio has climbed down from 1.2 in fiscal 2021 to 0.75 (as of Dec-22).

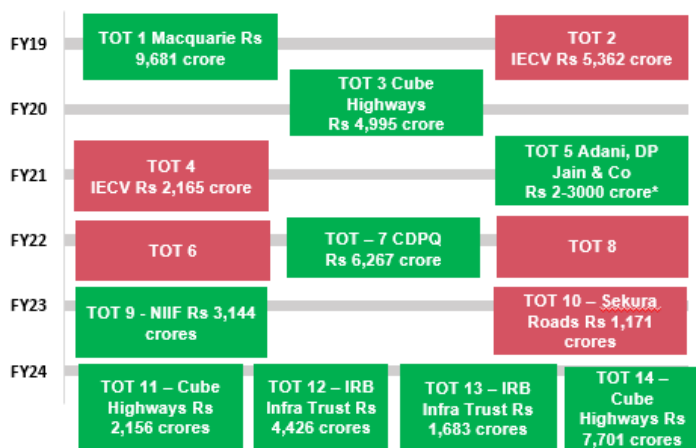
Reduction in IEBR led to improvement in NHA's leverage



Source: NHA, CRISIL MI&A Research

Other modes of funding such as TOT have seen only limited success. With the implementation of Fastags, TOT becomes more attractive as its able to eliminate cash handling and plug leaked in the system. However, of late, the awarding of TOT bundles have encountered impediments with certain TOT bundles like TOT-6, TOT-8 and TOT-10 getting cancelled due to low bids. While NHAI annulled the original bidding process for TOT bundles 11 and 12 due to low valuations, they were subsequently able to successfully award these bundles in the second round of bidding. NHAI has already invited bids for TOT bundles 13 and TOT 14 and the progress in the same remains to be seen. The convergence of the expectations of the government authorities and the private bidders remain a key monitorable as well as a major requirement for this mode of funding to become truly succesful.

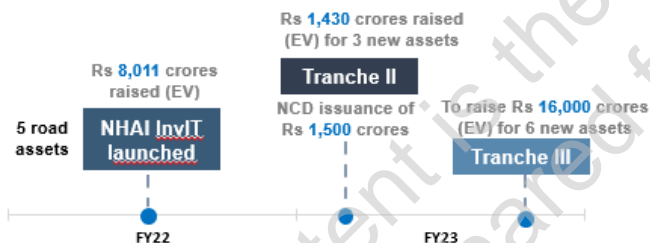
Success of TOT critical to meet ambitious Bharatmala targets



Source: NHAI, CRISIL MI&A Research

The authority has also tied up debt via SPV level funding for the Delhi-Mumbai expressway where it has already raised Rs 9,731 crores.

InVITs & SPV level financing



Source: NHAI, CRISIL Research

**NHAI focuses on clearing land acquisition issues:**

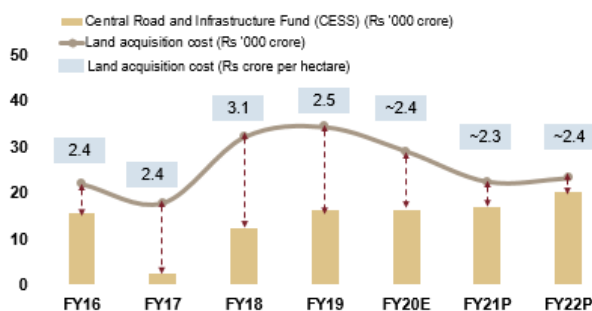
Historically cess was allocated towards land acquisition expenditure incurred by the NHAI. This gap had widened with after the implementation the new act related to rehabilitation and resettlement. However, with the authority's focus on clearing these issues coupled with focus on new greenfield alignments, have reduced the burden on land acquisition.

In the Union Budget for fiscal 2019, road cess was replaced by road and infrastructure cess (CRIF). Previously, road cess used to be split for national highway construction, maintenance, railways, Pradhan Mantri Gram Sadak Yojana, etc., based on a fixed formula. So far, there has been no change in the split. However, going forward, the share of cess to the roads sector could reduce given the increase in the overall scope from roads to roads and infrastructure, increasing dependence on borrowings.

The compensation policy under the current land acquisition bill requires the NHAI to pay four times the market value of rural land and two times that of urban land. This, coupled with new laws related to rehabilitation and resettlement, has almost tripled land acquisition costs. In fiscal 2014, the average cost for acquiring land was Rs 9 million/hectare. It increased to about Rs

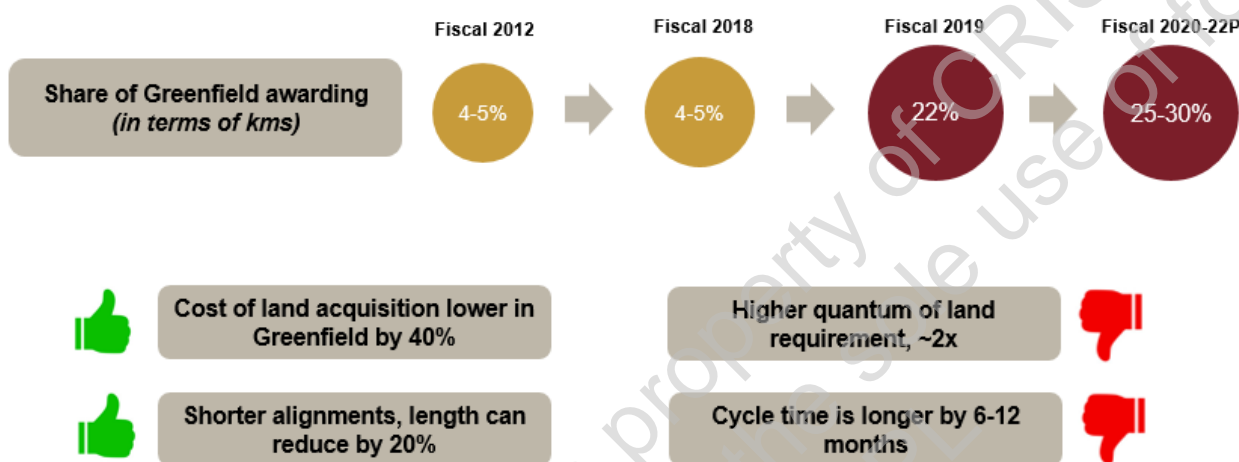
30-32 million/hectare in fiscal 2019 and has tapered to Rs 24-25 million/hectare in fiscal 2020.

Cost for Land acquisition for the authority has come down since FY20:



Source: NHAI, CRISIL Research

Green field projects offer support:



Source: NHAI, CRISIL Research

The share of greenfield road projects in awarding has been increasing consistently in the past few years driven by Bharatmala. As per CRISIL MI&A estimates, the share of greenfield projects in awarding was above 25% in the last few fiscals. The increase in the share of greenfield projects lowers the cost of land acquisition by 40%, compared with brownfield projects. Also, these greenfield projects come with shorter alignments and 20% shorter length. That said, a key drawback of greenfield projects is the cycle time, which is longer by 6-12 months, compared with brownfield projects, because of higher design time.

## State roads financed by state governments, private participation via HAM in states is monitorable

State roads are largely financed through budgetary allocations by respective state governments. These are supplemented by funds from the National Bank for Agriculture and Rural Development (Nabard), Housing and Urban Development Corporation Ltd, Rural Infrastructure Development Fund, and the state's portion of CRF.

State governments will finance most state road projects (via budgetary allocation, external assistance, and CRF). Some states have a favourable policy framework to attract private participation. Going forward, the share of private participation in state roads is expected to be at 12-15% as the success of the HAM projects introduced across various states are monitorable.

## Rural roads to continue to be funded by central, state governments, no private participation in sight

CRISIL Research expects ~ Rs 80 billion to be invested in rural roads under the PMGSY over the next five years under the PMGSY-III. Rural roads under the yojan are entirely funded by the central and state governments. The Centre's contribution is mostly through CRF and through loans from the Nabard, World Bank, Asian Development Bank, etc.

Other than the PMGSY, certain states have their own programmes to develop rural roads, which are funded completely by their governments.

The Ministry of Rural Development has put forward a proposal to implement the PPP model under the PMGSY. However, given the low-ticket size of contracts and questions over users' ability to pay toll/usage charges, we do not foresee the PPP mode picking up in rural road projects.

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## Investments by private sector to grow 3x times over the next 5 years

CRISIL MI&A expects private construction investments in national highways to increase 2x to Rs 2.7 trillion over fiscals 2024 to 2028 compared with the previous five years. This is expected to be mainly through the hybrid annuity model (HAM) mode, as the build-operate-transfer (BOT) toll mode may have only a few takers.

A policy push in the form of changes in Model Concession Agreements (MCA) for HAM and BOT projects and reduction in bid eligibility criteria across all national highway projects would bode well for private participation. However, the share of HAM in total awarding is constrained by the cautious approach employed by banks in lending to HAM projects.

Amidst the COVID-19 pandemic, NHAI and the ministry have taken various steps under the Atmanirbhar package to ease issues faced by developers. Releasing monthly payments, instead of milestone based payments; extension of timelines for completion of projects, etc have sustained private participation in the sector. While these have been extended till Oct 2020, they are likely to fade from next fiscal onwards.

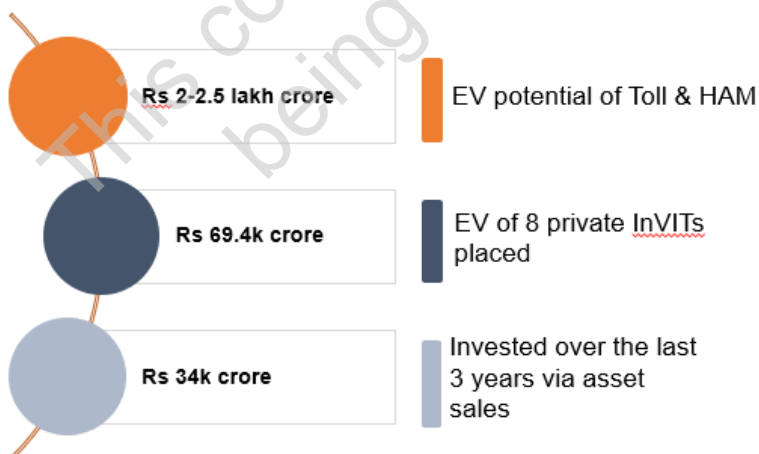
## Asset monetisation, equity infusion key to support private investment in the long run

Currently, there are two broad drivers of asset sales in the roads sector - rationalisation of financial position to improve balance sheet strength and asset churning to be able to participate in the upcoming projects. The erstwhile major BOT players are selling off assets to reduce their debt burden and free up equity, which can be infused in under-execution projects.

The players present in HAM are currently selling off HAM assets to participate further in upcoming HAM projects. Some players intend to sell off under-construction projects to financial investors with projects being executed by the same player. Thus, they are able to convert HAM projects to EPC without facing the cut-throat competition they deal with currently in the EPC mode. This will help them retain margins.

About Rs 70,000 - 80,000 crore has already been invested through these modes. CRISIL's analysis of BOT and HAM projects indicates a potential of ~Rs 2-2.5 lakh crore in terms of Enterprise Value.

### Asset monetisation has a lot of potential to free up developers' balance sheets



Source: Industry, CRISIL MI&A Research

## InvITs to deleverage balance sheets and enable capital recycling

Infrastructure investment trusts (InvITs) will help free up capital of players by divesting stake in operational assets and help recycle this capital to deleverage balance sheets for creating new assets.

### Developments in InvITs:

Name	Sponsor	Structure	AUM (Rs crore)*	Ratings	Month-Year of launch	Assets
IRB InvIT Fund	IRB	Public listed InvIT	6,500	IND AAA/ Stable	May-17	6 operating toll road assets
Indinfravit Trust	L&T IDPL	Private listed InvIT	10,500	CRISIL AAA/ Stable	Mar-18	11 BOT-toll from L&T IDPL and Sadbhav, 2 operational BOT annuity (1 pending)
Oriental Infratrust	Oriental group	Private listed InvIT	11,000	CRISIL AA+/Provisional CRISIL AAA/Stable	Jun-19	5 operational assets
IRB Infrastructure Trust (IRB InvIT II)	IRB	Private unlisted InvIT	22,500	ACUITE AAA	Feb-20	9 BOT-toll projects
<b>Total</b>			<b>50,500</b>			

Source: Industry, CRISIL Research

InvITs, as envisaged in Union Budget 2014-15, will own and manage income-generating infrastructure projects. As per regulations, these trusts will be allowed to make only 20% of their investments in under-construction projects. The rest will have to be invested in completed, revenue-generating infrastructure projects. Such trusts are expected to help unlock tied-up capital of developers and attract foreign capital.

In Union Budget 2015-16, the finance minister exempted the capital gains tax on sponsors at the time of listing of units of InvITs. In Union Budget 2016-17, distributions made from special purpose vehicles to InvITs were exempt from the dividend distribution tax.

Additionally, the Union budget (FY21) announcement of scrapping dividend distribution tax (DDT) and shifting the taxation of such payouts to investors would prove to be a negative for InvITs. Our interactions with market participants, however, indicate that given this could hurt asset monetisation plans esp. in the roads sector, the government may create a carveout for InvITs to allow them to continue with the earlier regime.

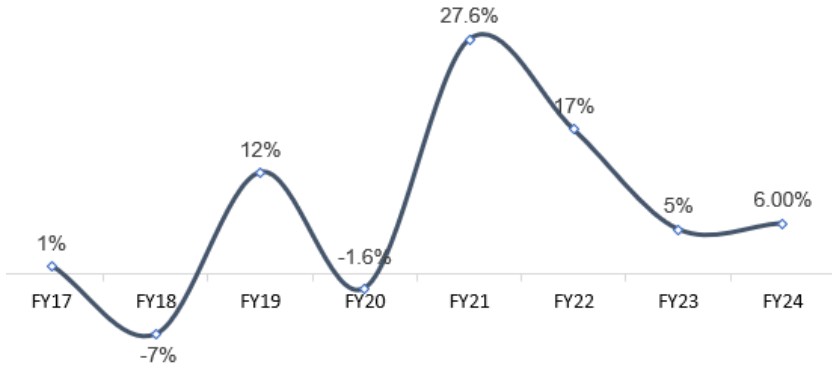
### Improvement in bank credit growth led by higher HAM execution

After a dip in fiscal 2020, bank lending to the roads sector staged a healthy recovery and grew by 27% yoy owing to higher awarding and higher construction. The traction continued in fiscal 2022 as well with lending to the sector witnessing a robust growth of 17% yoy. In fiscal 2023, the growth momentum has moderated due to the high base with the on-year growth rate for the year standing at 5%. At the end of fiscal 2023, the outstanding bank credit to the roads & highways sector stood at Rs 2.9 lakh crores.

For projects that were awarded in fiscal 2012, banks approved costs that were much higher than those approved by the National Highways Authority of India (NHAI). As a result of the problems faced in these projects, bankers are now very cautious while evaluating projects, and are estimating project costs much closer to the NHAI estimates. They demand that at least 80% land acquisition should be completed and all clearances must be obtained at the beginning. While this has increased the time taken by players to achieve financial closure, it will ensure participation only by serious players. However, viable projects and those that have not gone through aggressive bidding should achieve financial closure quite smoothly.

### Bank credit growth to the roads sector moderated in fiscal 2024 due to the high base

Banks' lending to roads sector  
(YoY Growth)



Source: RBI, CRISIL MI&A Research

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## 7.0

### Our view: Profitability

Revenue growth to moderate, margins to remain stable in fiscal 2025

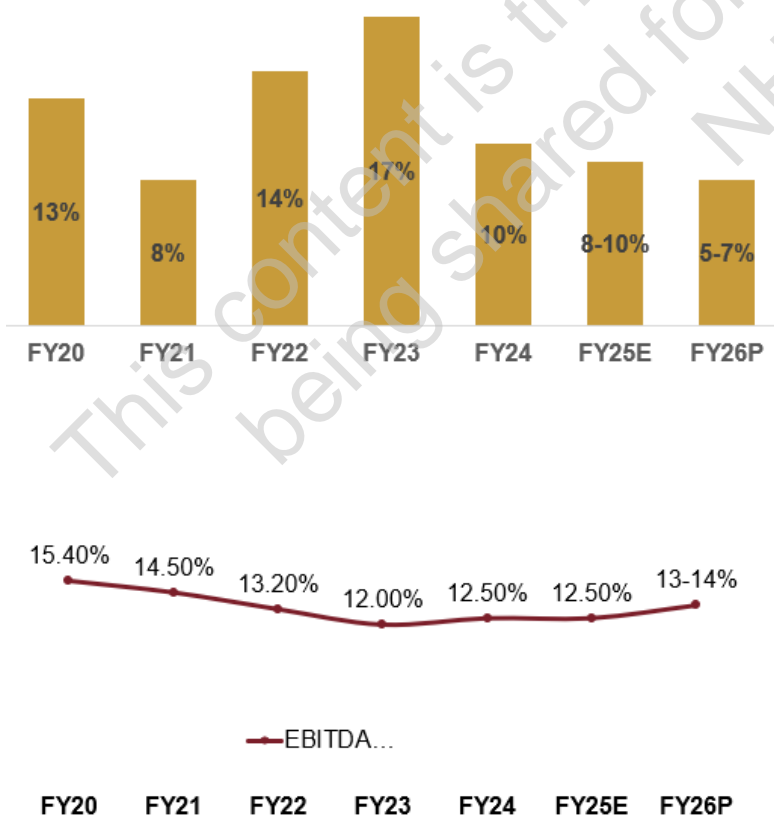
Owing to the high awarding in the previous fiscals, the orderbook of the road developers had swelled. Furthermore, their superior execution capabilities enabled them to leverage their robust orderbook positioning and ramp up construction. Simultaneously, the share of high-value expressways in the construction by these players also went up which further boosted their revenues. As a result, the revenue of the road players is estimated to have grown by 9-11% in fiscal 2024. Given the existing order book positions, the revenue of the road EPC players are further expected to go up by 8-10% in fiscal 2025.

The profitability margins for the road players were impacted in fiscal 2023 due to abnormally high prices of key raw materials such as bitumen, cement and long steel. Furthermore, lower bid premiums in projects due to intense competition also contributed to the fall in margins. Consequently, the margins fell by 100-200 bps in fiscal 2023 and are estimated to have been in 11.5-12.5% range.

Given that the prices of the key commodities have cooled off, the margins are expected to have bottomed out in fiscal 2023. However, the negative impact of projects being won at low bid premiums are expected to continue. Nonetheless, as per CRISIL MI&A estimates, margins are expected to have grown by 50-100 bps in fiscal 2024 and are likely to stay in the 12-13% range in fiscal 2025 as well.

On account of equity commitment requirements in HAM projects and working capital needs, road players are likely to increase their debt drawdown slightly. Consequently, their TOL/TNW is expected to go up while ISCR is expected to inch down slightly. Nonetheless, they are still expected to remain at comfortable levels and the credit profile of the road EPC players are expected to remain strong.

Healthy orderbook provide revenue growth visibility, margins to recover due to cooling prices

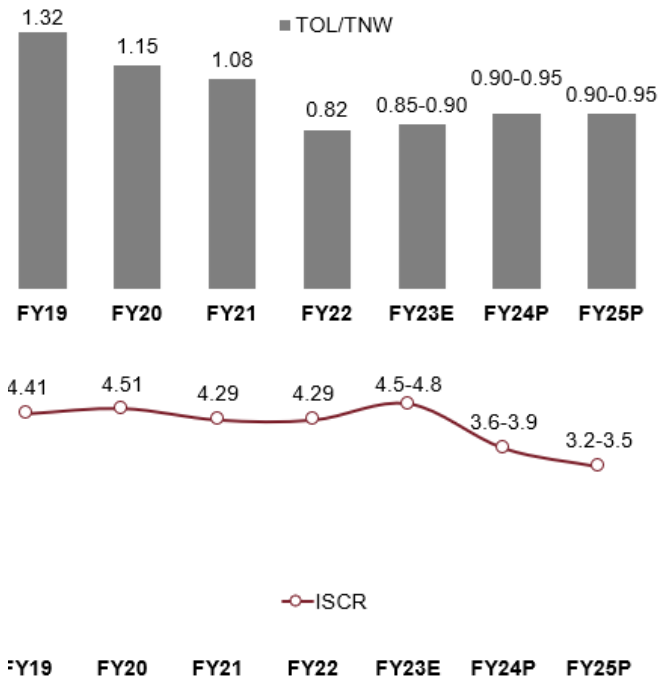


Note: Standalone financials of 130 EPC road companies considered



Source: Company reports, CRISIL MI&A Research

TOL/TNW and Interest coverage likely to remain comfortable



Note: Standalone financials of 130 EPC road companies considered

Source: Company reports, CRISIL MI&A Research

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## 8.0

## Our view: Competition

Relaxations in bid eligibility criteria have enhanced competitive intensity in national highway projects

Since fiscal 2021, when the financial threshold to bid was reduced, NHAI awarding peaked. Package sizes reduced by 30% over 2016-20 levels, to fast-track construction by awarding to a larger pool of players. All this led to intensified competition, with nearly 15 bidders per project in the HAM space. Bid premiums nosedived to as low as ~4% from ~16% on average earlier. Instances where even large players bid aggressively increased and one-third of projects were awarded at discounts. Interestingly, mid-sized regional players won ~45-50% of HAM awards in fiscal 2022, vis--vis 25% in the earlier period that is over fiscals 2016-20. The share of the mid-sized players remained at similar levels in fiscal 2023 as well.

EPC is witnessing even higher competition with almost 20-30 bidders per project, with bid discounts as low as 15-20%.

Smaller players to start participating in National Highway projects, remains to be a key monitorable:

	EPC	HAM	BOT
Financial Capacity	Threshold capacity reduced to <Rs 100 crore projects: <b>0.75x of EPC</b> >Rs 100 crore projects: <b>1x of EPC</b>	Old: Min Net Worth of 25% of EPC cost New: <b>Min Net Worth of 15% of EPC cost</b>	NA
Technical Capacity	Bidders' core sector expanded to experience in other sectors such Hospitals, Hotels, Warehouses, Smart City etc.		

Source: MoRTH, NHAI, CRISIL Research

### HAM saw intense competition continue in fiscal 2023, mid-sized players retained their share in awarding

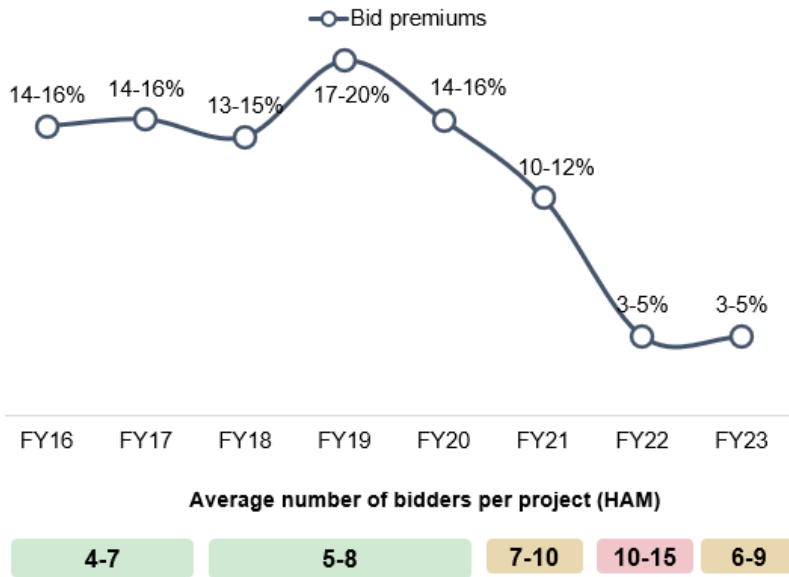
CRISIL Research's analysis of NHAI HAM projects show that though HAM projects were earlier awarded to large developers with strong balance and execution capabilities. Since fiscal 2021, in light of the relaxed bidder eligibility criteria, the average number of bidders per HAM projects increased sharply from only 4-8 in FY16 to around 10-15 in fiscal 2022. Consequently, the average bid premiums tumbled to 3-5% in the fiscal.

There was slight recovery in first half of fiscal 2023 due to many project winners having exhausted their balance sheet capabilities and awarding of complex projects. However, due to the re-emergence of competitive bidding in the latter part of the fiscal, the bid premiums remained largely similar to what we observed in fiscal 2022.

Simultaneously, since fiscal 2021, the share of mid-sized developers have also surged. However, despite that, 72% projects awarded in fiscal 2022 have already achieved Financial closure, thereby mitigating the funding and execution risk to an extent.

Furthermore, BBB was recently set as the minimum rating requirement for bidders of HAM projects. In case the rating is below this threshold, a comfort letter from banks/financial institutions is required to guarantee credit facilities. This is likely to minimize the risks associated with project implementation and defaults by developers with lower ratings.

Higher number of bidders led to reduced premiums in HAM projects



Source: NHAI, Industry, CRISIL Research Roads Projects database

## Low-ticket projects making EPC highly competitive

EPC projects being bid out are smaller in terms of both size and cost than HAM projects by almost half. The average length of EPC projects awarded was 22 kms as compared with HAM projects whose average length was 46 kms. Similarly, when comparing costs, average size of EPC projects in terms of cost, was Rs 3750 million as compared with HAM which was more than Rs 7000 million.

For EPC projects, a developer is eligible to bid if its bid capacity is more than the bid value. Bid capacity is calculated based on the highest annual revenue earned through EPC projects in any of the previous five years. Thus, a lower bid value ensures more eligible bidders, increasing the competitive intensity of the project.

Also, many road developers are now focused on bidding for only EPC projects owing to their poor financial health as well as overhang of past issues with regard to delays in land acquisition, clearances, and mismatch in traffic projections.

With the recent reduction in bidder eligibility EPC have witnessed even more stiff competition with even 30-35 contractors bidding per project.

## 9.0

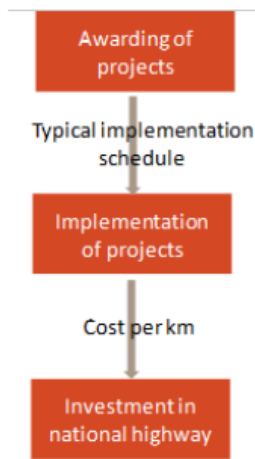
## Our view: Methodology

### Methodology

To estimate the number of projects being awarded, CRISIL Research has prepared a list of upcoming projects in various NHDP phases and Bharatmala component-wise, along with the length and location (state) of the project. Projects have been bucketed year-wise, based on their likelihood of being awarded, which, in turn, depends on how attractive the project is in terms of location.

Projects that are more attractive are expected to be awarded first. However, for estimating projects to be awarded this fiscal, tenders released by the NHAI on its website have been factored in, as this will help us arrive at a more accurate figure on phase-wise length. The final numbers arrived at for the next five years have been vetted by the NHAI and developers to determine if the estimate is realistic and achievable.

Steps in estimating NHAI investments:



Source: CRISIL MI&A Research

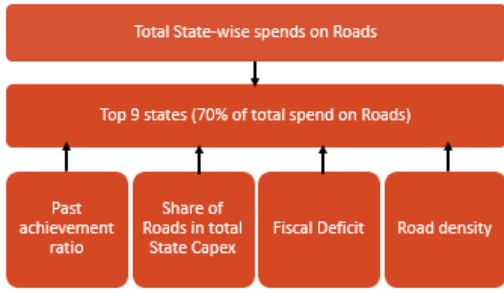
To arrive at the length to be executed over the next five years, we have assumed a typical implementation schedule of 3-4 years from the time of award. The implementation schedule has been calculated based on the projects completed in the recent past and interactions with industry participants.

Finally, for estimating investments required over the next five years, the length to be executed in each NHDP phase has been multiplied by the phase-wise cost per kilometer (taken as average cost per kilometer for recently completed projects). This has been cross-checked with NHAI and developers.

### Methodology for estimating state investments

To estimate investments in State Roads, Crisil Research has analyzed budgeted and actual spend on Roads & Bridges in each state. Further, we have deep dived in to the top 9 states that contribute ~70% of the total spend. Our forecasts are based on historical trends in achievement ratios, states ability to spend given their fiscal deficits, road density & share of unsurfaced roads in these states. We also looked at the major road projects in the states, financial health of implementing agencies and private participation.

Steps in estimating State investments:



Source: CRISIL MI&A Research

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## 10.0 Overview: Road network in India

Roads network in India

### Extensive road network

India has the second-largest road network in the world, spanning a total of ~6.7 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country.

- National Highway (NH) network increased by 60% from 91,287 km in 2014 to 1,46,114 km in year 2024.

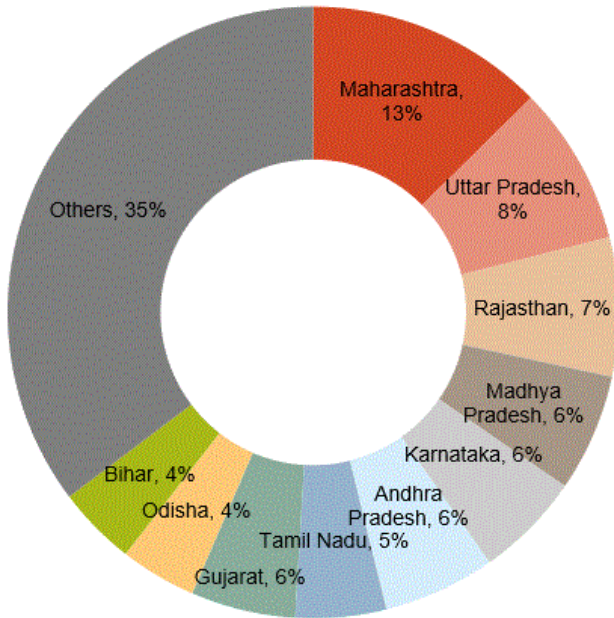
The road network in India can be divided into the following categories:

Road network in India as in fiscal 2024

Road Network	Length (Km)	Percentage of Total		Connectivity to
		Length	Traffic	
National Highway	146,114	2%	40	Union capital, State capitals, major ports, Foreign highways
State Highway	179,535	3%	60	Major centres within the states, national highways
Other roads	6,019,723	95%		Main roads, rural roads, production centres, markets
Total	6,345,372	100	100	

Source: MoRTH Annual report 2023-2024, CRISIL Research

State-wise length of National Highways in India as in fiscal 2024

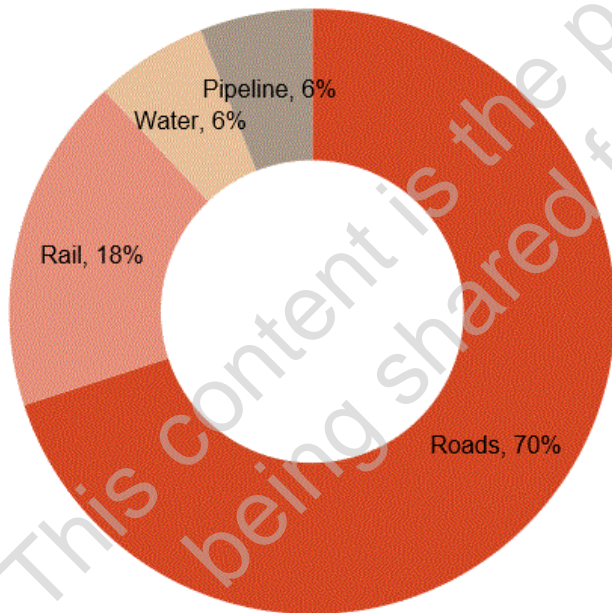


Source: MoRTH, CRISIL Research

**Roads account for 67% of total freight traffic**

Road transport is the most frequently used mode of transport for both freight and passengers. For fiscal 2021, it is estimated that ~67% of total freight (in terms of BTKM) will be carried by roads when compared with railways. In 2009-10, roads accounted for approximately 58% of the total freight traffic.

**Proportion of freight traffic across modes of transport - Fiscal 2022**

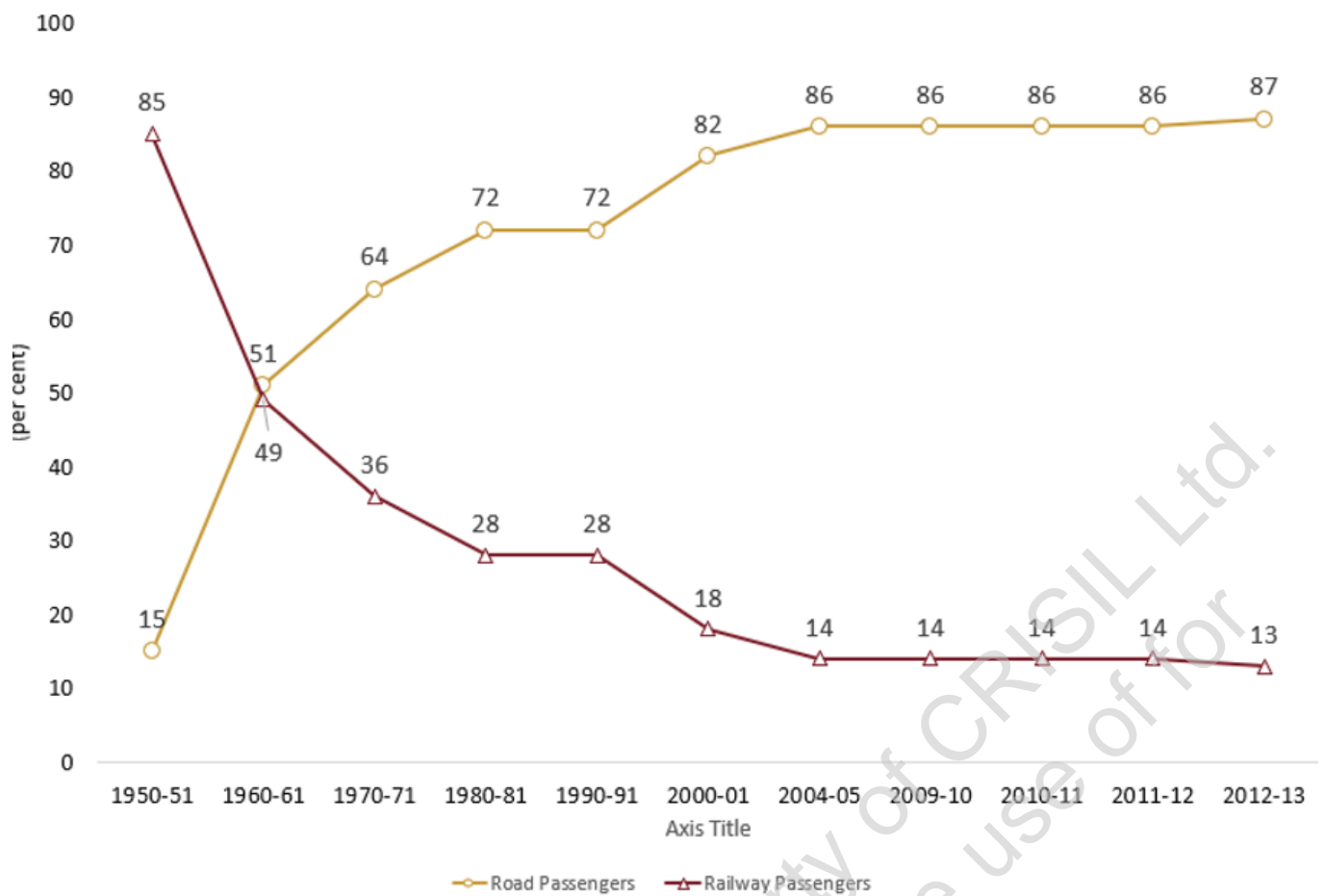


Source: CRISIL Research

Note: For details, kindly refer to CRISIL Research's coverage on Domestic Freight Transportation Services industry

**Higher passenger traffic on roads than railways**

Passenger traffic - Roads v/s railways



Note: FY13 is the latest available data

Source: Working Group Report on Road Transport for Eleventh Five-Year Plan, Industry

Since 1950-51, passenger traffic for railways has come down from 85% to 13% while passenger traffic for roads has consistently grown from 15% in 1950 -51 to 87% in 2012-13.

Preference for road transport for freight movement is primarily on account of large capacity expansions carried out by fleet operators, flexibility and door-to-door movement. Further, there are many players in road transport while Indian Railways is the only player in railways.

#### Upgradation of highways from two lane to four lanes

There has been an upgradation in terms of lanes in national highways, which has gone from being one lane and two lanes to four lanes. Single lane roads decreased from 32% in 2014-15 to ~21% currently. Two lane roads increased from 47% to 52%, while four lane roads increased from 12% to 27% during the same period. As of March 2022, 94% of the targeted 2,706 kms of expressways have been awarded while 29% have been completed.

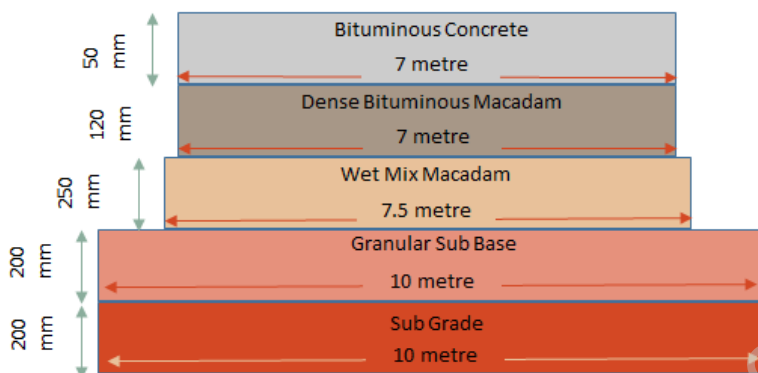


## 11.0 Road construction Process: Bituminous road

Flexible or bituminous pavement

The bituminous or flexible pavement comprises of five layers after the Earthwork:

1. Sub grade
2. Granular sub-base (GSB)
3. Wet mix macadam (WMM)
4. Dense bituminous macadam (DBM)
5. Bituminous concrete (BC)



Note: Dimensions mentioned are average values for a two lane road, which can vary within a band for different roads

Source: Industry, CRISIL Research

Cost break-up across layers

Components	% of total cost
Bituminous Concrete	12%
Dense Bituminous Macadam	24%
Wet Mix Macadam	13%
Granular Sub Base	12%
Sub Grade	5%
Earthwork , Shoulders & coats	33%

Note: Cost is for two-lane road without structures

Source: CRISIL Research

### Earthwork

Earthwork involves removal of vegetation, excavation and disposal of topsoil, uneven stones and rocks. Excavation is done in a manner that the alignment (width and shape) of the road conforms to the planned design. It is carried out with the help of equipments such as Excavators, Tractors, Cranes etc. The depth of this layer may vary from 250 mm to 500 mm.

### Sub grade

It forms the bottom layer of a flexible pavement and involves leveling of the ground surface. Materials used in leveling the ground surface are aggregates (soil, rocks and clays), which constitute over 40% of the total cost involved in constructing this road layer. The cost of aggregates is also significantly influenced by the lead distance from the quarry to the project site. In case of elevated roads, compaction of the material also needs to be carried out. Subgrade accounts for about 5% of the total cost incurred in constructing the road. The cost of this layer varies from Rs 200 to 250 per cubic metre. The thickness of this layer is highest at around 500 mm with a width of around 10 m for a two lane road.

## Granular sub-base

The GSB layer is laid after the subgrade. It consists of laying and compacting aggregates such as stones, soil, sand, small size metals, etc. This layer is built to provide strength to the road and bear the load of the traffic. The thickness of this layer may vary between 100mm - 250mm depending upon the level of traffic for which the road is designed. The cost of this layer varies from Rs 1,000-1,750 per cubic metre. Out of the total cost involved in this layer, around 90% constitutes aggregate cost, around 3% labour cost and the rest 7% towards machinery. Cost of constructing the GSB layer is 12% of the total cost of constructing a bituminous road.

The cost and composition of the sub grade and GSB layers is similar in both bitumen and cement pavement roads.

## Wet mix macadam

WMM layer is laid over the GSB layer. Within this layer, various materials such as stone aggregates, moorums, dust and sand are bound using some water and bitumen. The thickness of this layer varies from 200 mm-300 mm, and costs Rs 1,500-2,000 per cubic metre. The main cost component in this layer is aggregate cost, contributing more than three fourth of the total cost of the layer. Other costs include labour and miscellaneous costs. Cost of constructing this layer is 13% of the total cost of constructing a bituminous road.

## Dense Bituminous Macadam

DBM comprises coarse aggregates and bitumen. Presence of bitumen in layers reduces the permeability of roads. It also provides the road some flexibility when subjected to weight. The purpose of this layer is to provide strength to the road and provide coarse surface which can hold the fine aggregates laid on the top layer. The thickness (depth) of the layer varies between 50mm - 200mm but is always greater than or equal to the top layer i.e. Bituminous Concrete.

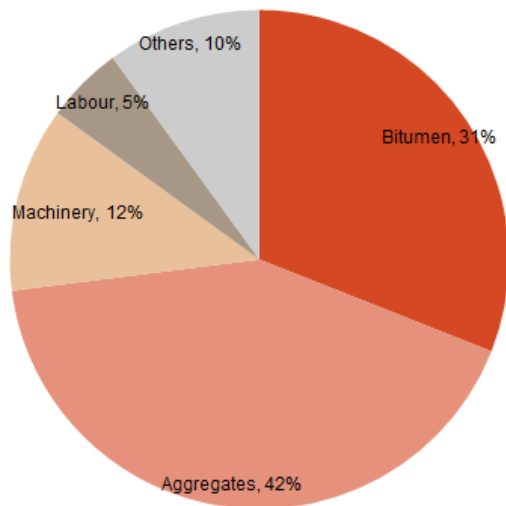
Cost of this layer is around Rs 8,000 per cubic metre. The major component of the cost of this layer is bitumen (68%); followed by aggregates (14%), and others such as machinery, labor, cement and miscellaneous.

## Bituminous Concrete

BC is the top-most layer in a flexible pavement. It consists of fine aggregates and bitumen. The thickness of this layer also, varies from 50 to 200 mm, depending upon the design of the pavement. This layer has higher proportion of bitumen as compared to DBM. High cost of bitumen as compared with other inputs makes BC as the most expensive layer of a flexible pavement.

The major component of the cost of this layer is bitumen (61%); followed by aggregates (19%), and others such as machinery, labor, cement and miscellaneous.

Cost break up of bitumen pavement



Source: Industry, CRISIL Research

### **Cement Pavement is costlier than Bitumen pavement**

Cost of cement pavement is around 20-25% higher than the cost of bituminous pavement for a two-lane greenfield road (with earthwork) with earthen shoulders.

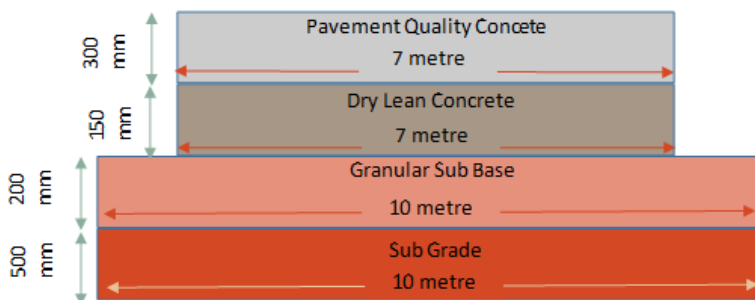
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## 12.0 Road construction Process: Cement road

Rigid or cement pavement

The rigid or cement pavement is made up of four layers after Earthwork:

1. Sub grade
2. Granular Sub base (GSB)
3. Dry lean concrete (DLC)
4. Pavement quality concrete (PQC)



Note: Dimensions mentioned are average values for a two lane road, which can vary within a band for different roads.

Source: Industry, CRISIL Research

Cost break- up across layers

Components	% of total cost
Pavement Quality Concrete	46%
Dry Lean Concrete	13%
Granular Sub Base	10%
Sub Grade	4%
Earthwork and Shoulders	27%

Note: Cost is for a two-lane road without structures

Source: Industry, CRISIL Research

### Earthwork

Earthwork involves removal of vegetation, excavation and disposal of topsoil, uneven stones and rocks. Excavation is done in a manner that the alignment (width and shape) of the road conforms to the planned design. It is carried out with the help of equipments such as Excavators, Tractors, Cranes etc. The depth of this layer may vary from 250 mm to 500 mm.

### Sub grade

It forms the bottom layer of a rigid pavement. Materials used in leveling the ground surface are aggregates (soil, rocks and clays), which constitute over 40% of the total cost involved in constructing this road layer. In case of elevated roads, compaction of the material also needs to be carried out. Subgrade accounts for about 4% of the total cost incurred in constructing all the layers. The cost of this layer varies from Rs 200 to 250 per cubic metre. The thickness of this layer is highest at around 500 mm with a width of 10 m.

### Granular sub-base

The GSB layer is laid after the subgrade. It consists of laying and compacting aggregates such as stones, soil, sand, small size

metals, etc. This layer is built to provide strength to the road and bear the load of the traffic. The thickness of this layer may vary between 100mm - 250mm depending upon the level of traffic for which the road is designed. The cost of this layer varies from Rs 1,000-1,750 per cubic metre. Out of the total cost involved in this layer, 90% constitutes aggregate cost, 3% labour cost and 7% towards machinery. Cost of constructing this layer is 10% of the total cost of construction of a cement road.

The cost and composition of the sub grade and GSB layers is similar in both, bitumen and cement pavement roads.

### Dry lean concrete

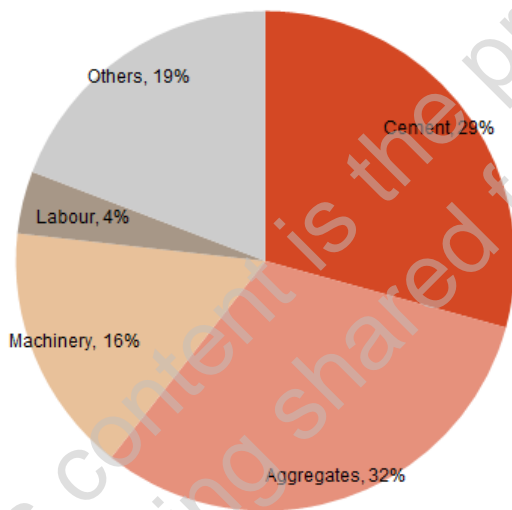
This layer consists of coarse aggregates, fine aggregates, water and cement. The proportion of the ingredients depends upon the design mix used, based on the specifications and design of the stretch. The thickness of the layer varies between 150-300 mm depending on the topography. Generally, a thick polyethene sheet is spread over this layer to avoid the moisture loss. Cost of constructing this layer is 13% of the total cost of construction of a cement road.

The cost of this layer varies from Rs 3,000 to Rs 6,000 per cubic metre. Out of the total cost involved in this layer, cement contributes around 33%. The remaining cost is shared by aggregates (28%), machinery, labour and miscellaneous.

### Pavement Quality Concrete

DLC layer is covered by the PQC layer, which forms the top-most layer of a rigid pavement. The thickness of this layer varies from 150mm - 300 mm. This layer is generally thicker than DLC. Cost of developing this layer varies from Rs 4,600 to Rs 7,600 per cubic metre. Cement cost accounts for about 40% of the total cost of a PQC layer followed by labour, aggregates, machinery and miscellaneous. High proportion of cement in the PQC layer makes it costlier than the other layers such as DLC and GSB. As a result, the PQC layer contributes around 46% to the total cost of a rigid pavement.

Cost components of Rigid pavement



Source: Industry, CRISIL Research

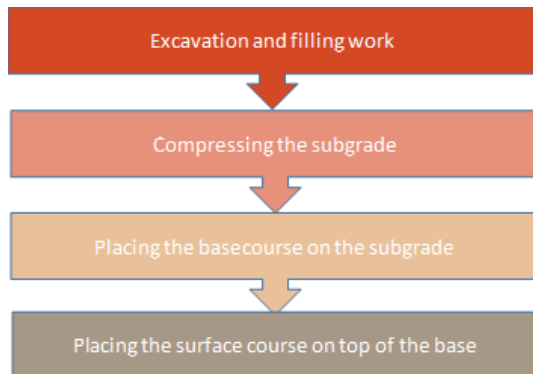
### Cement pavement is costlier than Bitumen pavement

Cost of cement pavement is around 20-25% higher than the cost of bituminous pavement for two-lane greenfield road (with earthwork) with earthen shoulders.

## 13.0 Road construction Process: Construction equipments

Road construction process

### Stages in road construction



Source: CRISIL Research

### Excavation and filling work

Geographic obstacles need to be cleared to create a continuous right-of-way and levelled surface to ensure better traffic and pedestrian movement. After this, the process of removing the earth and rock commences by digging or blasting. This stage also involves construction of embankments, bridges, and tunnels and removal of vegetation. The depth of this layer may vary from 250 mm to 500 mm. Motor graders, excavators, scrapers etc are used for this process.

### Sub grade

It forms the bottom layer of a flexible or rigid pavement and involves levelling of the ground surface by compacting the native soil. Weak soil may be stabilised with additives such as Portland cement and quicklime, or dug out and replaced with imported soil. Soil is stabilised using mobile plants which produce the homogenous mixture. The thickness of this layer is highest at around 500 mm with a width of 10 m.

### Sub base

This layer is laid on sub grade to provide strength to the road as it bears the load of the traffic. The process involves laying and compacting aggregates such as stones, soil, sand, small size metals, etc with the help of heavy equipment such as dumpers, road rollers, etc. The thickness of this layer may vary from 100 mm to 250 mm depending upon the level of traffic expected on the stretch.

### Base course

After laying the sub base, a base of even-sized gravel is laid, followed by a layer of crushed stone over it. Constituents of this layer and subsequent layers are mixed with cement, limestone, bitumen, tar, etc depending upon the type of road to be constructed. The mix is prepared by mobile batching mixers, silos, etc. This layer provides additional load distribution and contributes to drainage and frost resistance.

**Cement pavement (rigid)** - It has a layer of mixture consisting of coarse aggregates, fine aggregates, water and cement as a base course. This layer is called **Dry Lean Concrete (DLC)**. Its thickness varies from 150 mm to 300 mm depending on the topography.



**Bitumen pavement (flexible)** - It has two layers of base course:

- **Wet mix macadam (WMM)** - It consists of stone aggregates, moorums, dust and sand, bound using some water and bitumen. The thickness of this layer varies from 200 mm to 300 mm.
- **Dense bituminous macadam (DBM)** - It consists of coarse aggregates and bitumen. More bitumen is used in this layer than in the WMM layer to give it a smooth finish. Its thickness varies from 50 mm to 200 mm.

## Surface course

It refers to the topmost layer of the road, which strengthens the pavement structure by spreading out the vehicle load and also protects the pavement from wear and tear. This layer is made up of bound fine aggregates which ensures that the road has a smooth surface.

**Cement pavement (rigid)** has a surface layer called **Pavement Quality Concrete (PQC)**, laid over the DLC layer. It consists of fine aggregates mixed with greater proportion of cement than DLC. Its thickness can vary from 150 mm to 300 mm.

**Bitumen pavement (flexible)** has a surface layer called Bituminous Concrete (BC), laid over DBM and WMM. It consists of fine aggregates mixed with a greater proportion of bitumen than in the DBM and WMM layers. The thickness of this layer can vary from 50 mm to 200 mm.

## Construction equipment used in roads

A contractor has the option of meeting his equipment requirements either by buying them or hiring the equipments on a lease or rental basis. Smaller players, on account of lack of funds, often have to meet their requirements by either buying second-hand equipment or by hiring equipment on rental basis from equipment banks.

In this section, we have put together various types of road equipments, along with their main functions that are used in roads construction in India.

### Soil stabilisation plants

These plants are used for producing a homogenous mixture of sand, cement and water with aggregates. This mixture is used for preparing sub grade and sub base layers of a road. These plants can be both large and small with capacity ranging from 60 TPH (tonne per hour) to 200 TPH. Generally, these plants are assembled at the construction site and disintegrated when they need to be moved.

### Batching plants

These are the mobile plants which are used to produce the base course and surface course for the roads. Broadly, these plants are of two types:

**Concrete batching plants:** These plants are used to produce a homogeneous mix of aggregates, sand, cement, water and other additives. They are suitable for preparing cement-based macadam and thus, are used while construction of cement roads.

**Asphalt mix plants:** These plants are used to prepare a bitumen-based homogenous mix of aggregates, sand and fillers such as stone dust. Since these are bitumen-based plants, they have a heating capacity of upto 200 degree Celsius which helps to prepare a good mix.

### Crawlers, excavators and tractors

These are mainly used in earth moving and excavation. An excavator is generally used for digging trenches, holes, foundations. It is also used at times for carrying out demolitions and at other times for general grading/landscaping. Excavators are usually employed together with loaders and bulldozers. Excavators typically come in different sizes to meet the requirements of the contractor. The crawler excavator and tractors have common uses. However, excavators are generally

used in difficult terrain where a substantial earth-moving process is involved, whereas tractors are more likely to be used in flat terrain regions.

### **Loaders**

Loaders are mainly used for trenching, ditch cleaning, uploading materials into trucks, clearing rubble, and digging. A loader (front loaders), though used for digging, cannot replace the excavating machines as it cannot dig below the level of its wheels. Therefore, loaders are not classified as earthmoving machinery. They can be easily transported as they are tyre-mounted, unlike tracked excavators, which have to be disassembled and reassembled. There is one distinct variant of the loaders family, called backhoe loader. Backhoe loaders can be used for activities such as digging holes/excavating, breaking asphalt, and paving roads.

### **Tippers / dumpers**

These are new generation trucks that carry materials, sand, aggregates, etc and dump them at the desired location. Tippers and dumpers perform the same functions. Usually dumpers have a larger carrying capacity (35-50 tonnes) than tippers that carry weights between 5 to 10 tonnes.

### **Pavers**

A paver is an engineering vehicle used to prepare and lay asphalt on roadways. It heats up the aggregate asphalt mix to 300 degree Celsius, churns and lays it evenly on the road. A roller may or may not be subsequently used to press the hot asphalt mix, resulting in a smooth, even surface.

### **Road roller**

These equipment are used to compact dirt, gravel, concrete, and asphalt in construction of roads and foundations. Road rollers are also used in landfill compaction. The most commonly used rollers are pneumatic rollers, single drum rollers and tandem rollers.

### **Motor graders**

It is a motor-operated grader which has a long inclined vertically adjustable steel blade used to throw earth and other surface material from the side to the centre of a road. Alternatively, they are used to spread the surface material and gravel to create a base for the road. Graders are typically used in road construction to prepare the base course to create a wide flat surface for the asphalt to be placed on. Motor graders can have upto three blades each in the front, rear and middle of the machine. The first blade removes the crowns in the road, the middle blade mixes large pieces of gravel with fines, and the rear blade lays the material so prepared evenly.

### **Scrapers**

It is a kind of grader where one blade has extended reach. They are used in cut-and-fill sites where earth (material) is to be excavated from a different location, crushed and carried to a destination over a short haul. Alternatively, a heavy truck can be used to carry the earth excavated by scrapers. Any other debris left behind by the scraper is then taken away by a front loader.

### **Lifting Machinery**

These cranes are widely used as they can move easily on roads. These equipments are used to lift heavy objects and materials on construction sites. They are available in varying types depending on the height of lifting and the object to be lifted.

### **Tractor Crane**

They are used for lifting and carrying heavy materials on the construction site and they can move about freely because of their compact structure.

## Truck-Mounted Crane

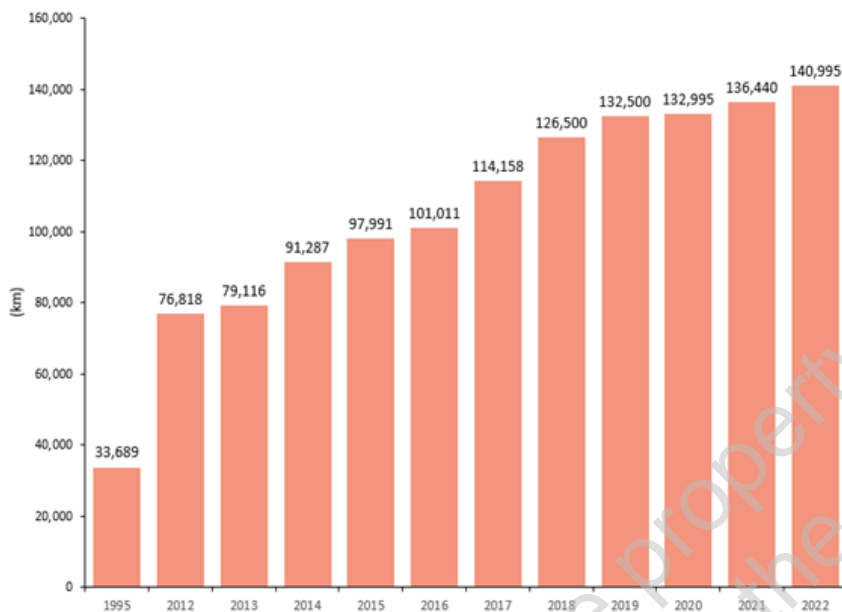
These cranes are mounted on a rubber tire truck to provide better mobility. Outriggers that extend vertically or horizontally are used to level and stabilize the crane during hoisting. These cranes are widely used as they can move easily on the roads.

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## 14.0 Overview: National highways

As of fiscal 2019, National highways constitute around 2% of the country's road network, but carry about 40% of the total road traffic. The National Highways Authority of India (NHAI), the nodal agency under the Ministry of Road Transport & Highways (MoRTH), is responsible for building, maintaining and upgrading NHs. To develop the NH network, the NHAI launched the National Highways Development Project (NHDP) in December 2000, which is not superseded by the Bharatmala Pariyojana where awarding began from fiscal 2018.

### National-highway network



Source: Ministry of Road Transport & Highways

### National Highways Development Project

The NHDP encompasses building, upgradation, rehabilitation and broadening of existing NHs. The project is executed by the NHAI, in coordination with the public works departments of various states. The NHAI also collaborates with the Border Roads Organisation for the development of certain stretches. The NHDP is being implemented in seven phases.

NHDP projects are awarded to private players either on EPC (cash) or build-operate-transfer (BOT) basis, and now on the newly introduced hybrid annuity model (HAM). NHDP cash contracts are mainly financed through budgetary allocations from the Central Road Fund, negative grants/premium received, and toll revenue. Loans and grants are also received from the World Bank and the Asian Development Bank.

Projects under existing the NHDP phases of 5,000-5,500 km to be awarded completely by fiscal 2021. These residual projects would dominate 50% of investments over the next five years. According to CRISIL estimates, Bharatmala awarding was ~5,500-6,000 km over fiscals 2018 and 2019. Investments under Bharatmala would be slow to pick up and contribute ~30% of total investments. As projects awarded under Bharatmala are 60% EPC and 40% HAM, NHAI's ability to raise funds to execute these projects would be a key monitorable.

### Bharatmala Pariyojana

Bharatmala Pariyojana (BMP) is the new umbrella scheme, which supersedes the existing National Highways Development Programme (NHDP). The programme envisages to construct about 65,000 km of highways, under the following categories:

National Corridor (North-South, East-West and Golden Quadrilateral), Economic Corridors, Inter corridor roads, Feeder roads, International connectivity, Border roads, Coastal roads, Port connectivity roads and Expressways. This will include existing NHDP programme as well. Some projects awarded in FY18 and YTD FY19 under Bharatmala are actually part of NHDP.

The Government of India had approved Bharatmala Pariyojana Phase-I in October, 2017 with an aggregate length of about 34,800 km (including 10,000 km residual NHDP stretches) at an estimated outlay of Rs. 5,35,000 crore for development of about 9,000 km length of Economic corridors, about 6,000 km length of Inter-corridor and feeder roads, about 5,000 km length of National Corridors Efficiency improvements, about 2,000 km length of Border and International connectivity roads, about 2,000 km length of Coastal and port connectivity roads, and about 800 km length of Expressways. Total of 255 road projects with an aggregate length of about 10,699 km have been approved till October, 2019 under Bharatmala Pariyojana with total Cost of Rs. 2,64,916 crore approximately. Bharatmala Pariyojana Phase-I is targeted for completion by 2021-22.

Components of Bharatmala Pariyojana (Phase -I)

Category	Description	Total Length (Km)	Length Completed (km)
Economic Corridors	Connecting of economically important production & Consumption centres	9,000	1,557
Inter Corridors & Feeder Roads	Inter- Connection between economic corridors, first mile & last mile connectivity	6,000	562
National Corridor Efficiency Improvement	Lane expansion, De-congestion of existing National corridor	5,000	1,012
Border & International Road Connectivity	Connectivity to border areas and boosting trades with neighbouring countries	2,000	1,120
Coastal & Port Connectivity Roads	Connectivity to coastal areas to enable port-led economic development	2,000	52
Expressways	Greenfield expressway	800	449
<b>Subtotal</b>		<b>24,800</b>	<b>4,752</b>

Source: NHAI, CRISIL Research

Award of Projects under Bharatmala Pariyojana

Out of the 24,800 km approved under Bharatmala Pariyojana Phase-I, a total of 447 projects of length 14,519 km have been awarded by NHAI, post the approval of Bharatmala Pariyojana in the FY 21-22. Similarly, out of the 10,000 km approved under residual NHDP in Bharatmala Phase-I, a total of 127 projects of length 5,407 km have been awarded post the approval of Bharatmala Pariyojana in FY 21-22.

SR No.	Types of Corridor	No. of Projects	Awarded Length (Km)
1	Economic Corridors	188	5,848
2	Inter Corridor Routes	51	1,936
3	Feeder Routes	19	669
4	National Corridor	59	1,552
5	National Corridor Efficiency Improvement	25	705
6	Expressway	81	2,265
7	Border Roads & International Connectivity	14	1,282
8	Coastal Roads	2	77
9	Port Connectivity	8	187
	<b>Bharatmala Total</b>	<b>447</b>	<b>14,519</b>
10	NHDP	127	5,407
	<b>Grand Total</b>	<b>574</b>	<b>19,926</b>

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## 15.0 Overview: State roads

State roads constitute around 20% of the country's total road network, handling about 40% of the total road traffic. State roads comprise state highways (SHs), major district roads (MDRs), other district roads (ODRs) and rural roads - which do not come under the purview of the Pradhan Mantri Gram Sadak Yojana (PMGSY). State roads represent the secondary system of road transportation in the country. They provide linkages with national highways, district headquarters of the state and important towns, tourist centres and minor ports.

### Overview

State roads come under the jurisdiction of the respective state governments. However, the Central government may provide financial assistance to state governments through various schemes for the development of the road network.

The responsibility of awarding contracts for road development is entrusted with two state government divisions, namely the public works department (PWD) and road development corporation (RDC). Generally, cash contracts are awarded by the state PWD, while BOT-annuity and BOT-toll contracts are typically awarded by state RDCs.

*(Please refer to Data & Statistics section for data on state government capital expenditure on state roads.)*

### Central assistance

The Central government has set up the Central Road Fund (CRF) to provide financial assistance to state governments for road development and railway safety works within the states.

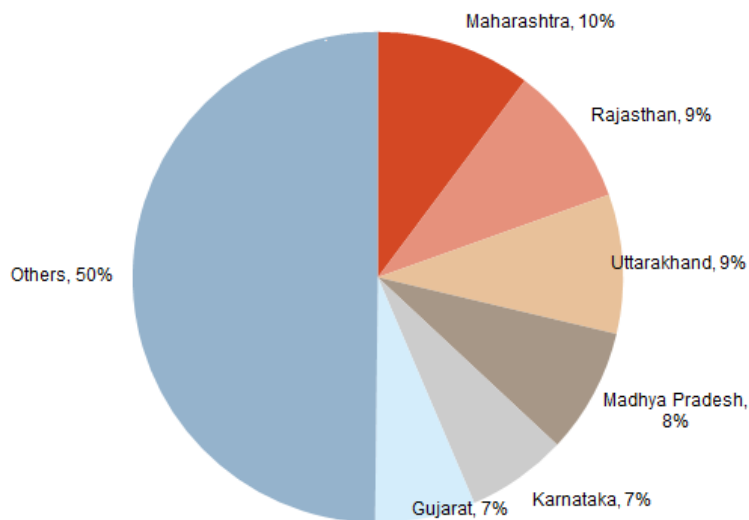
#### Central Road Fund

The CRF is funded from the cess collected on the sale of petrol and high-speed diesel (HSD). On every litre of petrol and HSD that is sold, a cess of Rs 6 is collected (since 2015-16; previously cess of Rs 2 was collected). The fund provides assistance to states for the development and maintenance of state roads, rural roads, national highways, under- and over-bridges and safety works at unmanned railway crossings. About 11% of the cess collected on HSD and 30% on petrol is allocated towards maintenance of state roads.

Funds allocated for 2014-15, 2015-16 and 2016-17 (revised estimates) were Rs 26.5 billion, Rs. 28.8 billion and Rs 71.8 billion.

About 476 projects, amounting to Rs 98.6 billion, were sanctioned under the scheme in 2017-18, compared with 1093 projects costing Rs 123 billion in 2016-17.

State-wise release of funds under CRF in 2022-23



Source: Lok Sabha questions, CRISIL Research

In Union Budget 2018-19, the road cess was replaced by the road and infrastructure cess. Previously, the road cess used to be split for NH construction, maintenance, railways, Pradhan Mantri Gram Sadak Yojana, etc, based on a fixed formula. So far, there has been no change in the split. However, going forward, the share of cess to the roads sector could reduce given the increase in the overall scope from roads to roads and infrastructure, increasing dependence on borrowings.

Out of the amount collected under CRF for state roads, 10% is reserved for the development of roads under the following schemes:

#### Inter-State Connectivity (ISC)

Under this scheme, 100% funding (not a loan) is provided by the central government. ISC typically encompasses the development of:

- Inter-state roads
- Roads connecting national highways

#### Economic Importance (EI)

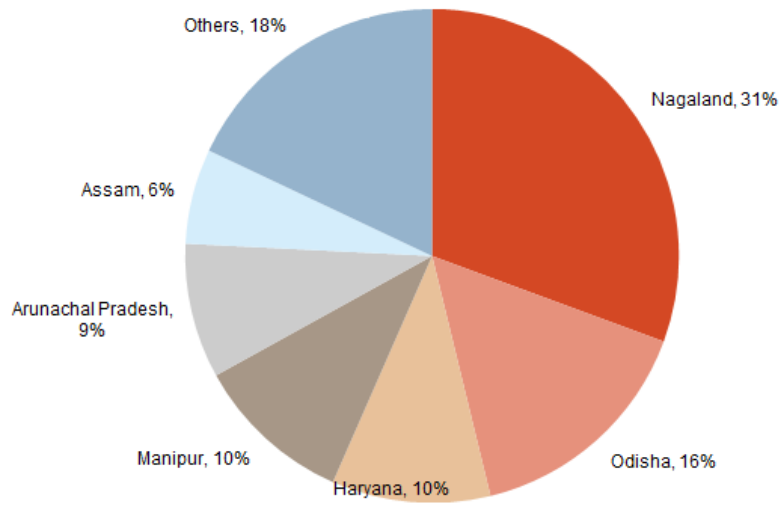
Under this scheme, projects are funded to the extent of 50% by the central government. The state government contributes the rest of the project cost. This scheme is mainly focused on the development of:

- Roads facilitating connectivity to remote industrial and economic areas
- Roads facilitating the development of remote residential areas, such as roads connecting hilly regions to plains

Funds allocated together under ISC and EI in 2014-15, 2015-16 and 2016-17 were Rs 2.39 billion, Rs 3.55 billion and Rs 4.15 billion, respectively. In 2017-18, about 19 projects, amounting to Rs 6.6 billion, were approved under ISC and EI. In 2018-19, about 18 projects, amounting to Rs 4.74 billion, were approved under ISC and EI.

During the year 2018-19 a sum of Rs 500 crore has been earmarked for the state roads under Inter State Connectivity and Economic Importance (ISC&EI) and 34 proposals involving cost of Rs. 447.34 crore have been sanctioned for improvements.

State-wise expenditure under EI and ISC Schemes in 2022-23



Source: Lok Sabha questions, CRISIL Research

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## 16.0 Overview: Rural roads

### Rural roads

Pradhan Mantri Gram Sadak Yojana (PMGSY) is a one-time special intervention to provide rural connectivity, by way of a single all-weather road, to the eligible unconnected habitations in the core network with a population of 500 persons and above (Census 2001) in plain areas. The Pradhan Mantri Gram Sadak Yojana (PMGSY) phase 1 was launched in 2000. Under the scheme, the Centre recognised 172,769 habitations as requiring all-weather roads, of which 99% of the eligible and feasible habitations have been connected as of FY21.

Further, the Government launched a new intervention in the scheme namely PMGSY-II in the year 2013-14 for consolidation of total 50,000 km existing Rural Road Network to improve its overall efficiency as a provider of transportation services for people, goods and services. 49,429 kms of rural roads are sanctioned under PMGSY-II as of date, of which, 93% have been completed.

The umbrella scheme involves construction/upgradation of over 800,000 km of rural roads. Since inception to December 2021, 762,937 Km road length has been sanctioned under various interventions/verticals of PMGSY and 6,82,341 Km road length has been completed. The target for fiscal 2021 was 43,856 km, of which 80% has been achieved.

After fiscal 2017, budgetary allocation by the Central government to the scheme has been kept at Rs 190 billion. The actual expenditure has been lower than the allocation. However, the total investment in PMGSY has steadily increased.

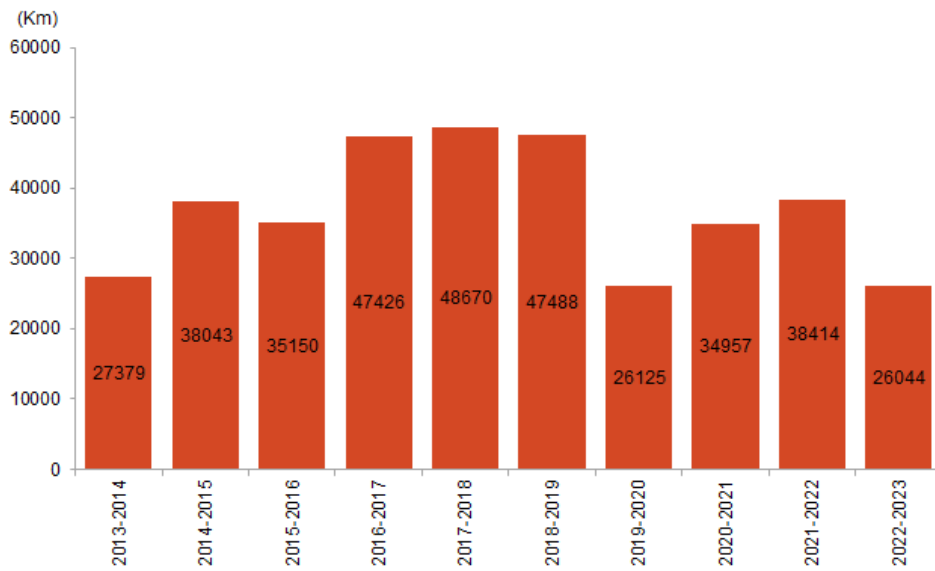
### PMGSY-III announced in Budget 2020

Under the PMGSY-III scheme, announced in the Union Budget 2019-20, it is proposed to consolidate 125,000 km road length in states over the next five years. The scheme will also include 'through routes' and 'major rural links' that connect habitations to Gramin Agricultural Markets (GrAMs), higher secondary schools and hospitals.

It will entail an estimated cost of Rs 80,250 crore (Central share Rs. 53,800 crore, states' share Rs 26,450 crore).

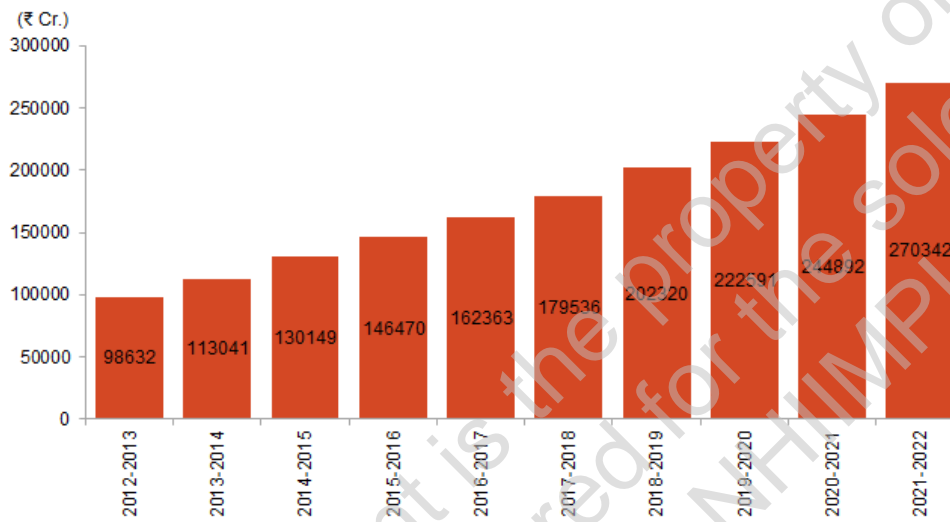
The road length in km to be constructed under PMGSY-III is significantly lower than the 218,000 km constructed under the umbrella scheme between fiscals 2015 and 2019. CRISIL Research expects investments in rural roads to slow down by ~10% over the next five years, due to the lower targets.

### PMGSY - Year-wise road length constructed (Km)



Source: Ministry of Rural Development

### PMGSY - Year wise expenditure

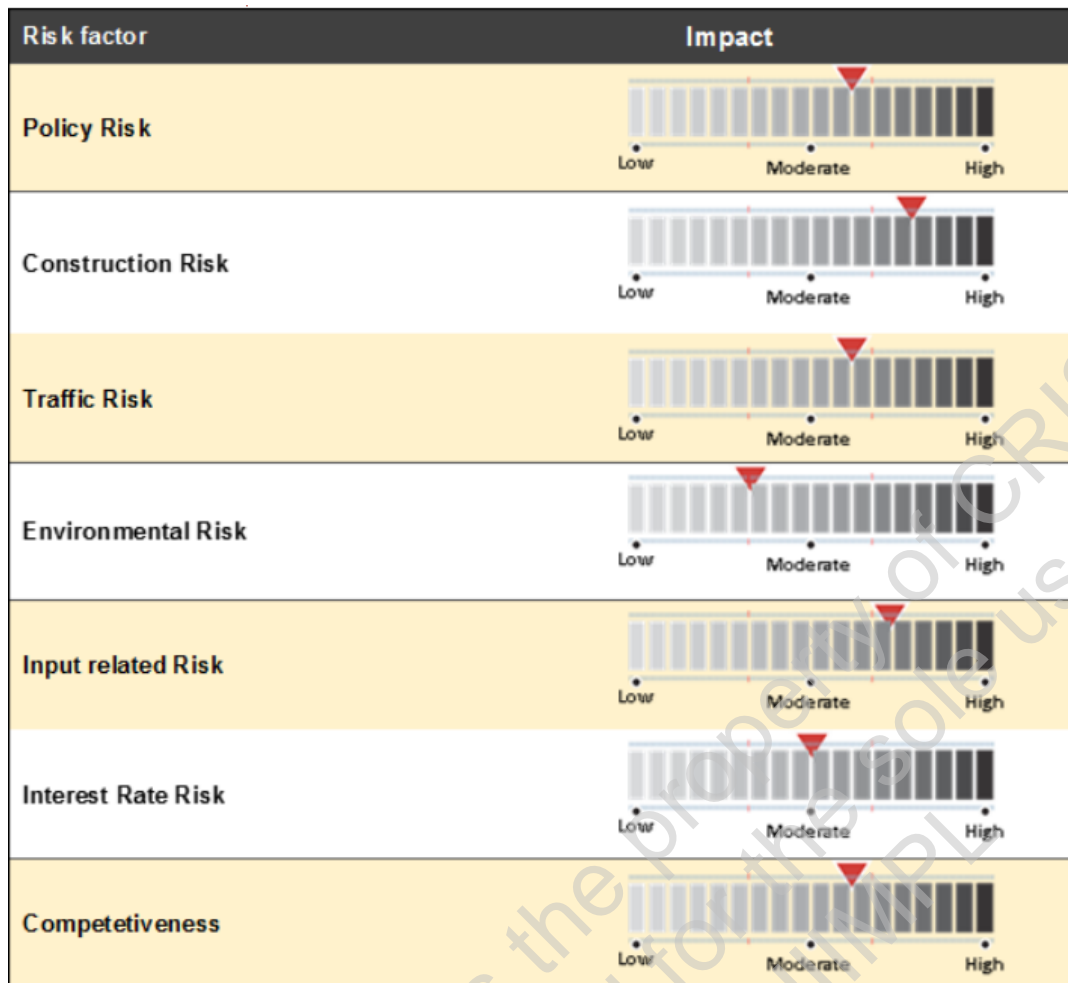


Source: Ministry of Rural Development

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## 17.0 Risk profile factors

Key risk factors



Source: CRISIL Research

### Policy Risk

The concession period for PPP projects in India is 15-20 years. During this period, policies from different governmental agencies are in play. Policy risk is higher during the operations and maintenance (O&M) period as many policies can negatively affect the traffic flow for projects in which a developer takes the traffic risk. Here's an example: because of ban on mining iron ore in Goa and in some parts of Odisha, the road stretches which were dependent on the traffic generated by these mines had to take a hit. GST is another example of such a policy risk. GST brings in the need for formalisation of the entire value chain, which will take time. Until then, road construction players have to shoulder the burden of increased working capital. For some contractors, this could hamper their ability to infuse more money required for project execution.

### Construction risk

Road projects (EPC/BOT/HAM) involving construction are long term in nature (two-three years minimum) . All long-term projects are exposed to inherent risks such as construction delays owing to lack of funds, material shortages, unanticipated cost increases, cost overruns, inability to negotiate satisfactory arrangements with joint venture partners, and arbitrations.

### Traffic risk

The financial flexibility of an entity which takes up the traffic risk depends substantially on accuracy of traffic estimates.



Decrease in actual traffic volume and the forecasted numbers can adversely impact a company financially (cash flow crunch) and operationally. In HAM and BOT annuity models, the traffic risk is taken by the government. However, in BOT toll, operate-maintain-transfer (OMT) and toll-operate-transfer (TOT) models, the traffic risk is taken by the private entity.

## **Environmental risk**

Risk of natural calamities on road infrastructure is uncontrollable. It impacts road infrastructure, sometime rendering it inaccessible. The concession agreements of PPP projects peg the cost on both private party and government authority.

## **Input-related risk**

- Land is one of the most important components for the industry. The land acquisition process is time consuming. Thus, the status of land acquisition during awarding of a project and within a particular period after the project has been awarded is crucial, as a small portion of unacquired land can render investment in the remaining part of the project futile.
- Cost of raw materials such as bitumen depends on the international market for oil. Change in oil prices affects the overall cost of a project.
- The risk of cost escalation or raw material shortage is company specific depending on the company's procurement policies, especially in some states such as Karnataka, where sand availability is an issue and has to be imported.
- Funding for PPP projects awarded under HAM and BOT toll model. Depending on the competitiveness of the bid, policies on the roads sector and the scenario of the banking sector, availability of funding could be limited to some players or some projects.

## **Interest rate risk**

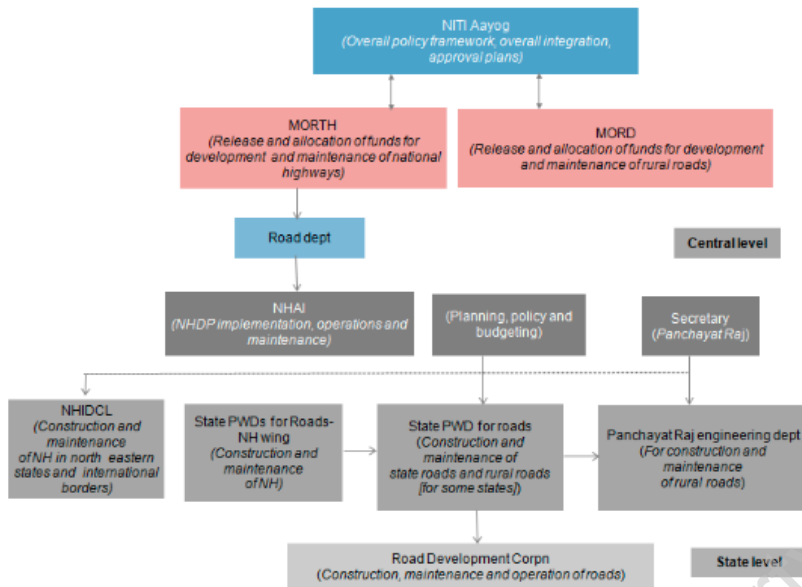
The concession period of a PPP project is as long as 20 years. Thus, one of two parties involved in the agreement has to bear the interest risk on funds borrowed for construction. In case of BOT toll projects, the concessionaire takes the interest rate risk. However, in case of HAM, the government agency makes a payment along with annuity payments, which is linked to the prevalent bank rate, thus reducing interest rate risk by a considerable amount.

## **Competitiveness**

The ability of a bidder to quote a particular margin while bidding for projects depends on the intensity of competition for the project. Apart from construction of road in hilly terrains and interior parts of the country, where resource mobilisation is tough, the developer does not need to possess major technological capabilities. Thus, the entry barrier to the sector is low. However, the ability to bid for a BOT toll or a HAM project is limited to few players as it requires financial capacity along with execution track record. Thus, the level of competition could be different for different project models, with EPC generally attracting the highest intensity as it doesn't require capital infusion from the company.

## 18.0 Regulatory Framework: Institutional framework

Institutional framework Road sector - Institutional arrangement at the Central and State level



Note: NHIDCL stands for National Highways and Infrastructure Development Corporation

Source: CRISIL Research

In January 2015, the NDA government replaced the Planning Commission with NITI (National Institution for Transforming India) Aayog, a multi-tiered structure that will provide strategic and technical advice to the Central and state governments. At the Central government level, several line ministries will handle transport planning, coordination and policy setting; overall coordination is by NITI Aayog.

At the Central level, NITI Aayog in consultation with the Ministry of Road Transport and Highways (MoRTH) and the Ministry of Rural Development (MoRD) is responsible for overall policy, programme development and resource planning. MoRTH's duties relate to policies on road transport and development and maintenance of national highways.

National Highway Authority of India (NHA) is the implementing agency for implementation, operation and maintenance of national highways. NHA was constituted and operationalised in February 1995; it was given the status of an autonomous corporate body under the control of the road transport ministry. However, the Central government has powers to divest NHA of its responsibilities.

At the state level, the overall policy, programme development and resource planning is done by the state planning cell in consultation with the Centre (NITI Aayog) and the state ministry of roads.

National Highways and Infrastructure Development Corporation (NHIDCL) was incorporated in July 2014. NHIDCL is a fully owned company of MoRTH. Its mandate is to design, build, operate and maintain national highways and roads in the north-eastern region and other parts of the country that share international boundaries with neighbouring countries.

State public works departments (PWDs) and road development corporations are implementing agencies at the state level implementing, operating and maintaining the state highways, major district roads and rural roads in some states.

MoRD is responsible for policy development as well as monitoring and coordination of rural roads. Apart from state PWDs, the Panchayati Raj ministry also constructs and maintains rural roads. Allocation for Pradhan Mantri Gramsadaak Yojana (PMGSY),

which is focussed on rural roads, is provided by MoRD.

The ministries allocate and release funds, for the development of roads, to the respective implementing agencies.

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## 19.0 Regulatory Framework: Policy Framework

Policy framework

### Budget 2022

The FY23 capital allocation for MoRTH stood at Rs 1,99,107.71 crore, which is the highest-ever for the ministry. In FY22, this stood at Rs 1,08,230 crore. The total allocation, including revenue expenditure, for FY22 stood at Rs 1,18,101 crore, up from Rs 1,01,823 crore in FY21.

Of the total allocation, the National Highways Authority of India (NHAI) will get 1,34,015 crore (~67%), up from Rs 57,350 crore (revised estimate) in FY22. Between 2017-18 and 2021-22, NHAI has been borrowing an average of Rs 63,300 crore per year.

### Impact

The increase in allocation is expected to improve road connectivity across the country, and will have favourable spillover effects on allied sectors such as construction-focused companies as well as boost demand for steel and cement.

### Key policy measures for private participation

In order to encourage and facilitate private sector investment and participation in the roads sector, the central government has undertaken certain policy measures and provided certain fiscal incentives within the sector. The most significant policy reforms in recent times are discussed below.

#### Amendments to Build-Operate-Toll (BOT) Model Concession Agreement (MCA), Aug 2020

##### Land Acquisition:

1. The Authority shall grant vacant access and Right of Way for minimum **90%** of the construction zone before the Appointed date as opposed to **80%** previously.
2. The **balance 10% land** should be granted within **180 days** of the Appointed date and in the event of delay beyond the said 180 days, the balance RoW would be **removed from the scope of work**. The descoping clause was not present in the earlier agreements. **Automatic descoping** enables the developer to receive PCOD/ COD on the completed stretch and start tolling.
3. If Appointed Date is not received within the first anniversary of the Date of Signing the Concession Agreement (or extended period), the project would be deemed to be **terminated**. This termination clause was not present in earlier agreements, it was introduced in HAM and is similar in the new BOT agreement.

##### Traffic Risk:

1. Another major change in the MCA is the provision of assessing the **revenue of a project every five years** instead of 10 years or once in a lifetime of the project. In case of traffic shortfall from the Target traffic, the concession period would be adjusted accordingly.
2. The new clause states that in the event the Actual Average Traffic has fallen short of the Target Traffic by more than **5%**, then for every 1% shortfall, the remaining concession period will be increased by 1%. But shall not exceed 20% of the concession period..

##### Additional Clause for Stuck projects:

1. In case the **project has not achieved COD one year post its Scheduled Completion Date** and proceedings have been started against the Concessionaire before the NCLT the project will be mutually foreclosed and the Authority shall

pay the concessionaire an amount equal to:

- a. 90% of debt due less Insurance cover and
- b. Value of work done

2. This will prevent dragging of projects that would lead to time and cost overruns that happened in the earlier BOT era.

### **Impact of the policy**

- The automatic descopeing as well as making 90% land available before the Appointed Date would nullify land acquisition issues that were prevalent in earlier BOT projects. Plus, the clause to terminate the project if Appointed Date is not achieved within a year, would also weed out unviable projects and avoid cost and time overruns.
- Revenue assessment based on Target traffic every 5 years instead of 10 years, makes it more viable for developers to bid for BOT projects and maintain their IRRs.
- The additional clause on stuck projects, especially due to developers default, would also enable NHAI to weed them out and rebid them viably.

### **Amendments to Engineering, Procurement and Construction (EPC) Model Concession Agreement (MCA)**

The key changes made to the EPC MCA are:

- Right of way: Deadline reduced from 240 days to 180 days for approval/ clearances for area under forest or sanctuary.
- If Appointed date is not received within 90 days of signing the agreement, contract may be terminated. Authority will pay contractor damages = 1% of the contract price to contractor for each day of delay
- If project is not completed within 90 days of Schedule completion date, contractor would be ineligible to bid for future projects till such is complete.
- Lower compensation and higher tenure for maintenance obligations of contractor. Defect liability period increased from 4 years to 10 years.
- Increased interest on mobilization advance paid to authority. Earlier recovery of mobilization advance by the authority. Release of retention money against bank guarantees discontinued.

### **Impact**

- Authority's obligations increased to enable quicker land acquisition
- Developers working capital needs increased; also responsible for timely completion of project

### **Introduction of the Hybrid Annuity Model (HAM)**

The broad contours of the policy are:

- 40 per cent of total project cost to be funded by the government and the remaining by the developer.
- The project cost will be linked to inflation
- The 'Construction Support' is to be disbursed in five equal installments of 8% each and the timing of each such payment shall be linked to percentage of project cost spent by the concessionaire.
- Traffic risk will be borne by the government with developers receiving fixed annuities
- Annuities will be linked to bank rate plus 3%
- 80% of land to be provided prior to appointed date

### **Impact of the policy**

- With land being acquired and other clearances already in place before appointed date, construction risk is expected to be lower.
- Lenders will be assured a steady stream of inflows as traffic risk will entirely be borne by the government.
- The low risk and lower capital requirements is expected to entice private players as well as bankers towards these projects and gradually help increase private participation in the sector



(For more details, please refer to Impact Analysis: Hybrid Annuity Model)

### **Recent policy amendments related to HAM projects:**

Operation & Maintenance (O&M) bids have been removed as an award criteria since many players were quoting excessively low O&M bids in order to win projects. Furthermore, additional performance security is now required for abnormally low bids below 20%. Additionally, the government has also contemplated adjusting the calculation of net worth calculation by deducting balance equity commitments from the actual net worth before awarding projects.

#### **Impact of the policy**

These measures are likely to reduce the bidding intensity and prevent projects being awarded at abnormally low quotes to developers not possessing sufficient resources to complete the projects.

### **GST on HAM projects:**

The GST council has made 12% GST applicable on annuity payments for HAM projects received during the operations period.

### **Amendments to Model Concession Agreement (MCA) of DBFOT: Toll**

Key changes include:

- Back ending of premium payment
- Redefinition of project milestones
- Lenders receive first charge on all rec
- Deemed termination of projects
- Maintenance obligations
- Toll fee notifications

#### **Impact**

The amendment to allow premium payment to begin only in the fourth year of completion will give the developers and lenders a great level of comfort as interest payments are high in the first 3 years of operations. The deemed termination of projects will ensure that troubled projects are terminated without delay, thereby avoiding problems that previously existed with prolonged delay of projects. The amendments with regard to toll fees and maintenance of national highways will provide better protection to the users of highways.

(For more details, please refer to Impact Analysis: Amendments to MCA: DBFOT Toll)

### **Exit policy**

On August 26th 2015, the Cabinet Committee on Economic Affairs (CCEA) amended its earlier approval dated 13th May, 2015 to allow 100 per cent equity divestment after two years of completion for all BOT projects, irrespective of year of award. The previous policy allowed such divestments only for projects awarded prior to September 30th, 2009. While the previous policy allowed the funds obtained through such divestments to be used only for completion of the concessionaire/promoter's other pending BOT road projects, the new policy allows the proceeds to be used to complete any highway projects, any power sector projects or also to retire their debt in any other infrastructure projects.

#### **Impact**

This move will help closing of stake sale transactions announced in the last one year. Thus, helping free up capital of developers which can be used to repay debt or invest in new projects.

### **NHAI Fund Infusion**

On May 13, 2015, the CCEA permitted NHAI to infuse funds in projects stuck in advanced stages of completion. Below are the broad contours of the policy announced:

- Government to look at one time fund infusion in stalled projects, where 50% work has already been done.
- NHAI to have the first charge on toll revenues

### **Impact**

This policy will improve developers' cash flows through toll collections and also improve their debt servicing ability. However, as NHAI will have the first charge on the receivables, the lenders are hesitant in allowing for such a fund infusion and hence this policy may not have significant impact in the near future.

### **Premium rescheduling**

In March 2014 premium rescheduling was announced for projects with delays or lower than expected traffic were allowed premium rescheduling. This helped players to manage cash flow mismatches especially at a time when loans tenors were significantly lower than project life thus resulting in cash flow issues. It also helped specifically for aggressively bid projects where premium payments amounted for a very large portion of the total cost.

### **Substitution**

In January 2014, the Cabinet Committee on Economic Affairs approved the proposal to facilitate substitution of concessioners in ongoing and completed national highways project. As per the proposal, the existing concessioners are permitted to divest their equity in totality in on-going or completed projects. However, subsequent to the substitution, the leading substituting entity will be required to maintain at least 51 percent equity holding in the project SPV. The decision to permit substitution will be taken by lenders in consent with NHAI.

### **De-linking of Forest and Environmental clearances**

In March 2013, the supreme court approved to de-link forest and environmental clearances. This de-linking of the two clearances is valid only for road widening projects. In a notification in 2011, the Environment and Forest ministry has asked for forest clearances before seeking environmental approval. This led to a lot of road projects to be stalled in the first stage itself. This judgment allows companies to start the road widening work with just environmental clearances without waiting for forest clearances. However, forest clearances will be necessary for stretches that fall in the forested areas.

### **Relaxation on green nod norms for road widening projects up to 100 km**

In June 2013, the Environment Ministry cleared a proposal allowing expansion of highways up to 100 km without environmental clearances. Earlier, environmental approval was not required for road expansion up to 30 km. The relaxation will also be applicable on existing highways which require additional 40 meters of land for widening. This limit was earlier 20 meters.

### **Repayment of 75% of Arbitration Claims**

In August 2016, ministry introduced a policy with regards to payment of 75% of arbitration claims to the concessionaires. According to it, if an arbitration claim has been awarded in favor of a private concessionaire in a lower court/tribunal and the government agency has appealed against it in a higher court/tribunal, then the private player can receive 75% of the claimed amount. It will have to provide to the authorities a Bank Guarantee of an equivalent amount to the government agency.

### **Impact**

This policy will help the private players facing financial problems and having substantial amount of claims pending with NHAI. This is expected to help kick-start stalled projects on account of fund infusion by developer as well as provide some relief to the lenders on account of loan repayment.

## 20.0 Working capital analysis

### Working capital analysis

	FY23	FY22	FY21
<b>Working Capital Days</b>	-10	86	70
<b>Inventory days</b>	88	198	172
<b>Receivable days</b>	61	124	142
<b>Payable days</b>	159	236	244

Note: Aggregate standalone numbers for Ashoka Buildcon, Dilip Buildcon, IRB Infrastructure Developers have been considered

Source: CRISIL Research

- Working capital in fiscal 2023 was declined due to an decreased in the inventory days. The decrease in inventory days can be attributed to higher construction activity during the fiscal because of erratic monsoons.
- After a spike in fiscal 2021, receivable days reverted back to fiscal 2020 levels for the top road developers. This trend was facilitated by timely payment of dues by the NHAI and introduction of relief measures under the atmanirbhar package introduced during the COVID-19 pandemic.
- However, many of these companies have sizeable presence in the irrigation sector where there have been severe issues regarding the timely payments of dues by the concerned authorities. This was one of the key reasons behind the increase in receivable days of the players in fiscal 2021. As a result, the benefits from NHAI's favorable measures have been negated somewhat.
- Payable days for the players have also increased in the last 3 fiscals as the larger players have been able to negotiate more favorable terms for their credit and prolong the allowed duration for their payables.

## 21.0 Company profiles: IRB Infrastructure Developers Ltd.

### Overview/Background

Incorporated in 1998, IRB Infrastructure Developers Ltd is an established road developer with expertise in build-operate-transfer (BOT) toll road projects. With toll roads, construction, and real estate as IRB's business segments, about 60% of its revenue in fiscal 2016 was from the construction business.

IRB undertakes engineering, procurement, and construction (EPC) contracts through its subsidiary, Modern Road Makers Pvt Ltd. It has formed a separate subsidiary, IRB Sindhudurg Airport Pvt Ltd, for greenfield airport projects and carries out real estate activity under Aryan Infrastructure Investments.

The company is currently one of the few established players still participating in road projects under the BOT model. It is one of India's largest road BOT operators and has a rich portfolio of 29 road projects, majority of which are under BOT mode. Of these, 6 projects under ongoing concession, 8 projects under implementation, 6 projects under O&M and 7 completed projects.

#### Content

- [Recent/Key Developments](#)
- [Operational Performance](#)
- [Financial performance](#)

### Recent/Key Developments

- On 21 March 2018, IRB infrastructure developers Ltd. receives an LOA (Letter of Award) from National Highways Authority of India (NHAI) for the Hybrid Annuity Project under NHDP Phase VI in the state of Gujarat. The project is 6-laning of Vadodara - Kim expressway.
- On 22 March 2018, Company bagged a contract a Rs 34 billion road project from the NHAI in Uttar Pradesh to be developed on build, operate and transfer basis. The project is six laning of the 99.86 km stretch on Hapur Bypass, from Hapur to Moradabad in Uttar Pradesh.
- The company in December 2017 received 75% of the arbitral amount for its two projects. This was in accordance with the Cabinet Committee on Economic Affairs's decision to deposit 75% of the award amount into an escrow account against the margin fee bank guarantee where the agency had further challenged the award in court. IRB Ahmedabad Vadodara Super Express Tollway Private Limited received Rs 205.5 million and IRB Goa Tollway Private Limited received Rs 2,418.9 million against the bank guarantee.
- In July 05 2017, IRB Infrastructure Developers achieved financial closure for its SPV Udaipur Tollways for the Rs 2,0.9 billion highway project on Rajasthan- Gujarat border.
- In December 2016, the company received the letter of award from the National Highways Authority of India for the six-laning of the Kishangarh-Gulabpura section in Rajasthan, Package I, which is approximately 90km, on DBFOT toll basis. The company offered a premium of Rs 186.3 crore to the NHAI.

#### Business Profile

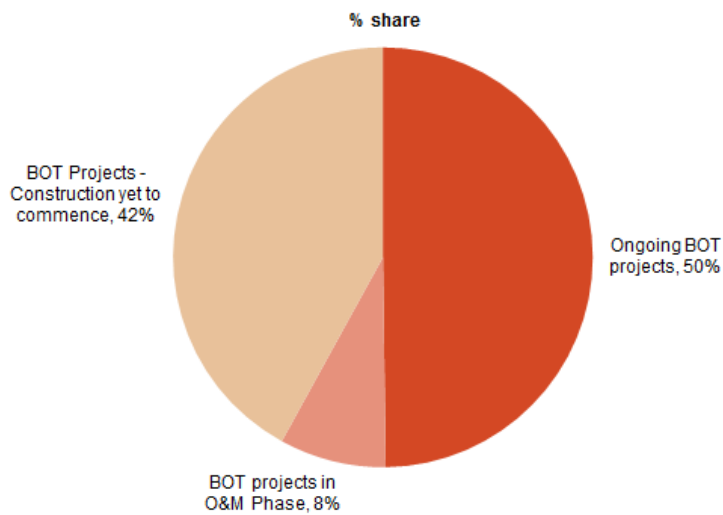
##### Capital expenditure plans

##### Capital market information

##### Other Details

### Operational Performance

Order Book As on December 2017,



Source : Crisil Research

## Financial performance

Total consolidated income increased by 14% from Rs. 50.99 Billion in FY 2015-16 to Rs. 57.40 Billion in FY 2016-17. Revenue from operations increased by 14% from Rs.50.28 Billion in FY 2015-16 to Rs.56.90 Billion in FY 2016-17. The consolidated toll revenues (net of revenue share) increased by 12% from Rs. 20.99 Billion in FY 2015-16 to Rs.23.51 Billion in FY 2016-17. Interest costs increased by 25% from Rs.10.64 Billion in FY 2015-16 to Rs.13.33 Billion in FY 2016-17 mainly because of NH-8 section of Ahmedabad-Vadodara becoming operational during last quarter of FY 2015-16. Post minority interest, Profit After Tax (PAT) also rose by 12%, from Rs. 6.40 Billion in FY 2015-16 to Rs.7.14 Billion in FY 2016-17.

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## 22.0 Company profiles: KNR Constructions Ltd.

### Overview/Background

KNR Constructions Ltd was established in 1995. It is a construction company with expertise in engineering, procurement and construction (EPC) services across roads and highways, irrigation and urban water infrastructure management. Its order book is dominated by road projects (85%), followed by irrigation. It has a portfolio of four BOT projects, of which two are BOT annuity and two are BOT toll projects. In which one BOT-Toll project is under construction. The company is an established player in the southern states viz. Andhra Pradesh, Karnataka, Kerala, Telangana and Tamil Nadu, which account for 89% of its order book. The company has demonstrated a strong execution capability with its track record of 6,000 km of road projects executed across 12 states in 2015-16. Some of these projects were completed before schedule.

#### Content

- [Operational Performance](#)
- [Financial performance](#)

### Recent/Key Developments

#### Business Profile

#### Capital expenditure plans

#### Capital market information

#### Other Details

### Operational Performance

KNR Constructions Ltd: Details of NHDP contracts

Stretch	NH No	States	Type	NHDP Length		Cost	Status
				Phase	(kms) Rs million		
Krishnagiri-Vaniyambadi	46	Tamil Nadu	Cash	Phase I	49	1,635	Completed
Sunakhala - Ganjam	5	Orissa	Cash	Phase I	56	2,415	Completed
Kavali - Nellore	5	Andhra Pradesh	Cash	Phase I	44	1,471	Completed
Ghaziabad - Hapur & Hapur Bypass	24	Uttar Pradesh	Cash	Phase I	33	1,815	Completed
Islam Nagar - Kadthal	7	Andhra Pradesh	Annuity	Phase II	53	5,468	Completed
AP/Karnatka border- Nandi Hill	7	Karnataka	Annuity	Phase II	61	4,028	Completed
Madurai - NS - 39 - Tirunelveli Section	7	Tamil Nadu	Cash	Phase II	42	5,674	Completed
Madurai - Tirunelveli Section - NS - 43	1,7	Tamil Nadu	Cash	Phase II	43	4,235	Completed
Kanniyakumari-Panagudi - NS - 32	7	Tamil Nadu	Cash	Phase II	32	1,200	Completed
Lumding to Daboka - AS-15	54	Assam	Cash	Phase II	19	1,300	Completed
Nagaon bypass - AS-18	37	Assam	Cash	Phase II	23	2,300	Completed
Four lanning of Walayar - Vadakkancherry section	47	Kerala	Toll	Phase II	54	6,820	UI
2-Laning with paved sholder of Muzaffarpur - Barauni	28	Bihar	Toll	Phase IV	108	3,564	UI

as on May 31, 2016

n.a.: Not available

NHAI: National Highways Authority of India

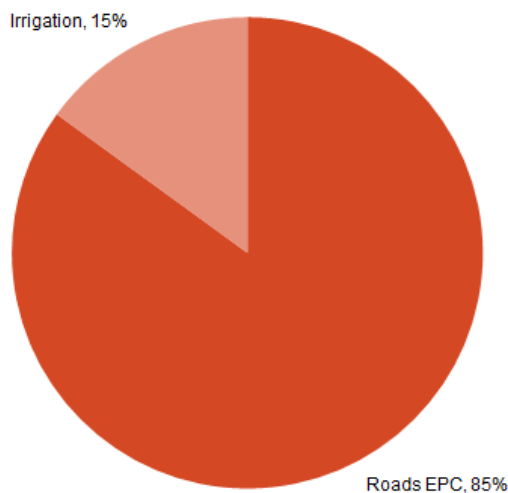
Source: Crisil Research

KNR Constructions Ltd: Details of NHDP contracts under implementation

Stretch	NH No	States	Type	NHDP	Length	Cost	Completion Anticipated
4 Laning of Madurai - Ramanathapuram	49	Tamil Nadu	EPC	Phase III	115	13,871	Nov-17
4 laning of Kazhakkottam - Mukkola	47	Kerala	EPC	Phase III	27	8,452	Nov-17
4 Laning of Hubli Hospet*	63	Karnataka	EPC	Phase IVB	143	13347	n.a
2-Laning with paved sholder of Muzaffarpur - Barauni	28	Bihar	Toll	Phase IV	108	3,564	Dec-17

Source : Crisil Research

Order Book Share as on Dec 2017,



Source: Crisil Research

## Financial performance

The total income from the operations of the company for FY17 was Rs.16.40 billion has grown by 71% over the year, compared to Rs.11.60 billions for FY 2015-16. The Earnings before Interest, Depreciation, Taxes and Amortization (EBIDTA) for FY 2016-17 is Rs.2.67 billion, accounting for 14.90% of the revenue as against 16.94% in FY 2015-16, mainly due to share of profit of Rs.148.0 million in one of the Joint Venture Operations has been recorded in the year FY 2015-16. The Profit after Tax for FY 2016-17 at Rs.987.5 million is 6.0% of revenue, compared to Rs.1121 million, which constituted 9.62% of the revenue in 2015-16.

### Financial Data -

		2014	2015	2016	2017
Net Sales	Rs. Lakhs	86868	90420	116099	164096
Operating Profit	Rs. Lakhs	13115	14341	17538	26775
Operating Margin	Percentage	15.08	15.84	15.04	16.27
Profit After Tax	Rs. Lakhs	6046	5599	11210	9875
Net Profit Margin	Percentage	6.95	6.19	9.62	6.00
Net Worth	Rs. Lakhs	66414	84262	77932	87850
Total Debt	Rs. Lakhs	30419	35728	45832	65560
Debt-Equity Ratio	Times	0.64	0.91	0.94	0.78
RoCE	Percentage	9.69	5.14	12.30	11.90
Interest coverage	Times	7.65	10.89	3.74	4.15
Asset turnover ratio	Times	6.24	4.61	5.96	7.47
Current ratio	Times	1.20	1.22	1.37	1.22

Source : Crisil Research

## 23.0 Company profiles: PNC Infratech

### Overview/Background

PNC is an India-based infrastructure construction, development and management company. It executes infrastructure projects, including highways, bridges, flyovers, power transmission lines, airport runways, and industrial area development and has expertise in engineering, procurement and construction (EPC) projects in roads and highways.

In May 2015, the company went public by filing for an initial public offering, to raise Rs 530 crores. The issue size was about 12,921,708 shares which included fresh issue of 11,500,000 shares and offer for sale of 1,421,708 shares by Jacob Ballas, private equity investor in the company.

#### Content

- [Recent/Key Developments](#)
- [Operational Performance](#)
- [Financial performance](#)

### Recent/Key Developments

- In July 2016, the company was declared as the lowest bidder (bid cost - 881 crores) for four/two-laning project with paved shoulders of Dausa-Lalsot-Khautun section in Rajasthan, under National Highways Development Project (Phase IV). The project was to be executed on hybrid annuity mode.
- It also received letter of award for four-laning project of Etah-to-Kasganj road in Uttar Pradesh, from Public Works Department, for contract value of Rs 232.91 crore, on EPC basis.
- In March 2017, the company was declared the lowest bidder for project for the following projects based on Hybrid annuity model
  - Six laning Chitradurga - Davanagere including Chihadurga bypass in Kamataka
  - Four laning Jhansi-Khajuraho section of NH 75176 (Package I) for a bid project cost of Rs. 14.1 billion.
  - Four laning Jhansi-Khajuraho section of NH 751'16 (Package II) from km 76 30 to km 161.70 in the states of UP & MP under NHDP III for a bid project cost of Rs 13.1 billion
- In March 2017, the company sold its investment equivalent to 76.50% of the Paid up capital held in its subsidiary, PNC Power Private Limited. post the transaction, PNC Power Private Limited ceases to be a subsidiary of the company.

#### Business Profile

#### Capital expenditure plans

#### Capital market information

#### Other Details

### Operational Performance

Order Book as on September 2017

Key EPC projects	Awarding Authority	Total value Rs.Crore
Nagina-Kashipur	NHAI	1156
Varanasi-Gorakhpur	NHAI	785
Dausa-Lalsot	NHAI	567
Bhojpur-Buxar	NHAI	477
Aligarh-Moradabad	NHAI	468
Koilwar-Bhojpur	NHAI	454
Total value		3907
Other projects		928
Total Order Book		4835

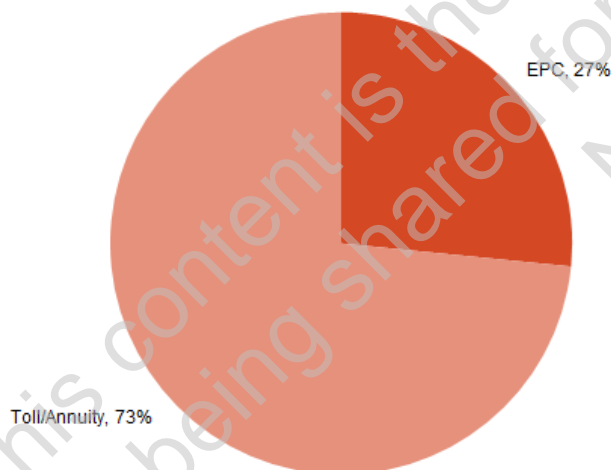
Source: Crisil Research

#### New HAM Projects won

Recent order wins	Bid Project cost (Rs.Crores)
6 laning Chitradurga - Davanagere including Chitradurga bypass, design chainage km 0.000 to km 20.700 and Km 208.000 to km 260.000 of NH 48 (Old NH-4) in the state of Karnataka under NHDP V	1434
4 laning Jhansi-Khajuraho section of NH 75/76 (Package I) from km 0.00 to km 76.30 in the states of UP & MP under NHDP III	1410
4 laning Jhansi-Khajuraho section of NH 75/76 (Package II) from km 76.30 to km 161.70 in the states of UP & MP under NHDP III	1310
LOI received for 6 laning of Chakeri to Allahabad section of NH - 2 in the state of Uttar Pradesh under NHDP phase-V	2159
Total	6313

Source: Crisil Research

#### Segment Revenue 2016-17



Source: Crisil Research

## Financial performance

In FY17, your Company's consolidated revenue was Rs.20.39 Billion as compared to Rs.27.33 Billion in FY16. Revenues were affected due to the multiple headwinds mentioned earlier and even progress of ongoing works also suffered on account of ban on inter-state transportation of minor minerals, sand mining etc. in the state of UP particularly during the second half of year. . The Consolidated EBITDA for FY17 was Rs.4.81 Billion as compared to Rs.5.86 Billion in FY16, while PAT for FY17 was Rs.118 crore as compared to Rs.209 crore in FY16.

## 24.0 Company profiles: Sadbhav Engineering Ltd.

### Company overview/background

#### Content

- [Key/recent developments](#)
- [Portfolio mix](#)

#### Recent/Key Developments

Details of new initiatives

Capital expenditure plans

Equity infusion done/plan

Regulatory developments

Operational Performance

Portfolio mix

Operational parameters

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## 25.0 Company profiles: IVRCL Infrastructures & projects

### Overview/Background

IVRCL Infrastructure and Projects Ltd, founded in 1987, is engaged in the business of development and execution of engineering, procurement, construction and commissioning (EPCC) and lump sum turnkey (LSTK) facilities in various Infrastructure projects and provides construction and civil engineering services. Its business units include water and environmental projects, transportation, buildings and industrial structures, power transmission projects, mining, overseas forays, and technical services and solutions.

It operates across verticals such as water and environment, irrigation, transportation, buildings and industrial structures, power and transmission, operations and maintenance, and mining.

IVRCL applied for corporate debt restructuring (CDR) in January 2014 owing to high level of debt and declining profitability. CDR to the tune of about Rs 73.5 billion was approved in June 2014. In November 2015, the company's joint lenders' forum invoked strategic debt restructuring (SDR), which allows lenders to convert debt into equity, effectively acquiring management control of the company. The lenders held around 60.77% of paid-up share capital of the company as of March 2016. The company in June 2018, allotted 6,46,810 equity shares to Bank of Nova Scotia under SDR at a price of Rs 8.765 per share. .

#### Content

- [Recent/Key Developments](#)

### Recent/Key Developments

- In June 2022, The company resolved under IBC, lenders set to recover dues. The company's lenders are set to finally recover a part of their dues, almost five years after the Reserve Bank of India (RBI) prodded banks to refer the debt laden company to the insolvency tribunal. The dues will be settled in six tranches
- In Dec 2021, the company that went into liquidation, is set to be acquired by Hyderabad businessman Ponguleti Prasad Reddy along with consortium members for Rs 1200 crore.
- In September 2021, a consortium of lenders led by IDBI Bank sought expressions of interest for acquiring its Rs 804 crore exposure in a road asset developed by IVRCL.
- In September 2019, the National Company Law Tribunal (NCLT) announced a move to invite Expression of Interest (Eoi) for the sale of the company as going concern. The company faced number of petitions for recovery, had to undergo process of insolvency under IBC, 2016, wherein it was ordered to be liquidated.

### Equity Infusion

- In June 2018, the company made an allotment of 6,46,810 equity shares at a price of Rs. 8.765 each to Bank of Nova Scotia.
- In May 2018. the company made an allotment of 2,29,52,029 equity shares at a price of Rs. 24.39 each and 3,06,15,483 equity shares at a price of Rs. 8.765 each, to the lenders.

#### Business Profile

#### Capital expenditure plans

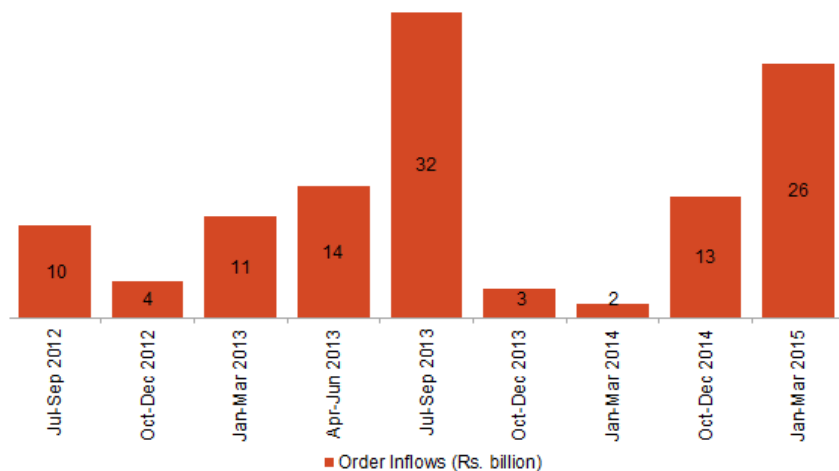
#### Capital market information

#### Other Details



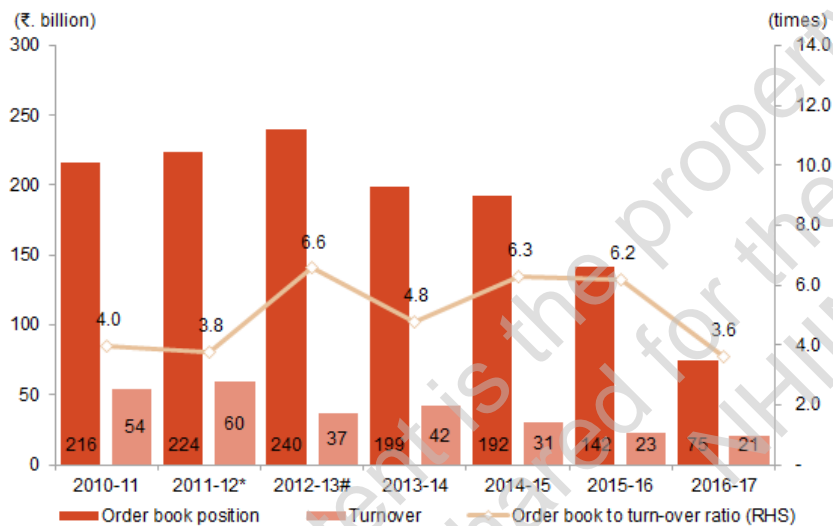
# Operational Performance

Order Inflow - Rs.Billion



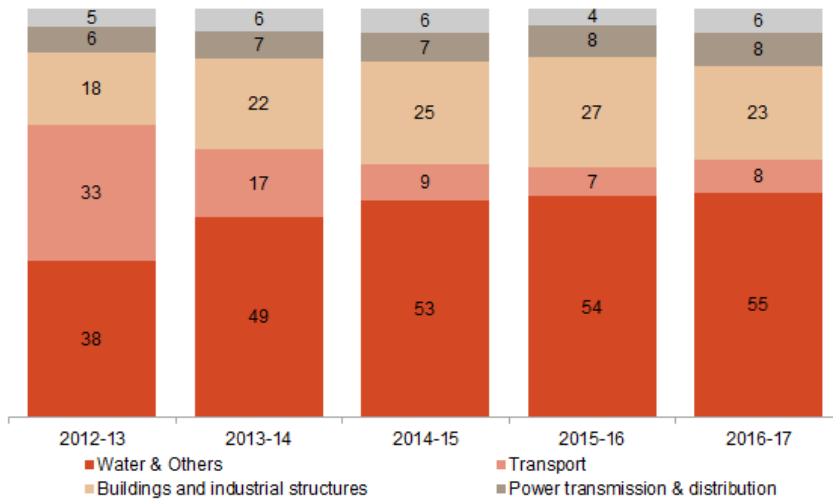
Source : CRISIL Research

Order Book to turnover ratio



Source: CRISIL Research

Order Mix



Source: CRISIL Research

## Financial performance

The Company achieved a net turnover of Rs.25.22 billion for the financial year ended March 31, 2017, which is 12.7% lower than the turnover for the previous financial year. The major factor for reduction in turnover due to liquidity crunch in the system and unavailability of additional fund by banks. The Companies operations, execution of projects got adversely affected due to unavailability of liquid fund and resulted in lower turnover.

The Company maintained gross margin of 12.6% in spite of lower income from operations. However, EBITDA level was negative due to higher percentage of administrative cost primarily by way of provision for doubtful debts. The negative net margin (PAT) is reduced to Rs.85,110 million as compared to Rs.1,49,894 million in the previous year primarily because the Company accounted for deferred tax asset in the current financial year.

## 26.0 Company profiles: IL&FS Transportation Net. Ltd.

### Overview/Background

Established in 2000 as a wholly-owned subsidiary of Infrastructure Leasing & Financial Services Limited (IL&FS), IL&FS Transportation Networks Ltd (ITNL) is a major BOT (build-operate-transfer) road asset owner in India. Through its wholly-owned international subsidiaries, including Elsamex SA and ITNL International Pte. Ltd. (IIPL), the company provides maintenance services, primarily for highways, roads and gas stations across Asia, Europe, Africa and the Americas.

#### Content

- [Recent/Key Developments](#)
- [Operational Performance](#)

### Recent/Key Developments

- In March 2022, IL&FS Transportation Networks sells subsidiary for 375 crore. The company entered into a share purchase agreement with Axis Trustee Services (as the trustee of Roadstar Infra Investment Trust) and others to sell 100 percent equity of Sikar Bikaner Highways, a wholly-owned subsidiary of the company for 375 crore.
- In June 2022, The National Highways Authority of India (NHAI) paid more than Rs 891 crore to the company as compensation for the termination of Khed-Sinnar Expressway road project that is part of the Delhi-Mumbai industrial corridor.
- In March 2022, the new management of the company so far resolved debt worth Rs 55,000 crore, which is over half of its total outstanding of Rs 99,000 crore as of October 2018.
- In April 2021, the company received a settlement amount of Rs 673 crore for Kiratpur Ner Chowk Expressway (KNCEL) and Rs 20 crore towards claims for Chenani Nashri Tunnelway (CNTL), from the National Highways Authority of India (NHAI).
- In Sept 2020, IL&FS received a nod from SEBI to float an InVIT for 10 of its road assets and help resolve debt of nearly Rs 13,000 crore.

#### Business Profile

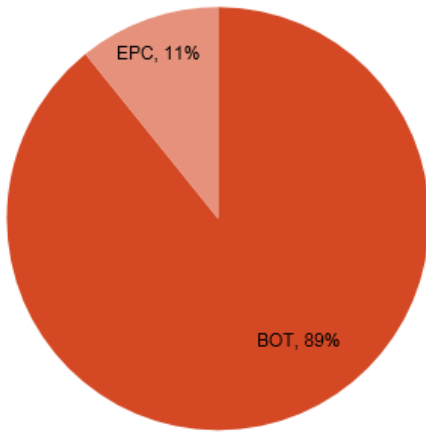
##### Capital expenditure plans

##### Capital market information

##### Other Details

### Operational Performance

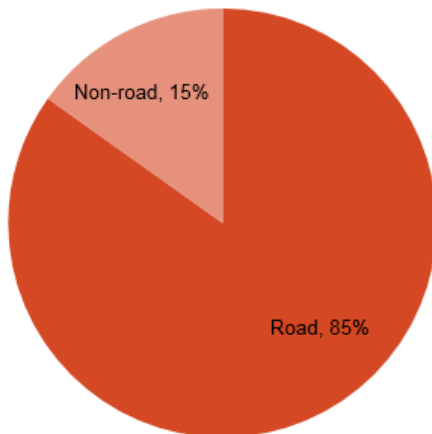
Order mix as on June 2018: As per latest available data



Note: As per the latest available data

Source: CRISIL Research

BOT Portfolio



Note: As per the latest available data

Source : CRISIL Research

## Financial performance

During FY 2016-17, the consolidated revenues stood at Rs.64.29 Billion as compared to Rs.71.27 Billion compared to the previous year. The EBIDTA increased to Rs.26.34 Billion in 2016-17 compared to Rs.17.78 Billion in 2015-16, which is 52% escalation due to higher construction margins. Financing cost increased by Rs.512.37 Crore during 2016-17 due to debts availed by project companies to fund construction activities, increase in borrowing for investments in project companies and working capital requirements. The Debt equity ratio as at March 31, 2017 on a consolidated basis stood at 7.33. Profit before tax increased from Rs.72.31 Crore in 2015-16 to Rs.124.89 Crore in 2016-17, a 73% increase over the previous year. Profit after tax attributable to owners of the Company increased by 22% from Rs.0.80 in 2015-16 to Rs.142.73 Crore in 2016-17.

## 27.0 Company profiles: GMR Ltd.

### Company overview/background

GMR Group was founded in 1978 by Grandhi Mallikarjuna Rao, it is headquartered in Bangalore, and has a presence across airports, energy, transportation, and urban infrastructure development. GMR primarily executes build-operate-transfer (BOT) projects in power, road and airport segments, with minor presence in engineering, processing and construction. GMR Highways Limited is a subsidiary of GMR Group and have 4 operating highways in its portfolio adding to total length of over 1824 lane kms of roads and highways. The company has 133 kms of annuity based road projects and 216 kms of toll based road projects.

#### Content

- [Key/recent developments](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Key/recent developments:

- In September 2022, the company has changed its name to GMR Airport infrastructure Ltd. The company has demerged its non-airport business -- EPC and Urban infrastructure to GMR Power and Urban Infra Limited.
- In April 2021, the demerger of the company's airport vertical, other businesses became operational. Apart from unlocking the true potential of the businesses, it will enable divestment of some non-core assets in of highways.
- The four highway projects that are on the block to monetise are the Hyderabad-Vijayawada Expressway, Ambala-Chandigarh Expressway, Pochanpalli Expressway and the Chennai Outer Ring Road. The first two are toll projects while the remaining work on the annuity model. The two projects based on annuity have a short span of contract left while there is decent growth in traffic on the toll projects.

#### Capital expenditure plans

### Operational Performance

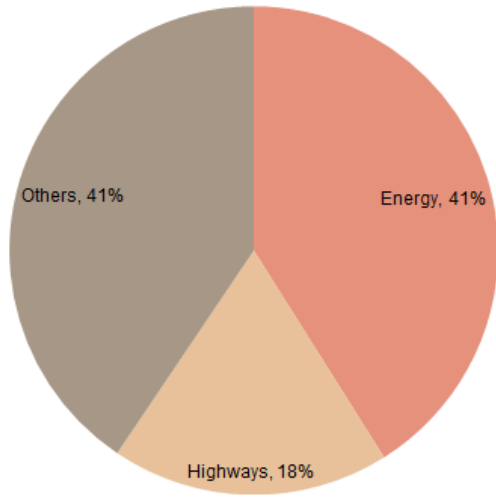
- The company has 29 projects in its portfolio comprising airports, power and roads. Of these, four project are road projects, in which 2 are annuity projects and 2 toll projects.

List of Operational GMR project	Length	GMR Stake	Commercial Operating Date	Concession Period Ends
<b>BOT Annuity Projects</b>				
Pochanpalli	103	100%	Jul-09	Sep-26
Chennai ORR	30	90%	Jun-13	Dec-30
<b>BOT (Toll) Projects</b>				
Ambala Chandigarh	35	100%	Mar-09	May-26
Hyderabad Vijaywada	181	90%	Dec-12	Mar-35

Source: Company, CRISIL Research

### Portfolio mix

Revenue mix in Q2 FY24



Source: CRISIL Research, Company Report

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## 28.0 Company profiles: Gayatri Projects Ltd.

### Company overview/background

Gayatri Projects Ltd. is the flagship company of the esteemed and well diversified Gayatri Group that has interests in infrastructure, power, hospitality, real estate and industry. With an annual turnover of Rs.3,463.00 crores, net worth of Rs.1,329.63 crores and total assets of Rs.5,864.00 crore on a Standalone basis in FY19, it is one of Indias leading infrastructure players. Established in 1963 as a partnership firm specializing in irrigation construction projects, it has now established itself as one of Indias leading infrastructure companies with a rich and diverse experience and expertise in both construction and ownership of infrastructure assets.

The Gayatri Infra Ventures Limited will merge with its parent company Gayatri Projects Limited and all the BOT Road Assets will be demerged into Gayatri Highways Limited (erstwhile name Gayatri Domicile Private Limited). The company is making strong headways in owning and developing road and power assets. Gayatri Highways Limited operates as construction and investment company with 7 operational BOT Road Projects (SPVs) under it. The Company makes investments in companies engaged in the construction, operation, and maintenance of roads, highways, bridges, and tunnels. Gayatri Highways Limited operations are spread throughout India. Gayatri Projects currently has 2 subsidiaries viz..Gayatri Energy Ventures Private Limited and Bhandara Thermal Power Corporation Limited.

The company has diverse geographical presence with operations in 19 states. Odisha (15%) and Uttar Pradesh (25%) are the two largest contributors to the order book followed by Telangana (12%), Maharashtra (12%), Andhra Pradesh (11%) and Jammu & Kashmir (7%)

#### Content

- [Key/recent developments](#)
- [Details of new initiatives](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Key/recent developments

- In October 2021, the company won the arbitration case for Expressway in Hyderabad city. The amount, Rs 49.74 cr would be fully utilized towards reducing debt and improving balance-sheet leverage.
- In July 2021, the company signed a MoU with a foreign investor for exploring fund infusion options to manage its tight liquidity situation arising from cash flow mismatch.
- In June 2021, National Highways Authority of India (NHAI) declared the company a non-performer and prohibited from participating in the ongoing and future bids for the road projects till defects and deficiencies in one of the companys project- Varanasi Sultanpur 4-laning project in Uttar Pradesh were rectified.

### Details of new initiatives

- In Nov 2020, company announced that it received Rs 208 crore net of statutory deductions under the GoI scheme of monetisation of 'under litigation arbitral award' against bank guarantees. The company along with its joint venture (JV) partner had been awarded an arbitration claim worth Rs 703 crore including interests for its road project in Nagaland and Gayatri Projects' portion in the same was Rs 264 crore. The company has now received 75% of the claim (including further interest of Rs 27.74 crore for the period from the date of award till the date of payment) after furnishing bank guarantees of similar amount

## Capital expenditure plans

# Operational Performance

The Company has 7 Operational BOT Road Assets under it, 4 BOT Annuity and 3 BOT Toll Assets. The Total Value of the BOT Road Assets under the Company is Rs. 7,043 Crores.

List of Operational Gayatri project ltd	Length (KM)	Commercial Operating Date	Concession Period	Concession Ends	Toll/Annuity
Gayatri Jhansi Roadways Limited (GJRL)	49.7	11-Jun-10	20 Years	31st March, 2027	Annuity
Gayatri Lalitpur Roadways Limited (GLRL)	50	31-Jul-10	20 Years	31st March, 2027	Annuity
Hyderabad Expressways Limited (HEL)	13	16-Aug-10	15 Years	14h November, 2025	Annuity
Cyberabad Expressways Limited (CEL)	11.7	30-Mar-12	15 Years	14h November, 2027	Annuity
HKR Roadways Limited (HKRRL)	207	31-May-14	25 Years	14th February, 2036	Toll
Indore Dewas Tollways Limited (IDTL)	45.05	29-May-15	25 Years		Toll
Sai Maatarini Tollways Limited (SMTL)	166.2	8-Aug-17	24 Years	1st May, 2037	Toll

Note- Latest data available

**Below are few onging transporation project of Gayatri Projects Ltd.**

Ongoing transporation Projects

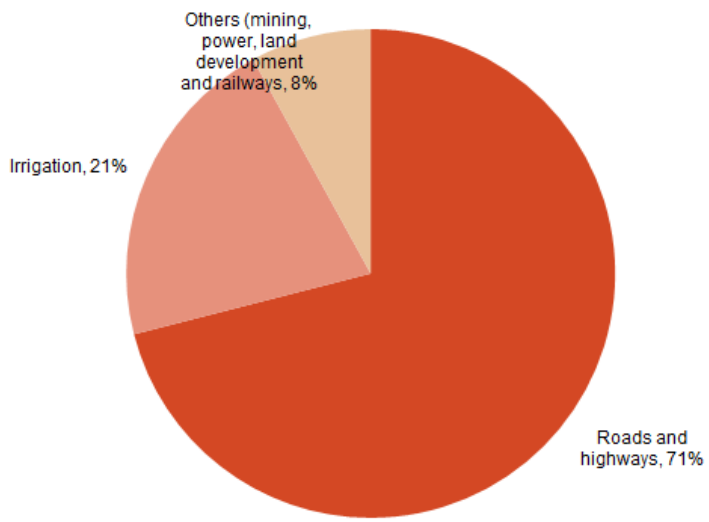
- Nagpur Mumbai Expressway near Shiridi 29.39 Kms (6 Lane)
- Purvanchal Expressways around Lucknow 80 Kms. (6 Lane )
- 6 Lane tunnel at Khambataki Ghat)
- 3 Packages of Bihar State Road Projects 75.10 Kms. (2 Lane )
- 6 Lane Elevated Corridor at Hyderabad 6.25 Kms. )
- 4 National Highways around Varanasi 256 Kms (4 Lane )
- 4 National Highways in Odisha - 315 Kms. (4 Lane )
- Jammu Ring Road 58 Kms. (4 Lane) & Tunnel 1.50 Kms. )
- Bihar State Road Projects 96 Kms. (4 Lane )
- 2 Lane Mizoram State Road Project - 118.50 Kms. )
- 4 Lane Dimapur Kohima Road Project 16.90 kms)
- Iqbalgarh - Vadodara Section of Western Dedicated Freight Corridor)
- 6 Lane tunnel at Khambataki Ghat)

Note- Latest data available

Source: Company reports, CRISIL Research

## Portfolio mix

Segmental Diversification



Note- Latest data available

Source: CRISIL Research, Company Report

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## 29.0 Company profiles: Madhucon Projects Ltd.

### Company overview/background

The Hyderabad-based company undertakes construction and infrastructure projects, such as development of transportation, irrigation, water resources, railways, smart cities, and real estate in India. The Company has built expressways, tunnels, dams, canals, spillways, national highways, flyovers and bridges throughout various states, including Andhra Pradesh, New Delhi, Madhya Pradesh, Assam, Uttar Pradesh, Telangana, Tamil Nadu, Rajasthan, Maharashtra and Bihar. The subsidiaries of the company includes Madhucon Infra Limited, Madhucon Toll Highway Limited, Madurai-Tuticorin Expressways etc.

#### Content

- [Details of new initiatives](#)
- [Operational Performance](#)
- [Portfolio mix](#)

#### Key/recent developments

### Details of new initiatives

- The company has arbitration claims against the NHAI for four its projects: Barasat-Krishnagar Expressways Limited (DBFOT), Vijayawada-Machilipatnam Expressways Limited (DBFOT-Toll), Ranchi Expressways (DBFOT-Annuity), Madurai-Tuticorin which are still under dispute.

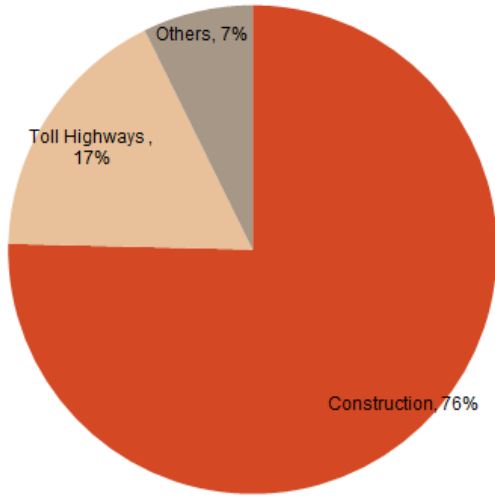
#### Capital expenditure plans

### Operational Performance

- The Company has completed 2,400 lane kms of State & National Highways so far and another 1,700 lane kms are under construction.
- The Company executed Irrigation projects such as Canals, Dams, Tunnels, Spillways, Pump house and Lift Irrigation Projects having a total value of Rs 3,387.61 Crore are under progress in the State of Andhra Pradesh, Gujarat, Maharashtra, Madhya Pradesh, Uttar Pradesh and Telangana. Out of which work amounting to Rs. 2,035.49 crore was already executed till FY21, while work amounting to Rs. 1,352.12 Crore is the balance outstanding to be executed

### Portfolio mix

Revenue mix (fiscal 2021):



Source: CRISIL Research, Company Reports

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## 30.0 Company profiles: Ashoka Buildcon Ltd.

### Company overview/background

Established in 1976, Ashoka Buildcon (ABL) is an infrastructure development company with widespread presence in eleven states. It develops and builds infrastructure facilities on design, build, finance, operate and transfer (DBFOT) basis in the highways sector, and on engineering, procurement and construction (EPC) basis in the highways and power sectors. Ashoka Concessions Ltd. (ACL) was set up in November 2011 as a subsidiary of ABL, which transferred seven BOT projects to the former. SBI Macquarie infused Rs 800 crore through a stake dilution of 34% in ACL, which acts as an exclusive BOT project developer for both ABL and SBI Macquarie. All the HAM projects awarded to ABL have also been housed under ACL.

### Content

- [Key/recent developments](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Key/recent developments

- In January 2024, Company has received Letter of Acceptance (LoA) from City & Industrial Development Corporation of Maharashtra Limited (CIDCO) for Design and construction of Stilt Bridge for Eastern Connectivity for Navi Mumbai International Airport (NMIA) in Joint Venture for total consideration of Rs. 662.55 cr
- In February 2024, Ashoka Buildcon Limited along-with an investment fund managed by Morgan Stanley India Infrastructure (MSII), has sold to Mahanagar Gas Limited (MGL) 100% stake held by the Company and MSII in Unison Enviro Private Limited, a subsidiary of the Company
- Ashoka Buildcon Limited, has acquired 50% fully paid-up, Equity shares from GVR Infra Projects Limited held in GVR Ashoka Chennai ORR Limited, to make GVR Ashoka Chennai ORR Limited a 100% Subsidiary of the Company
- Company has received Completion Certificate w.e.f. April 02, 2024 for its Hybrid Annuity Mode (HAM) Project of National Highways Authority of India for the Project viz. Eight Lane Vadodara Kim Expressway. The Project is executed by Ashoka Ankleshwar Manubar Expressway Private Limited (SPV), a Wholly Owned Subsidiary of Ashoka Concessions Limited, a Subsidiary of the Company

### Capital expenditure plans

### Operational Performance Status of Road projects

Projects	% Stake (ACL/ABL)	Status	TPC	Estimated Equity (including PIM)	Estimated Debt	Equity Invested (including PIM)*	Total Debt Drawn*
Kharar-Ludhiana	100%	COD	1,450	210	600	226	568
Ranastalam-Anandpuram	100%	COD(P)	1,040	150	415	158	391
Vadodara Kim	100%	COD(P)	1,483	208	600	205	568
Khairatunda-BarwaAdda	100%	COD	712	97	270	113	254
Belgaum-Khanapur	100%	COD(P)	746	108	295	87	176
Tumkur-Shivamogga-II	100%	UC	1,006	134	385	119	292
Tumkur-Shivamogga-I	100%	COD(P)	741	99	275	102	239
Kandi-Ramsanpalle	100%	COD(P)	725	90	235	99	177
Tumkur-Shivamogga-IV	100%	UC	1,127	144	430	73	0
Tumkur-Shivamogga-III	100%	UC	755	91	250	93	120
Basawantpur Singnodi	100%	UC	1,082	183	390	77	56
<b>Total</b>			<b>10,867</b>	<b>1,514</b>	<b>4,145</b>	<b>1,352</b>	<b>2,841</b>



Order book to sales trend

Source: Company reports, CRISIL Research

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## 31.0 Company profiles: Larsen & Toubro Ltd

### Company overview/background

Larsen & Toubro Ltd, incorporated in 1946, is the largest engineering and construction company in India. It is a global conglomerate with presence in over 30 countries, engaged in engineering, construction, manufacturing and financial services. The company executes engineering, procurement and construction (EPC) projects across multiple segments, including, roads, power, ship building and ports.

The company has exposure to infrastructure build-operate-transfer (BOT) projects in roads, power transmission and distribution (T&D), ports, metro rail and real estate. Through its subsidiaries, such as L&T Realty and L&T Hydrocarbons, the company has diversified into real estate and hydrocarbons. It also has a presence in financial services and the IT/ITeS sectors through wholly owned subsidiaries, L&T Finance, L&T Infrastructure Finance and L&T InfoTech.

### Content

- [Key/recent developments](#)
- [Details of new initiatives](#)
- [Equity infusion done/plan](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Key/recent developments

- In June 2024, The Power Transmission & Distribution (PT&D) vertical of Larsen & Toubro (L&T) has won a domestic order to build a grid-connected 185MW Solar PV Plant along with a Battery Energy Storage System (BESS) having multitudes of MWh capacity.
- In June 2024, The Hydrocarbon vertical (L&T Energy) of Larsen & Toubro (L&T) has secured an order from the Oil & Natural Gas Corporation (ONGC) for Daman Upside Development Project-Wellhead Platforms & Pipelines (DUDP-WP), off Indias west coast.
- In June 2024, L&T Valves, a leading global flow-control solutions provider, has set up a new manufacturing facility - L&T Valves Arabia Manufacturing LLC - in Saudi Arabia.
- In March 2024, The Hydrocarbon vertical (L&T Energy Hydrocarbon LTEH) of Larsen & Toubro (L&T) has recently secured a major onshore gas pipeline project from a prestigious client in the Middle East.
- In March 2024, The Hydrocarbon vertical (L&T Energy Hydrocarbon LTEH) of Larsen & Toubro (L&T) has secured an order from the Oil & Natural Gas Corporation (ONGC) for the MHN TCPP PGC BGC Project (MTPBP), off Indias West Coast.
- In March 2024, The Railways Strategic Business Group of L&T Construction has secured a significant order to construct the Jakarta Mass Rapid Transit (MRT) Project (Phase 2A) (Contract Package CP205) for MRT Jakarta through L&Ts long-term Japanese partner, Sojitz Corporation. This Contract marks the first EPC Railway Systems Order for L&T in the ASEAN region.
- In Feb 2024, The Power Transmission & Distribution (PT&D) business of Larsen & Toubro has won multiple orders in India and the Middle East. The business has bagged an order to establish a 75MW Floating Solar PV plant on the Panchet Dam. This plant forms part of the Ultra Mega Renewable Energy Power Park being developed on Damodar Valley corporation reservoirs in Jharkhand and West Bengal.

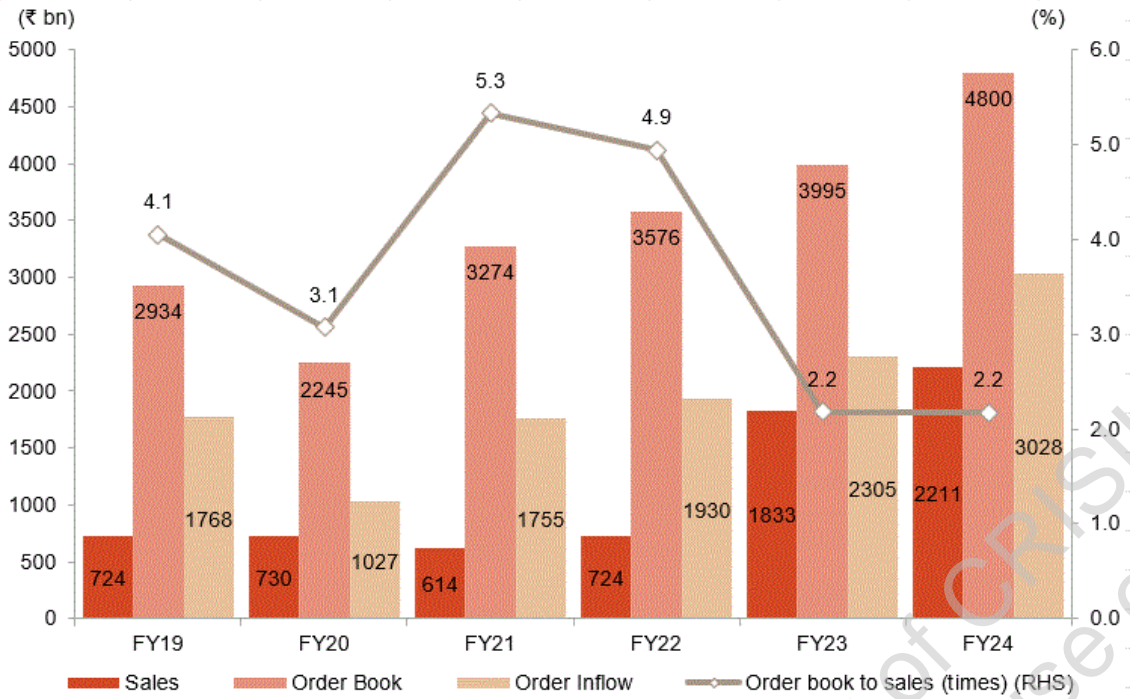
### Regulatory development

- In March 2024, The board of L&T Finance Holdings approved raising of up to Rs 1.01 lakh crore through the issuance of non-convertible debentures in one or more tranches.

- In November 2023, Larsen and Toubro (L&T) has raised Rs 1,500 crore through Non-Convertible Debentures (NCDs).

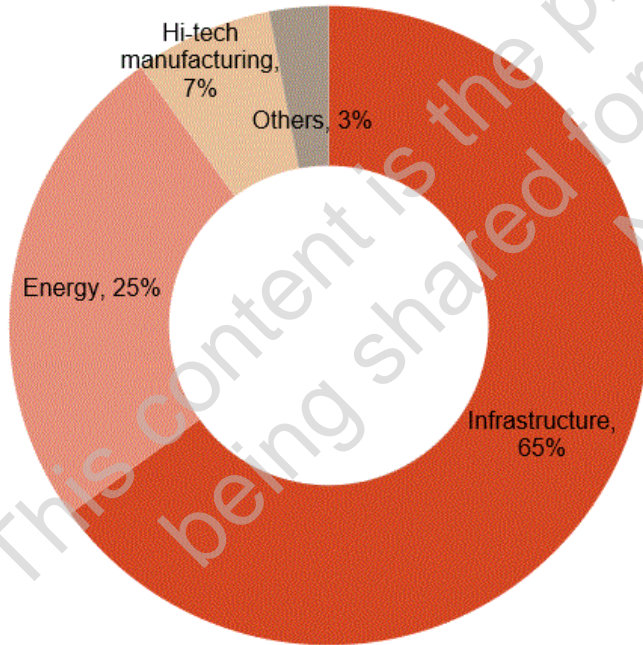
**Capital expenditure plans**

**Operational Performance** L&T mix is order book composition as on March 2024



Source: CRISIL Research

**Segment revenue (March 2024)**



Source: CRISIL Research

## 32.0 Company profiles: Dilip Buildcon Limited

### Company overview/background

DBL was set up as a proprietorship firm (Dilip Builders) in fiscal 1989. The firm was reconstituted as a private limited company in 2006 and as a public limited company in fiscal 2017. The Bhopal-based company, promoted by Mr Dilip Suryavanshi and Mr Devendra Jain, undertakes EPC work for urban development and mining, and road development on build-operate-transfer (BOT) basis and MDO work in mining.

The company has been increasing its sectoral diversification over the years, with focus on taking up projects with low capex requirement. Roads will, however, continue to be the largest contributor. Around 40% of the projects in the orderbook are from the roads sector, 19% from mining, and remaining from irrigation and urban development.

### Content

- [Key/recent developments](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Key/recent developments

- The company had orders worth Rs 21,843 crore as on December 31, 2023, with order book to revenue ratio of 2 times (revenue in fiscal 2024), providing medium-term visibility. It has diversified into mining, irrigation and urban infrastructure to reduce revenue concentration in the roads segment. Roads, which accounted for around 87% of orders as on March 31, 2018, accounted for only 40% of orders as on December 31, 2023. Orders are well-diversified, spread across 16 states.
- NHAI NOCs for the 3 completed HAM Projects Received in Mar-24 and 26% Shareholding divested to Alpha in Mar-24 against consideration of Rs 1302.97 mn.

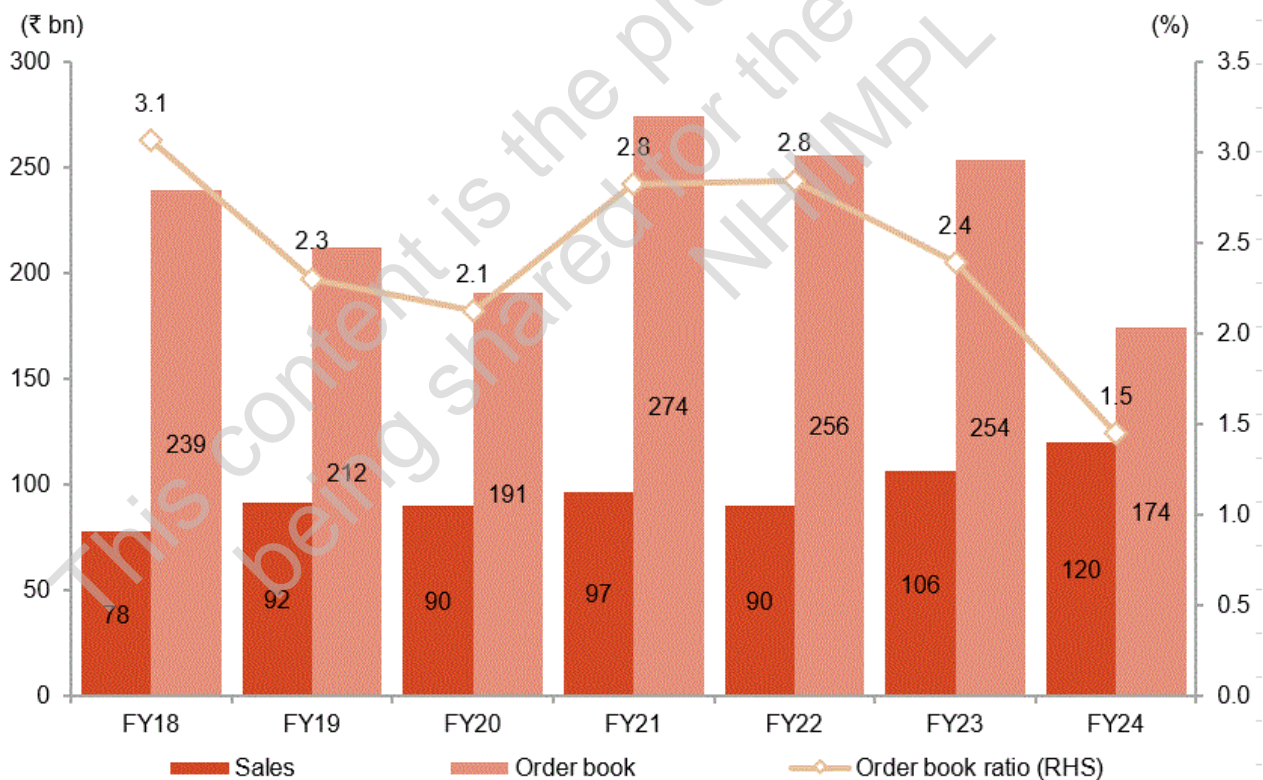
### Capital expenditure plans

**Operational Performance** Projects completed in FY24

Project Name	Type	State	Name of Employer	Contract Value excluding GST	Period in which order won
Malhargarh Pressurized Micro Lift Major Irrigation Project	Irrigation	Madhya Pradesh	Water Resource Department MP	6,990	Q1
Narmada Gambhir Multi Village MPJNM	Water Supply	Madhya Pradesh	Madhya Pradesh Jal Nigam Mayardit.	12,753	Q2
Construction of Observatory Towers with parking's	Urban Development	GOA	Ministry of Road Transport and Highways	2,700	Q2
Construction of Dewas III and IV Dams Tehsil-Gogunda Udaipur	Irrigation	Rajasthan	Water Resources Department Rajasthan	3,970	Q2
Improving the Alignment of Thoppur Ghat, Dharmapuri - Salem Section of NH-44	Road	Tamil Nadu	National Highways Authority of India	5,480	Q4
Construction of Machhrewa Irrigation Project Dam and Pressurized pipe irrigation network	Irrigation	Madhya Pradesh	Water Resource Department	4,129	Q4
<b>TOTAL</b>				<b>36,022</b>	

Source: Company reports, CRISIL Research

Trend in order book and turnover



Source: Company reports, CRISIL Research



## 33.0 Company profiles: Simplex Infrastructure Ltd

### Company overview/background

SIL, incorporated in 1924, is one of the leading construction companies of the country, belonging to Mundhra family of Kolkata. The company is primarily engaged in EPC contracts, turnkey projects related to civil construction across various sectors. Over the decades, Simplex has completed large number of prestigious contracts and has received commendation certificates from many of its clients. The company also has overseas presence in countries like Saudi Arabia, Bangladesh, Bahrain, UAE, Qatar, Ethiopia and Sri Lanka.

### Content

- [Key/recent developments](#)
- [Portfolio mix](#)

### Recent/Key Developments

- In April 2024, National Asset Reconstruction Company Limited (NARCL) has acquired more than 85% of the outstanding debt of Simplex Infrastructures. Punjab National Bank was the lead bank and after several failed attempts to restructure the debt, on behalf of all lenders, it requested NARCL to make an offer for assignments of loans.

### Details of new initiatives

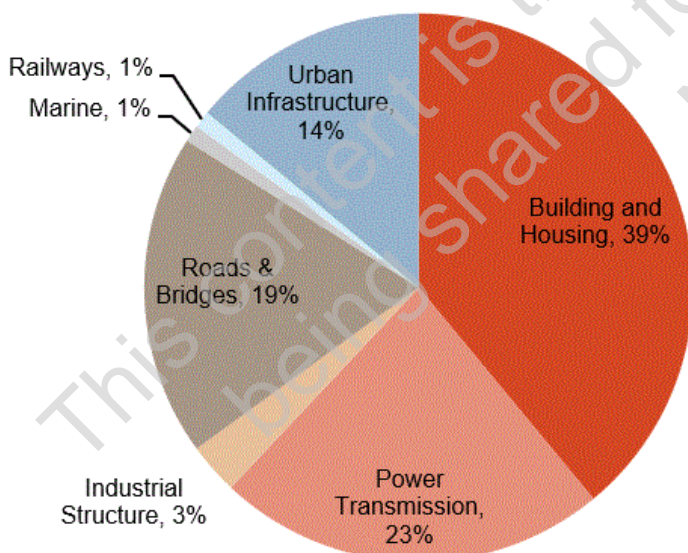
### Capital expenditure plans

### Equity infusion done/plan

### Regulatory developments

### Operational Performance

### Portfolio mix



Note: fiscal 2024 data is not been reported

Source: Company reports, CRISIL MI&A research

### Operational parameters



## 34.0 Company profiles: HCC Ltd.

### Company overview/background

Incorporated in 1926, Hindustan Construction Company Limited is the flagship company of the Hindustan Construction Company Group. It is one of the oldest infrastructure development companies in India, founded by Mr. Walchand Hirachand. The HCC Groups principal business areas can be classified into four broad verticals: 1) engineering and construction (E&C), 2) infrastructure development, 3) real estate and 4) urban development and management.

### Content

- [Key/recent developments](#)
- [Equity infusion done/plan](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Recent/Key Developments

- In January 2024, Steiner AG, the wholly-owned subsidiary of Hindustan Construction Company (HCC) has concluded the sale of its construction business subsidiary, Steiner Construction SA, to Demathieu Bard for approximately CHF 98 million (Rs 928 crore).
  - To strengthen the international presence and consolidating the position as a benchmark company in the construction sector.
- In March 2024, Hindustan Construction Company (HCC) has divested its entire equity shareholding in HREL Real Estate Ltd, a wholly owned subsidiary of the company.
  - Hindustan Construction Company Ltd has divested its entire equity shareholding in HREL Real Estate Ltd, a wholly owned subsidiary of the company vide share purchase agreement executed on March 31, 2024.

### Details of new initiatives

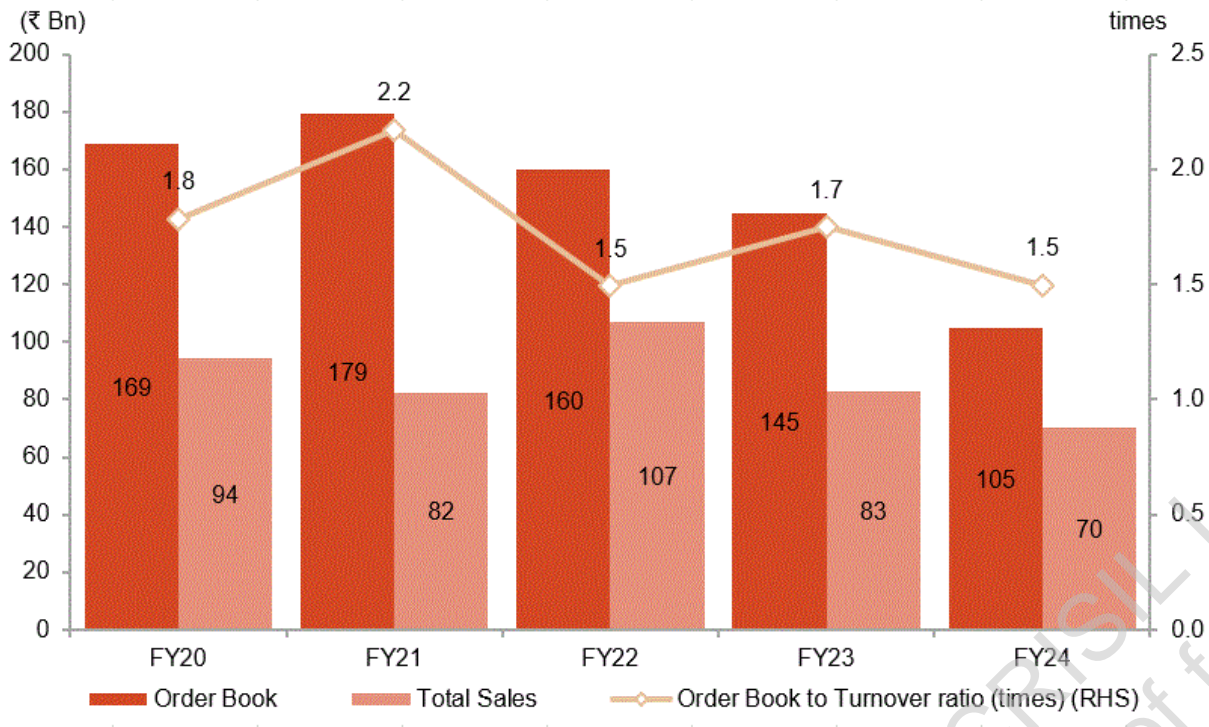
#### Capital expenditure plans

#### Equity infusion done/plan

- In April 2024, Hindustan Construction Company Ltd. (HCC)'s has approved the offer and issuance of fully paid-up equity shares to raise Rs.350 crore through a rights issue. As per the Draft Letter of Offer of the rights issue, out of the 350 crore raised, HCC plans on using around 213.75 crore to fund long-term working capital requirements of the company and the rest for general corporate purposes.

### Regulatory developments

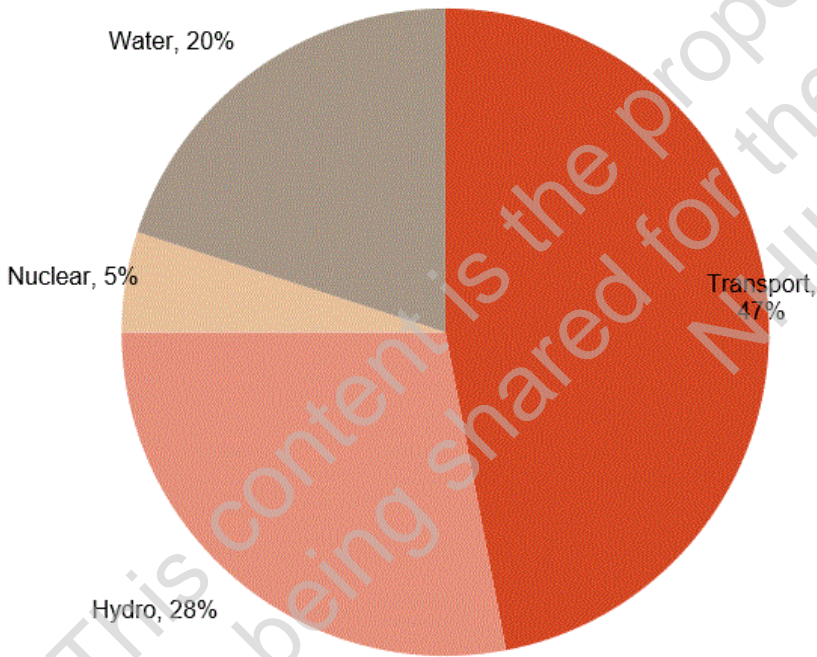
#### Operational Performance



Source: Company reports, CRISIL MI&A research

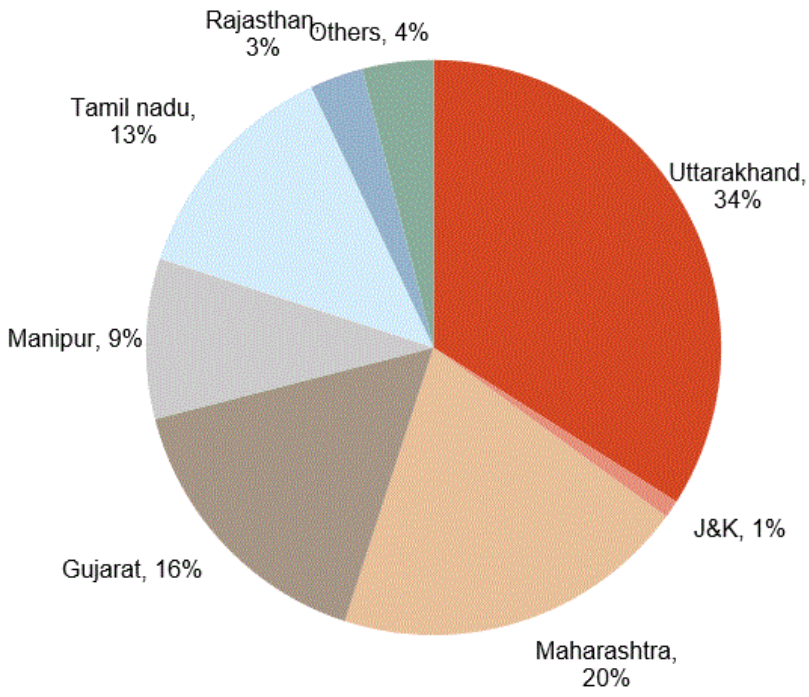
### Portfolio mix

Order Backlog Business line wise (%)



Source: Company reports, CRISIL MI&A research

Order Backlog Geographic wise (%)



Source: Company reports, CRISIL MI&A research

**Operational parameters**

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## 35.0 Company profiles: NCC Ltd.

### Company overview/background

NCCL, a construction and infrastructure sector company was established as a Partnership Firm in 1978, and converted into a Limited Company on March 22, 1990. Over the years, NCCL has evolved from a mere contractor to a full-fledged infrastructure solutions provider. NCCL has expanded its presence in various sectors of construction and infrastructure development. Its construction endeavours span across the nation and encompass Buildings, Transportation, Water and Environment, Electrical Transmission and Distribution, Irrigation, Mining, and Railways projects.

NCCL has also executed infrastructure public private partnership (PPP) projects through its holding company (holdco) (62.84% subsidiary of NCC), NCC Infrastructure Holdings Limited, the company also has exposure in real estate projects through its 100% subsidiary NCC Urban Infrastructure Limited.

### Content

- [Key/recent developments](#)
- [Operational Performance](#)
- [Portfolio mix](#)

### Recent/Key Developments

- In March 2024, Current book stood at Rs. 57,536 crore, reflecting a 15% year-over-year growth. The company's diverse order book includes contributions from its Divisions - Buildings (39%), Transportation (18%), Water and Railways (12%), Electrical (21%), Mining (9%), Irrigation & others (1%).
- In March 2024, Order inflow of the company stands at Rs.27,283 crore, with the Electrical sector taking the lead, closely followed by the Building sector. Transportation saw a notable share, while Water & Railways, Mining, and Irrigation sectors contributed to the overall inflow.
- In March 2024, NCC secured new orders worth Rs.3,086 crore, with electrical projects accounting for Rs.1,589 crore, transportation for Rs.1,330 crore, and building for Rs.167 crore.

### Details of new initiatives

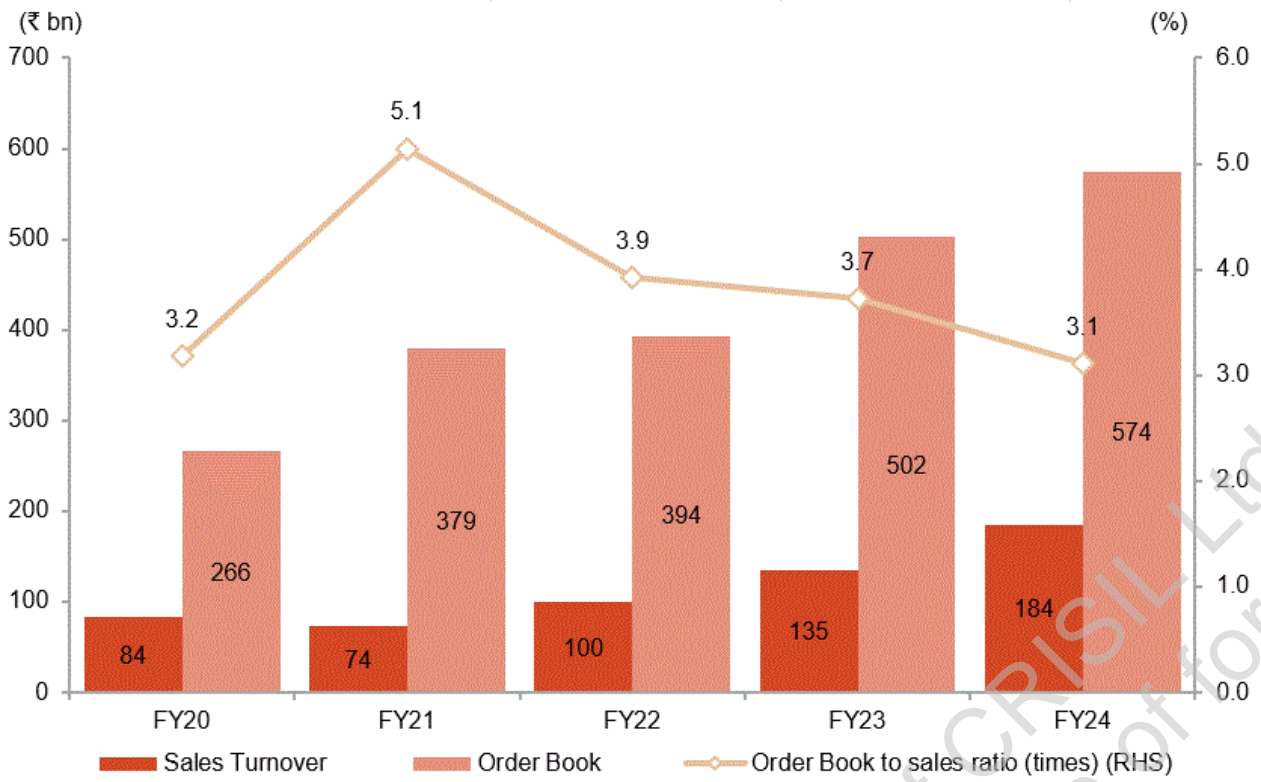
#### Capital expenditure plans

#### Equity infusion done/plan

#### Regulatory developments

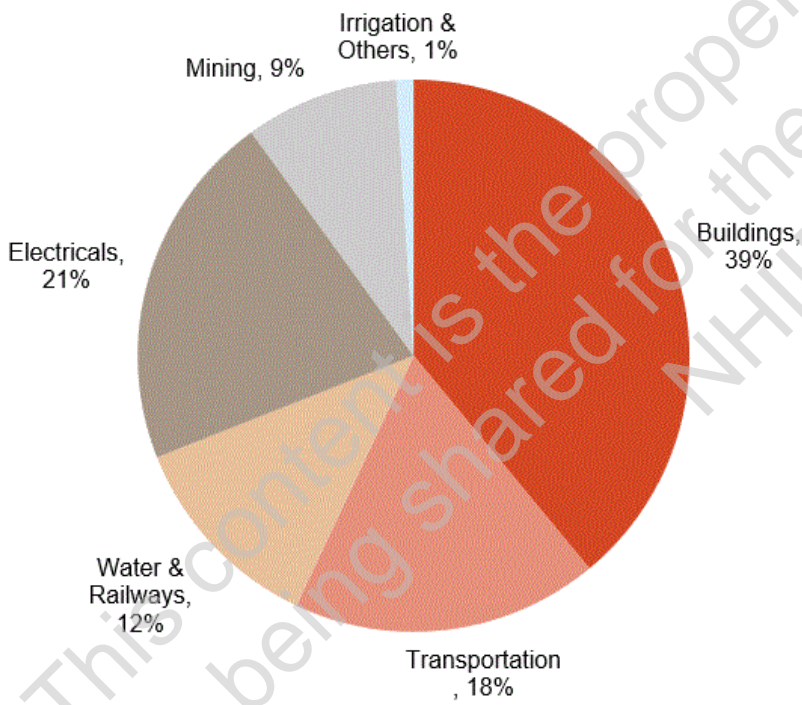
#### Operational Performance





Source: Company reports, CRISIL MI&A research

**Portfolio mix**



Source: Company reports, CRISIL MI&A research

**Operational parameters**

## 36.0 Company profiles: Patel Engineering Ltd.

### Company overview/background

PEL, incorporated in 1949, is involved in the engineering and construction of infrastructure projects. The company constructs and develops diversified projects, including dams, tunnels, micro-tunnels, hydroelectric projects, irrigation projects, roads, bridges, railways, refineries, real estate and townships. It has completed over 87 dams, 40 hydroelectric projects, over 300 km of tunnelling projects, over 1200 km of roads and irrigation projects for more than 5.5 lakh acres of land. The PEL Groups principal business areas can be classified into four broad verticals: 1) engineering and construction (E&C), 2) asset ownership, 3) real estate and 4) technology and innovation. While the E&C vertical is undertaken by PEL, the rest of the activities are carried out through separate subsidiary companies. Apart from the pan-India presence, PEL has international operations in Nepal.

### Major subsidiaries

ASI Inc.

It is a civil contracting company involved in construction and rehabilitation of dams, spillways, and water resource projects. ASI has a fully owned subsidiary, HCP Constructors Inc, which is also a water transmission contractor specialising in water and infrastructure projects.

### Michigan Engineering Pvt Ltd

It is involved in executing engineering projects such as micro tunneling, pipe ramming and jacking, underwater drilling etc.

### Patel Realty

It is a fully owned subsidiary of PEL, involved in development of commercial and residential projects. It has executed four commercial and eight residential projects. The company has projects spread across Mumbai, Bengaluru, Noida, and Hyderabad. It also has one residential and one commercial project in Mauritius.

### PAN Realtors Pvt Ltd

It is a joint venture (between Patel Engineering, Amrapali group and Nirala Developers) to build premium residential apartments. This venture is currently developing a residential project in Noida in National Capital Region.

### Content

- [Key/recent developments](#)
- [Portfolio mix](#)

### Recent/Key Developments

- In May 2022, the company has announced that it has bagged a Rs 2,461 crore contract for the works of Construction of Diversion Tunnel, Concrete Gravity Dam, Intake, Pressure Shafts, Underground Power House & Tailrace Tunnel (Lot 1) for Kwar HE Projects in District Kishtwar, J & K, India (Kwar HE Project).
- In April 2022, the company has announced that it has bagged a Rs 419.70 crore contract with Municipal Corporation of Greater Mumbai (MCGM) for the work of Construction of Tunnel from Powai to Ghatkopar High Level Reservoir and further up to Ghatkopar Low Level Reservoir.
- In January 2022, the company implemented hydroelectric power projects worth Rs 6,000 cr in 4 states

### Details of new initiatives

### Capital expenditure plans

### Equity infusion done/plan

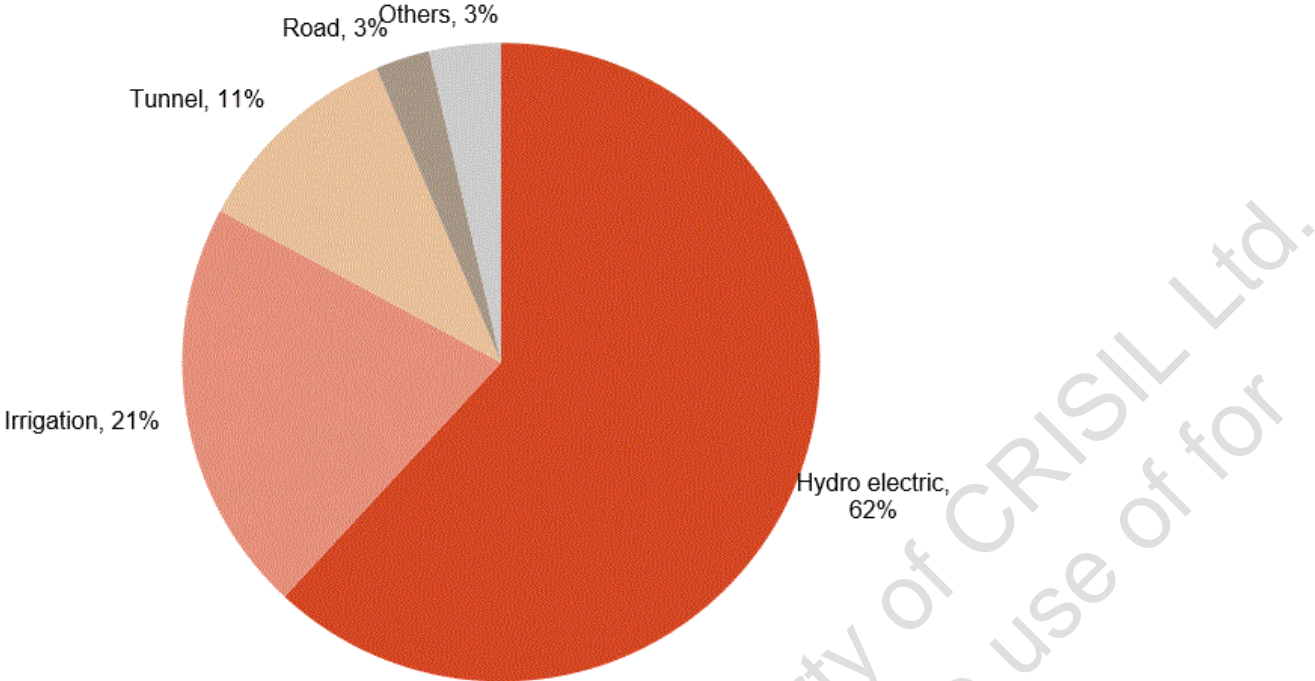
### Regulatory developments



**Operational Performance**

**Portfolio mix (FY24)**

The order book stands at Rs. 18,630 crore in fiscal 2024.



Source: Company reports, CRISIL MI&A research

**Operational parameters**

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## 37.0 Company profiles: Reliance Infrastructure Ltd

### Company overview/background

Reliance Infrastructure Limited (RIL) is the flagship company of the Reliance ADAG (controlled by Mr. Anil D. Ambani). RIL is into developing projects through various Special Purpose Vehicles (SPVs) in sectors such as Power, Roads and Metro Rail in the Infrastructure and the Defense sector. The company also provides Engineering, Procurement and Construction (EPC) services for developing power and road projects.

#### Content

- [Key/recent developments](#)
- [Equity infusion done/plan](#)

### Recent/Key Developments

- In September 2024, The company may raise funds this time through multiple possible means which can include an equity and preferential share sale, foreign currency convertible bonds, or even from large institutional investors through institutional placements.
- In September 2024, Reliance Infra pares debt to Rs 475 crore after settlement with ARCs, LIC.
- In September 2022, the company filed an arbitration claim of 134 billion rupees (\$1.7 billion) in relation to a deal to sell its Mumbai power-distribution business to Adani Transmission Ltd.
- In August 2022, the company planned to raise \$400 million through Foreign Currency Convertible Bonds (FCCBs). The FCCBs shall be convertible into equity shares of 10 each as per the FCCBs term, at 123 per equity share.
- Reliance Infrastructure Limited (Reliance Infra) is set to receive a sum of Rs 595 crore from Damodar Valley Corporation (DVC) by July 31, 2022.

### Details of new initiatives

#### Capital expenditure plans

#### Equity infusion done/plan

- In September 2024, Reliance Infrastructure is set to receive Rs 1,100 crore equity infusion from the promoters and another Rs 1,910 crore from two Mumbai-based investment firms. the company's board had approved a fund-raise plan of more than Rs 6,000 crore, of which Rs 3,014 crore were to be raised through a preferential allotment of equity shares and Rs 3,000 crore through a qualified institutional placement (QIP).

### Regulatory developments

### Operational Performance

#### Portfolio mix

#### Operational parameters

## 38.0 Company profiles: Punj Lloyd Ltd

### Company overview/background

Punj Lyod Limited (PLL) commenced operations as a pipeline-laying company in 1989, in the engineering, procurement and construction (EPC) segment. The acquisition of Singapore-based Sembawang Engineers and Constructors (SEC) and UK-based Simon Carves Ltd/in 2006-07 helped Punj Lloyd expand its global footprint. PLL has presence in south and Southeast Asia, the Middle East, the Caspian region, Asia-Pacific region and Africa. The company mainly operates in oil and gas, petrochemicals, infrastructure and power. It also operates in defence and tankers, and terminals segments through strategic alliances with ST Kinetics and Technodyne International Ltd respectively.

### Content

- [Key/recent developments](#)

### Recent/Key Developments

- In Jun 2022, the company went into liquidation as lenders reject bid
- As of March 2021, the company's lenders have rejected a resolution plan.
- As of Sept 2020, State Bank of India is seeking to invoke personal guarantees worth Rs 3000 crore that it claims Punj Llyod's founder Atul Punj provided the Bank for loans taken by his company
- In March 2020, Prudent ARC and a US-based company has bid to take over Punj Lloyd, setting the acquisition process in motion. The US company is reportedly backed by a group of engineering firms.

### Details of new initiatives

### Capital expenditure plans

### Equity infusion done/plan

### Regulatory developments

### Operational Performance

### Portfolio mix

### Operational parameters

## 39.0 Peer comparison

Peer comparison

### Financial indicators

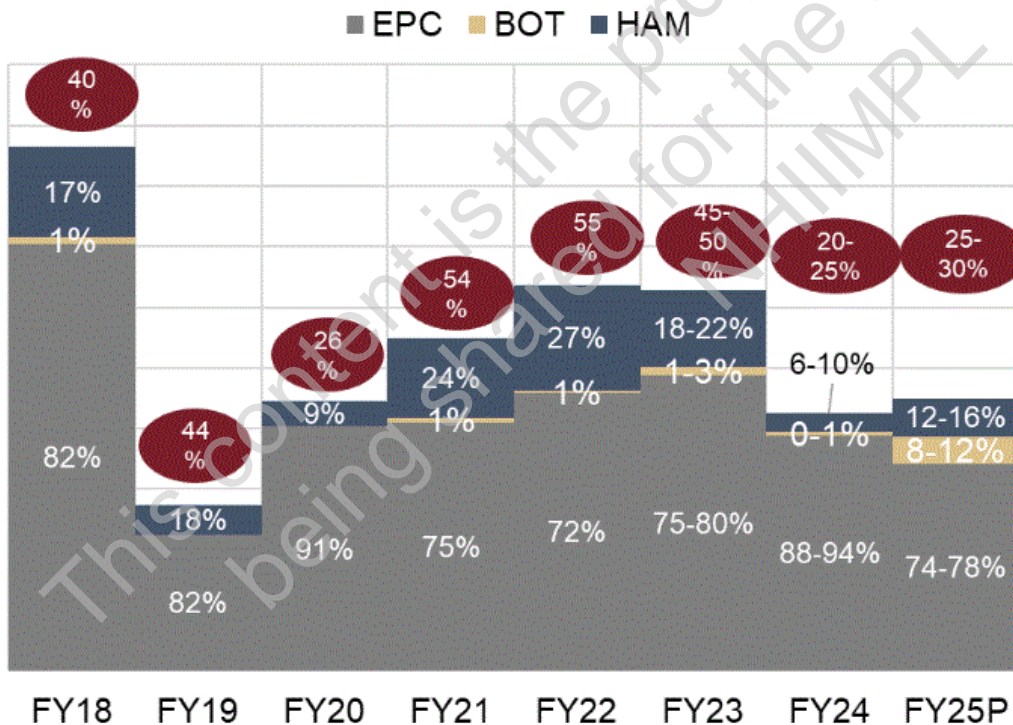
Key Financial Indicators	Unit	Ashoka Buildcon	Dilip Buildcon	IRB Infrastructure Developers*	KNR Construction	PNC Infratech	Sadbhav Engineering
Operating margin	%	8.9	6.6	44.2	16.2	12.5	-17.3
Net margin	%	10.5	-1.0	12.3	13.3	8.7	-39.0
RoCE	%	14.1	7.2	9.9	21.9	19.0	-13.6
Current ratio	Times	1.6	1.4	0.8	2.6	2.4	1.1
Interest coverage ratio	Times	4.5	1.3	1.6	19.2	15.6	-0.7
Gearing ratio	Times	0.3	0.7	0.6	0.0	0.1	1.1

Note: - As of FY24

Source: CRISIL Research

Order book is an important indicator of a company's financial capabilities and operational expertise. It shows the number of orders and their value.

### Road projects awarding break-up



Share of HAM in NHAI awarding

Note: \*HAM project includes BOT projects for Sadbhav Engineering and IRB Infra. Note: \*IRB Infra and PNC Infratech as of fiscal 2023, others as of fiscal 2024

Source: CRISIL Research

In terms of BOT projects IRB infrastructure developers has higher share of revenue from toll collection. Plus, it has indicated interest in bidding for future BOT projects once NHAI is able to revive BOT awarding.

All players have seen a sharp fall in toll revenue collection in the first quarter of fiscal 2021 due to nation-wide lockdown.

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## 40.0 Benchmarks: New project

Operational parameters

### Gestation period

The National Highways Authority of India (NHAI) awards projects that can be completed in two-and-a-half to three years. However, depending on the project model, the time between awarding and completion varies.

For engineering-procurement-construction (EPC) projects, construction typically begins within two-three months of awarding.

For build-operate-transfer (BOT) projects (toll, annuity, hybrid annuity model or HAM), construction takes longer to start as the developer requires time to source funds and achieve financial closure. The appointed date (date from which construction can begin) can take as long as 10-12 months in some cases, especially for HAM which is a comparatively new public-private partnership (PPP) model. Achieving financial closure takes time on account of lenders apprehension towards lending to the sector.

### Key economic size

#### Bharatmala Pariyojna

Bharatmala Pariyojna (BMP) scheme is an umbrella project of the central government since 2015, that aims to improve efficiency in the roads sector. It is expected to supersede the National Highways Development Project (NHDP) and envisage the construction of 65,000 kms of highways under the following categories: national corridor (north-south, east-west, and golden quadrilateral), economic corridor, inter-corridor roads and feeder roads. As per the ministry, Bharatmala, along with the schemes undertaken, could require a total outlay of Rs 6.9 trillion.

Phase-I of the scheme envisages development of about 24,800 km of national highways/ roads, plus residual 10,000 km of NHDP between fiscal 2018 to 2022. Awarding under BMP has begun from fiscal 2018 and we believe it will stretch at least till fiscal 2025 for Phase-I.

Status of Bharatmala scheme

Sr. No.	Scheme	Length (km)	Cost (Rs. crore)
1	Economic Corridors	9,000	120,000
2	Inter-Corridors & feeder roads	6,000	80,000
3	National Corridor Efficiency improvement	5,000	1,00,000
4	Border & International connectivity roads	2,000	25,000
5	Coastal & port connectivity roads	2,000	20,000
6	Expressways	800	40,000
	Sub Total	24,800	3,85,000
7	Ongoing Projects, including NHDP*	10,000	1,50,000
	Total	34,800	5,35,000

Note: \*34,800 km of BMP and 10,000 km of residual NHDP to be constructed by fiscal 2024 under phase 1

Source: NHAI, CRISIL Research



## National Highway Development Project

The National Highway Development Project was launched in 2000 to for development of roads in various parts of the country. The project implemented by NHAI, aimed to construct more than 30,000 km of road in seven phases.

The scheme is now replaced by Bharatmala pariyojana scheme. As of June 2019, 5,000-5,500 km of NHDP remains awarded.

NHDP phases

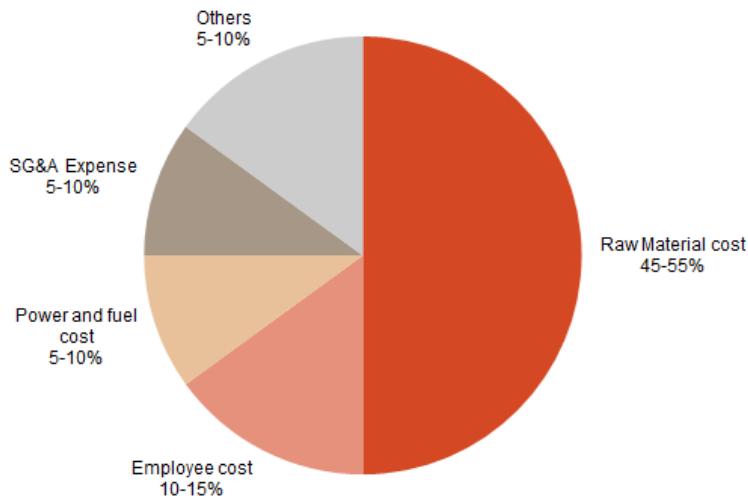
NHDP phases	Stretches	Cost/Km (Rs mn)
I	Golden Quadrilateral (GQ) – which connects Delhi, Kolkata, Mumbai and Chennai	
II	Connects North-South & East-West Corridor, ports connectivity & others	257
III	Connecting state capital, economic important places and tourist places	142
IV	Improved two-lane standards with paved shoulders	144
V	Six-laning of national highways; 6,500-km stretch under GQ is considered	183
VI	Owing to construction of expressways, the cost/km is higher than all other NHDP phases. Expressways have wider routes, cement pavements and higher standard of construction, leading to higher cost/ km	683
VI	Construction of ring roads	192

Source: NHAI, CRISIL Research

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## 41.0 Benchmarks: Operating costs

### Cost break-up



Note: Cost breakup for bitumen roads

Source: CRISIL Research

Raw materials (bitumen, cement and aggregates material) comprise 45-55% of overall cost. Employee cost (10-15%) includes recruiting & technical assistance fees, and employee wages. 60-70% of NHAI projects are bitumen based and rest are cement based. State and Rural roads, however, are largely bitumen based.

Payment from NHAI in HAM and EPC projects are adjusted based on price index. Hence, any change in raw material cost will be passed on to the authority for NHAI projects in case of HAM and EPC.

However, for BOT projects, the volatility in raw material prices is a risk for developers as it has to be absorbed by them.

## 42.0 Operational data : Road network

### Road network | Addition to National Highway Length (planwise)

<b>Addition to National Highway Length (planwise)</b>		
<b>(kms)</b>	<b>Length added</b>	<b>Total length</b>
As on 1.4.1947	-	21,440
Pre First Plan (1947-1951)	815	22,255
First Plan (1951-1956)	-	22,255
Second Plan (1956-1961)	1,514	23,769
Third Plan (1961-1966)	179	23,948
Interregnum period (1966-1969)	52	24,000
Fourth Plan (1969-1974)	4,819	28,819
Fifth Plan (1974-1978)	158	28,977
Interregnum period (1978-1980)	46	29,023
Sixth Plan (1980-1985)	2,687	31,710
Seventh Plan (1985-1990)	1,902	33,612
Interregnum period (1990-1992)	77	33,689
Eighth Plan (1992-1997)	609	34,298
<b>Ninth Plan (1997-2002)</b>		
1997-1998	4,219	38,517
1998-1999	11,068	49,585
1999-2000	2,425	52,010
2000-2001	5,727	57,737
2001-2002	375	58,112
<b>Tenth Plan (2002- 2007)</b>		
2002-2003	-	58,112
2003-2004	7,457	65,569
2004-2005	-	65,569
2005-2006	1,551	67,120
2006-2007	-530	66,590
<b>Eleventh Plan (2007-2012)</b>		
2007-2008	164	66,754
2008-2009	3,794	70,548
2009-2010	386	70,934
2010-2011	n.a	70,934
2011-2012	n.a	71,772
<b>Twelfth Plan (2013-2017)</b>		
2012-13	n.a	79,116
2013-14	n.a	92,851
2014-15	n.a	96,214
2015-16	n.a	1,00,475
2016-17	3,458	1,03,933
2017-18	16,610	1,20,543
n.a: Not Available		
Note: Length of National highways denotified during Xth plan in year 2006-07 is 530 km.		
<b>Source: National Highways Authority of India, Ministry of Road Transport and Highways (MORTH) &amp; CRISIL Research</b>		

Road network | Bharatmala Phase-wise awarding

**Bharatmala (BMP) Phase-wise awarding**

	2018-22	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>(Unit: KM)</b>	<b>BMP Phase-1 target construction</b>	<b>Awarding</b>	<b>Awarding</b>	<b>Awarding</b>	<b>Awarding</b>	<b>Awarding</b>	<b>Awarding</b>
Balance road work under NHDP	10,000	3,411	861	-	-	-	1,734
Bharatmala-Border & International Connectivity Roads	2,000	761	-	-	-	-	-
Bharatmala-Coastal & Port Connectivity Roads	2,000	78	72	-	-	-	220
Bharatmala-Economic Corridor	9,000	1,035	379	-	-	-	2,188
Bharatmala-Expressways	800	124	177	-	-	-	46
Bharatmala-Inter-corridor & Feeder Roads	6,000	236	267	-	-	-	854
Bharatmala-National Corridor Efficiency Improvements	5,000	260	317	-	-	-	961
Bharatmala others	-	1,489	149	-	-	-	-
<b>Total</b>	<b>34,800</b>	<b>7,394</b>	<b>2,222</b>	<b>3,211</b>	<b>4,818</b>	<b>6,306</b>	<b>6,003</b>

Source: National Highways Authority of India

Road network | Capacity of national highways

Percentage of National Highway in terms of width								
Width of carriageway	National Highways length (2010-11)		National Highways length (2011-12)		National Highways length (2012-13)		National Highways length (2015-16)	
	(km)	(per cent)	(km)	(per cent)	(km)	(per cent)	(km)	(per cent)
Four / Six / Eight - lane	16,187	22.8	17,700	24.7	19,128	24.2	24,705	24.5
Two-lane	36,995	52.2	38,536	53.7	40,658	51.4	55,603	55.0
One-lane	17,752	25.0	15,536	21.6	19,330	24.4	20,703	21.0
<b>Total</b>	<b>70,934</b>	<b>100.0</b>	<b>71,772</b>	<b>100.0</b>	<b>79,116</b>	<b>100.0</b>	<b>1,00,475</b>	<b>100.0</b>

Note:-2013-14 and 2014-15 data is not available

Source: PIB, CRISIL Research

Road network | India: Existing road network (National highways, their length)

India: Existing road network (National highways, their length) - As on 2020-21		
Name of State / UTs	National Highway No.	Total Length (in km)
Andhra Pradesh	16, 216, 216A, 716, 26, 326, 326A, 30, 40, 140, 340, 340C, 42, 44, 544D, 150A, 65, 165, 516D, 565, 765, 67, 167, 69, 71, 75, 167A, 516E, 167B, 365BB, 365BG, 544DD, 544E, 130CD, 716A, 716B, 516C, 167BG, 544F, 167K, 342, N E7, 167BG, 69, 71, 75	7339.95
Arunachal Pradesh	13, 113, 313, 513, 713, 713A, 15, 115, 215, 315, 315A, 415, 515,	2,537.39
Assam	2, 702, 702C, 702D, 6, 306, 8, 208A, 15, 115, 215, 315, 315A, 415, 515, 715, 715A, 17, 117, 117A, 217, 27, 127, 127A, 127B, 127C, 127D, 127E, 427, 627, 29, 129, 329, 329A, 37, 715K	3,935.91
Bihar	19, 119, 219, 319, 20, 120, 22, 122, 122A, 322, 722, 922, 27, 227, 227A, 327, 327A, 527, 527A, 527B, 527C, 527D, 727, 727A, 31, 131, 131A, 231, 331, 431, 531, 33, 133, 133B, 333, 333A, 333B, 139, 124C, 227F, 227J, 227L, 727AA, 133E, 122B, 333C, 527E, 327AD, 319A, 131B, 131G	5,420.78
Chandigarh	5	15.28
Chhattisgarh	30, 130, 130A, 130B, 130C, 130D, 930, 43, 343, 45, 49, 149B, 53, 153, 353, 63, 163, 163A, 130CD, 143B,	3,620.45
Delhi	9, 44, 48, 248BB, 148A, 248BB, 709B, 344M, 148AE, 148NA, 344N, 344P, NE3	157.1
Goa	748, 66, 366, 566, 748AA, 166S	299.3
Gujarat	27, 927D, 41, 141, 341, 47, 147, 48, 848, 848A, 848B, 51, 151, 251, 351, 53, 753B, 953, 56, 58, 64, 68, 168, 168A, 756, 148M, 751D, 751DD, 351F, 147D, 751, 151A, 148N, 754K, NE1, NE4, 351K, 351G, 151K, 848K, 151AD, 927C, 927K, 351K, 351G, 151K, 848K, 151AD, 927C, 927K	7,744.00
Haryana	703, 5, 105, 7, 907, 9, 709, 709A, 11, 919, 334B, 44, 344, 444A, 48, 148A, 148B, 248A, 52, 152, 352, 352A, 54, 254, 248BB, 152A, 907G, 352R, 352W, 709AD, 334D, 148N, 152D, 148NA, 344N, 344P, NE2, NE5,	3,236.70
Himachal Pradesh	3, 103, 303, 503, 503A, 5, 105, 205, 305, 505, 505A, 705, 7, 707, 907, 907A, 44, 154, 154A,	2,606.88
Jammu & Kashmir	1, 301, 501, 701, 3, 44, 244, 144, 144A, 444, 244A, 701A,	2,423.21

and Ladakh		
Jharkhand	114A, 18, 118, 19, 419, 20, 220, 320, 22, 522, 33, 133, 133A, 133B, 333, 333A, 39, 139, 43, 143, 143A, 343, 49, 143H, 143D, 320G, 143AG, 320D, 218, 143B	3,366.76
Karnataka	44, 48, 648, 748, 948, 50, 150, 150A, 52, 160, 65, 66, 766, 766C, 67, 167, 367, 69, 169, 169A, 369, 73, 173, 75, 275, 181, 166E, 548B, 561A, 752K, 161A, 544DD, 544E, 548H, 748AA, 367A, 948A, 369E, 373, 275K, 766E, 766EE, NE7	7,412.05
Kerala	544, 744, 66, 766, 966, 966 A, 966 B, 183, 183A, 85, 185	1,781.57
Madhya Pradesh	719, 27, 927A, 30, 34, 934, 135, 135B, 39, 339, 339B, 539, 43, 543, 943, 44, 45, 46, 146, 146B, 346, 47, 347, 347C, 347B, 547, 52, 552, 752B, 752C, 56, 548C, 752G, 161G, 347A, 753L, 147E, 135BB, 135BD, 135BG, 135C, 347BG, 552G, 148N, 148NG	8,940.54
Maharashtra	130D, 930, 543, 44, 47, 347C, 547, 48, 348A, 348, 548, 848, 848A, 50, 150, 52, 53, 353C, 353D, 353E, 753, 753A, 753B, 953, 60, 160, 61, 161, 361, 63, 65, 965, 66, 166, 166A, 548C, 753E, 548E, 752G, 561, 753F, 548A, 166E, 266, 548B, 548CC, 161H, 161G, 361H, 548D, 561A, 965C, 752I, 965G, 752K, 347A, 930D, 361B, 353B, 247, 161A, 361C, 161E, 353I, 753J, 753L, 353J, 353K, 752E, 752H, 753M, 548H, 160A, 160B, 753C, 965D, 753BB, 160D, 348B, 348BB, 753AB, 160C, 166H, 761, 753H, 166D, 652, 465, 647, 461B, 160H, 361F, 965DD, 166F, 166G, 548DD, NE4, 547E,	17,930.60
Manipur	2, 102, 202, 102A, 102B, 102C, 29, 129A, 37, 137, 137A	1,750.34
Meghalaya	6, 106, 206, 217, 127B	1,155.60
Mizoram	2, 102B, 302, 502, 502A, 6, 306, 306A, 108	1,422.50
Nagaland	2, 202, 702, 702A, 702B, 702D, 29, 129, 129A, 229, 329A	1,547.68
Odisha	16, 316, 516, 18, 20, 220, 520, 26, 326, 326A, 130C, 143, 49, 149, 53, 153B, 353, 55, 57, 157, 59, 63, 126, 130CD, 316A, 516A, 157A, 126A, 655, 720, 143H, 320D,	5,897.08
Puducherry	32, 332	64
Punjab	3, 503, 503A, 703, 703A, 5, 205, 205A, 7, 9, 44, 344, 344A, 344B, 148B, 52, 152, 54, 154, 154A, 254, 754, 62, 354, 148BB, 105B, 152A, 703B, 354E, 354B, 703AA, NE5, NE5A, 503D, 754A, 754AD, 205K	4,099.12
Rajasthan	709, 11, 919, 21, 23, 123, 25, 125, 325, 27, 927A, 44, 48, 148, 148B, 148D, 248, 248A, 448, 52, 552, 752, 54, 56, 156, 58, 158, 458, 758, 62, 162, 162A, 68, 168, 168A, 954, 311, 921, 70, 925, 925A, 911, 552G, 148N, 754K, 911A, 148C, 968, 148NG	10,350.12
Sikkim	10, 310, 310A, 710, 510, 717A, 717B, 310AG	709.07
Tamil Nadu	16, 716, 32, 132, 332, 532, 36, 136, 336, 536, 38, 138, 40, 42, 44, 544, 544, 944, 48, 648, 948, 66, 75, 77, 79, 81, 181, 381, 83, 183, 85, 87, 544H, 179A, 383, 381, 381B, 785, 716, 744A, 948A, 136B, 179B, 132B, 179D, 332A, 844, 716B,	6,858.14
Telangana	30, 44, 150, 353C, 61, 161, 63, 163, 563, 65, 365, 365A, 365B, 363, 565, 765, 167, 353B, 161B, 365BB, 365BG, 765D, 161AA, 161BB, 167K	3,973.66
Tripura	8, 108, 108A, 108 B, 208, 208A	853.81
Uttar Pradesh	307, 9, 509, 709A, 19, 219, 519, 719, 21, 123, 24, 27, 2 27A, 727, 727A, 927, 28, 128, 30, 230, 330, 330B, 530, 330A, 730, 730A, 31, 731, 731A, 931, 931A, 34, 334, 334A, 334B, 334C, 534, 734, 234, 35, 135, 135B, 335, 39, 339, 539, 44, 344, 552, 709B, 135BB, 730H, 321, 731AG, 709AD, 319D, 124C, 727B, 727H, 727G, 128B, 128C, 328, 328A, 330D, 530B, 730B, 731K, 727BB, 730S, 730C, 334D, 128A, 135C, 135A, 124D, 321G, 334DD, 727AA, 731B, NE2, NE3, N E6	11,830.88
Uttarakhand	7, 107, 107A, 307, 507, 707, 707A, 9, 109, 109D, 309, 309A, 309B, 30, 34, 134, 334, 334A, 534, 734, 344, 731K,	3,105.81
West Bengal	10, 110, 12, 112, 512, 14, 114, 114A, 314, 16, 116, 116B, 17, 317, 317A, 517, 717, 717A, 18, 19, 419, 27, 327, 327B, 31, 131A, 33, 133A, 49, 316A, 116A, 327C, 312, 2 18	3,664.50
A & N Islands	4	330.7
Dadra & Nagar Haveli	848A, NE4	37
Daman & Diu	848B, 251	22.0
<b>Total</b>		<b>1,36,440</b>
<b>Source : MORTH, CRISIL Research</b>		

Road network | State-wise road length in relation to area and population

State-wise road length in relation to area and population						
	Total road	Road length		Total length of	Road length	
	length	Per 100	Per one lakh	national	Per 100	Per one lakh
	(kms)	sq kms of area	of population	highways (kms)	sq kms of area	of population
<b>STATES</b>						
Andhra Pradesh & Telangana	2,97,939	108.3	352.3	10,170	3.0	9.6
Arunachal Pradesh	30,692	36.7	2,218.1	2,537	3.0	181.6
Assam	3,29,520	420.1	1,056.0	3,845	4.9	12.2
Bihar	2,06,484	219.3	198.4	4,839	5.1	4.6
Chhattisgarh	95,809	70.9	375.1	3,523	2.3	12.0
Goa	16,063	433.9	1,101.3	292.9	7.1	18.0
Gujarat	1,79,144	91.3	296.4	5,456	2.5	8.2
Haryana	48,482	109.7	191.2	2,741	5.9	10.3
Himachal Pradesh	55,759	100.2	812.3	2,643	4.7	38.5
Jammu & Kashmir	49,716	22.4	396.4	2,601	1.2	20.7
Jharkhand	66,786	83.8	202.5	2,661	3.3	8.0
Karnataka	3,45,515	180.2	565.5	6,991	3.4	10.6
Kerala	2,00,808	516.9	601.1	1,782	4.7	5.4
Madhya Pradesh	2,89,940	94.1	399.2	8,053	1.7	7.2
Maharashtra	6,13,418	199.3	545.9	16,239	2.4	6.6
Manipur	24,776	111.0	867.6	1745.7	7.8	61.1
Meghalaya	21,727	96.9	732.3	1204.4	5.4	40.5
Mizoram	8,108	38.5	739.0	1422.5	6.6	125.9
Nagaland	36,114	217.8	1,825.3	1546.7	6.9	58.1
Odisha	2,88,083	185.0	686.3	5,413	3.1	11.5
Punjab	1,08,379	215.2	390.6	3,228	5.5	10.0
Rajasthan	2,54,279	74.3	370.9	8,972	2.3	11.5
Sikkim	8,243	116.2	1,350.0	463	6.5	75.8
Tamil Nadu	2,61,035	200.7	361.8	5,918	3.8	6.9
Tripura	39,365	375.4	1,071.5	853.8	7.7	21.9
Uttar Pradesh	4,22,412	175.3	211.4	9,017	3.5	4.2
Uttarakhand	61,018	114.1	605.0	2,842	5.1	26.9
West Bengal	3,16,730	356.9	347.0	3,004	3.3	3.2
<b>UNION TERRITORIES</b>						
Andaman & Nicobar Islands	1,493	18.1	392.3	330.7	4.0	87.0
Chandigarh	2,821	2,474.6	267.3	15.3	13.2	1.4
Dadra & Nagar Haveli	1,134	231.0	329.9	31	6.3	9.0
Daman & Diu	496	446.8	203.9	22	19.8	9.0
Delhi	17,625	1,188.5	105.0	78.9	5.4	0.5
Lakshadweep	209	696.7	324.2	0	-	-
Puducherry	3,174	647.8	254.3	64	13.1	5.1
<b>All India (excluding JRY Roads)</b>	<b>47,03,296</b>	<b>143.1</b>	<b>388.4</b>	<b>1,20,543</b>	<b>3.1</b>	<b>8.3</b>
Note: Road lengths are as of March 2018, area and population as per Census 2011						
Source: MORTH						



**Targets and achievements for MORTH**

Year	Targets for construction in km	Achievement in km
2011-12	5824	5013
2012-13	6187	5732
2013-14	6330	4260
2014-15	6300	4410
2015-16	10950	6143
2016-17	15000	8231
2017-18	15000	9829
2018-19	16420	10855
2019-20	11000	10237
2020-21	11000	13286
2021-22	12000	10457
2022-23	12500	10331

**N.A.- Not Available**

**Source: PIB, CRISIL Research**

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## 48.0 Operational data : Investments and Funding

### Investments and Funding | Investment in Roads and Highways

#### Investment in Roads and Highways (2015-16 to 2024-28)

(Rs billion)	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23E	2024-28P
National highways	409	654	882	1,089	1,154	1,409	1,415	1,550	10,143
State roads	887	1,055	957	1,204	1,248	1,235	1,499	1,726	11,700
Rural roads	183	179	170	234	215	226	246	272	1,099
<b>Total</b>	<b>1,479</b>	<b>1,888</b>	<b>2,009</b>	<b>2,527</b>	<b>2,617</b>	<b>2,870</b>	<b>3,160</b>	<b>3,548</b>	<b>22,942</b>

P: Projected

Source: CRISIL Research

### Investments and Funding | NHAI - Financial Structure

#### NHAI - Financial Structure (Rs.Bn)

Year	Cess Fund	Ploughing	IEBR
	back of funds		
	deposited by		
	NHAI in CFI		
2014-15	96	54	33
2015-16	165	65	280
2016-17	74	75	331
2017-18	154	85	505
2018-19	180	96	620
2019-20	161	106	750
2020-21RE	239	115	650
2021-22BE	347	128	650

Note: RE: Revised Estimates, BE: Budget Estimates

Source : Budget document, CRISIL Research

### Investments and Funding | Revenues from cess on petrol and diesel

#### Revenues from cess on petrol and diesel

(Rs billion)	2014-15	2015-16	2016-17	2017-18	2018-19	FY20RE	FY21BE
Central Road Infra Fund (Receipts)	258	432	519	585	629	1,224	1,261

Note: RE :- Revised Estimates, BE :- Budget estimates

Source: Budget documents, MORTH

### Investments and Funding | Capital expenditure on state roads

#### Government capital expenditure

(Rs billion)	2011-12	2011-12	2011-12	2012-13	2012-13	2012-13
	(Budget estimates)	(Revised estimates)	Accounts	(Budget estimates)	(Revised estimates)	(Accounts)
Andhra Pradesh	18.9	18.8	12.0	27.7	27.2	21.1
Arunachal Pradesh	3.9	7.7	7.2	2.1	7.5	4.4
Assam	10.0	10.0	5.8	11.7	11.7	7.1
Bihar	38.8	41.0	40.6	38.1	41.4	32.9
Chhattisgarh	13.8	12.6	6.6	26.8	18.5	12.7
Goa	2.5	2.8	3.0	2.5	2.7	2.0

Gujarat	18.2	18.4	17.9	20.9	24.7	24.4
Haryana	12.1	10.6	9.3	11.9	14.3	12.2
Himachal Pradesh	5.4	6.5	6.6	7.3	6.9	6.9
J & K	4.1	3.1	10.7	1.8	1.6	5.4
Jharkhand	16.9	7.9	8.0	16.4	16.4	15.0
Karnataka	25.9	30.2	38.7	29.8	35.5	45.5
Kerala	12.5	20.6	16.6	26.9	34.0	20.0
Madhya Pradesh	18.5	16.9	17.0	23.4	18.7	20.7
Maharashtra	28.1	27.4	27.6	30.9	28.7	28.6
Manipur	2.9	3.0	2.9	2.1	2.0	1.8
Meghalaya	3.1	3.1	3.2	3.4	3.4	4.0
Mizoram	1.1	1.7	1.3	3.2	3.7	1.0
Nagaland	2.3	3.2	3.5	2.7	5.7	3.4
Orissa	14.6	12.3	12.4	16.6	14.4	15.2
Punjab	6.2	4.8	3.9	4.2	13.9	2.1
Rajasthan	6.7	11.7	10.8	13.7	13.9	14.1
Sikkim	2.2	2.6	1.4	3.3	3.5	3.1
Tamil Nadu	35.4	30.0	34.4	40.5	40.4	33.5
Telangana	-	-	-	-	-	-
Tripura	1.3	2.5	2.3	1.9	3.1	2.9
Uttarakhand	9.5	8.2	8.1	7.9	9.3	8.7
Uttar Pradesh	47.6	53.3	45.7	49.9	56.5	64.3
West Bengal	8.5	7.6	6.7	12.7	16.5	13.6
NCR	10.0	9.3	9.2	14.5	14.5	9.3
Puducherry	1.9	0.8	0.8	1.0	0.8	0.7
<b>Total</b>	<b>382.8</b>	<b>388.5</b>	<b>373.9</b>	<b>455.9</b>	<b>491.4</b>	<b>436.6</b>

(Rs billion)	2013-14	2014-15	2015-16	2014-15	2015-16	2016-17
	(Accounts)	(Budget	(Budget	(Accounts)	(Revised	(Budget
		estimates)	estimates)		estimates)	estimates)
Andhra Pradesh	26.9	13.4	18.3	21.5	22.6	20.1
Arunachal Pradesh	6.5	9.6	5.6	6.0	7.9	1.4
Assam	7.3	19.0	17.7	8.8	23.2	22.4
Bihar	40.8	52.9	48.5	41.8	46.4	56.5
Chhattisgarh	18.0	32.7	45.2	25.8	38.3	56.3
Goa	2.3	3.0	3.5	2.3	3.5	4.4
Gujarat	26.0	26.0	27.5	25.2	21.4	25.7
Haryana	17.4	18.0	17.2	13.8	20.7	27.2
Himachal Pradesh	6.9	8.6	11.3	8.4	12.5	12.3
J & K	3.9	8.5	9.1	4.5	12.2	10.5
Jharkhand	18.8	24.9	29.9	24.4	31.9	39.9
Karnataka	52.1	41.0	39.3	50.5	54.8	53.3
Kerala	14.0	13.5	23.7	14.8	22.0	22.2
Madhya Pradesh	23.0	26.1	37.1	28.5	36.5	43.0
Maharashtra	41.3	34.4	36.2	34.1	47.2	45.0
Manipur	2.5	2.2	2.7	2.2	3.6	2.8
Meghalaya	4.9	5.5	5.8	5.0	5.8	4.9
Mizoram	0.9	1.9	1.7	1.8	2.1	2.5
Nagaland	3.1	3.0	1.3	2.7	2.6	1.3
Orissa	20.8	45.2	56.3	43.1	71.9	57.7
Punjab	3.8	10.7	14.2	9.3	11.6	11.0
Rajasthan	22.3	37.7	30.4	27.1	31.4	42.6
Sikkim	2.9	3.7	2.6	2.4	2.9	2.0
Tamil Nadu	39.8	50.3	69.1	44.2	55.2	70.6
Telangana	-	21.4	42.8	11.4	23.0	30.3
Tripura	3.2	5.9	6.6	5.4	7.0	5.2
Uttarakhand	10.3	14.6	9.6	14.8	13.6	16.9
Uttar Pradesh	98.6	145.2	147.5	139.1	156.4	187.0

West Bengal	14.7	20.8	21.0	12.6	34.2	23.6
<b>Total</b>	<b>533.2</b>	<b>699.7</b>	<b>781.7</b>	<b>631.4</b>	<b>822.1</b>	<b>898.6</b>

(Rs billion)	2016-17	2017-18	2017-18	2017-18	2018-19	2018-19
	(Accounts)	(Budget	(Revised	(Accounts)	(Budget	(Revised
		estimates)	estimates)		estimates)	estimates)
Andhra pradesh	20.9	19.1	16.9	3.7	19.5	10.9
Arunachal pradesh	3.8	6.3	16.3	11.6	8.3	36.6
Assam	15.3	23.5	25.6	21.0	29.8	62.0
Bihar	53.3	55.1	58.8	53.7	54.7	57.0
Chattisgarh	34.1	61.3	44.6	46.8	51.5	40.4
Goa	3.4	5.3	5.2	3.4	6.1	5.8
Gujarat	22.0	29.8	31.6	27.7	32.2	32.5
Haryana	14.8	19.5	18.7	15.8	18.8	18.6
Himachal pradesh	14.6	15.1	16.4	15.3	17.0	19.1
J&K	8.3	12.5	11.3	11.0	8.6	10.8
Jharkhand	42.9	50.0	50.1	50.4	40.0	40.0
Karnataka	73.1	59.9	73.1	69.6	72.0	87.9
Kerala	28.2	22.1	3.2	2.6	14.3	9.0
Madhya pradesh	34.7	55.4	58.3	63.9	59.2	57.3
Maharashtra	33.3	84.0	50.7	61.2	82.6	105.1
Manipur	4.6	6.0	6.8	6.8	6.2	6.2
Meghalaya	5.7	7.0	7.0	7.0	6.2	6.2
Mizoram	3.7	4.3	6.2	6.2	3.2	3.2
Nagaland	1.7	1.1	2.8	1.4	1.5	1.4
Odisha	65.3	63.6	66.9	68.2	67.3	77.9
Punjab	13.4	8.5	11.7	6.7	10.4	9.1
Rajasthan	24.0	47.8	47.0	45.4	52.6	42.7
Sikkim	2.6	3.7	6.6	6.6	5.7	5.7
Tamil nadu	57.5	86.2	74.0	68.0	88.1	79.0
Telangana	22.6	20.5	18.4	21.7	26.2	21.5
Tripura	8.6	6.2	5.4	2.7	3.9	1.4
Uttarakhand	13.0	13.0	13.5	14.0	13.2	12.3
Uttar Pradesh	223.6	149.8	156.0	76.4	194.9	198.0
West Bengal	18.9	26.8	39.4	35.2	35.6	43.5
<b>Total</b>	<b>867.8</b>	<b>963.4</b>	<b>942.3</b>	<b>823.8</b>	<b>1,029.4</b>	<b>1,100.9</b>

(Rs billion)	2018-19	2019-20	2019-20	2019-20	2020-21	2020-21
	(Accounts)	(Budget	(Revised	(Accounts)	(Budget	(Revised
		estimates)	estimates)		estimates)	estimates)
Andhra pradesh	7.7	22.2	9.8	6.3	23.6	5.7
Arunachal pradesh	26.0	20.0	21.6	18.3	21.6	36.5
Assam	53.6	51.0	98.1	83.7	81.0	99.9
Bihar	52.6	55.4	55.4	12.0	50.7	65.6
Chattisgarh	37.7	45.4	45.9	39.3	46.9	34.4
Goa	3.0	6.6	6.6	2.3	7.4	3.3
Gujarat	30.9	38.8	39.8	33.3	37.5	57.7
Haryana	16.0	18.9	20.2	18.0	21.7	15.4
Himachal pradesh	19.4	17.8	25.7	22.1	19.1	25.2
J&K	8.0	11.1	13.3	11.0	17.2	29.1
Jharkhand	38.4	47.0	47.0	36.7	33.8	33.8
Karnataka	83.3	80.0	89.5	83.4	82.5	76.2
Kerala	18.5	34.3	18.5	23.0	18.9	18.0
Madhya pradesh	68.9	71.1	61.8	61.5	51.3	51.5
Maharashtra	95.1	100.1	148.8	125.6	110.5	130.1
Manipur	4.0	5.2	5.9	2.5	5.6	4.9
Meghalaya	7.5	5.6	5.6	5.1	10.7	10.7
Mizoram	6.1	1.2	4.7	3.8	2.1	5.1

Nagaland	4.7	2.4	3.8	2.6	5.7	5.3
Odisha	88.1	63.6	72.3	61.2	79.1	60.3
Punjab	5.1	11.1	7.5	3.1	13.9	8.6
Rajasthan	41.6	35.0	34.3	32.0	40.4	31.1
Sikkim	6.3	6.0	5.2	2.4	9.0	5.8
Tamil nadu	70.7	107.0	90.3	92.5	30.0	133.9
Telangana	10.2	2.2	2.2	9.6	11.9	11.9
Tripura	2.6	5.0	3.2	1.4	7.2	7.5
Uttarakhand	13.6	11.5	12.9	9.1	12.0	12.3
Uttar Pradesh	198.2	205.1	221.6	213.8	216.0	189.3
West Bengal	50.6	38.5	59.2	41.3	41.6	29.2
<b>Total</b>	<b>1,068.5</b>	<b>1,118.9</b>	<b>1,230.5</b>	<b>1,057.1</b>	<b>1,108.8</b>	<b>1,198.2</b>

(Rs billion)	2020-21 (Accounts)	2021-22 (Budget estimates)	2021-22 (Revised estimates)
Andhra pradesh	7.7	27.9	10.0
Arunachal pradesh	31.7	20.6	31.1
Assam	74.7	77.2	100.9
Bihar	32.0	38.1	51.3
Chattisgarh	33.5	51.0	50.2
Goa	2.6	10.5	12.2
Gujarat	54.5	41.1	53.8
Haryana	13.7	17.0	27.6
Himachal pradesh	23.2	19.9	22.0
J&K	25.4	33.4	48.6
Jharkhand	30.8	34.8	33.5
Karnataka	105.5	87.0	79.6
Kerala	27.0	16.4	31.2
Madhya pradesh	54.0	55.3	68.8
Maharashtra	117.6	158.4	221.6
Manipur	4.0	5.6	7.9
Meghalaya	9.4	10.2	10.2
Mizoram	3.3	0.2	3.7
Nagaland	4.0	1.8	7.3
Odisha	62.5	84.9	61.7
Punjab	5.8	16.5	13.4
Rajasthan	30.0	48.4	49.9
Sikkim	5.3	7.6	8.8
Tamil nadu	127.5	140.2	123.0
Telangana	11.5	40.3	40.3
Tripura	2.1	5.9	9.1
Uttarakhand	11.2	15.1	13.0
Uttar Pradesh	180.2	367.5	291.4
West Bengal	30.5	45.5	41.7
<b>Total</b>	<b>1,121.4</b>	<b>1,478.2</b>	<b>1,523.7</b>

Note: Top 9 states account for more than 70% of State road investments

Data is available till 2021-22

Source: RBI - State budget documents

## 52.0 Operational data : Player financials

### Player financials | Consolidated

#### Companies with exposure to roads sector: Margins and RoCE (Consolidated)

Company	Year Ending	Operating profit margins	Net Profit Margins	RoCE	Gearing
		(per cent)	(per cent)	(per cent)	Times
Ahluwalia Contracts (India) Ltd -(Consolidated)	Mar-16	12.9	6.8	27.3	0.3
	Mar-17	12.4	6.0	26.7	0.2
	Mar-18	13.3	7.0	30.5	0.0
	Mar-19	12.3	6.7	24.4	0.1
	Mar-20	8.1	3.4	15.5	0.1
	Mar-21	7.8	3.9	16.7	0.0
	Mar-22	9.6	5.8	24.6	0.0
	Mar-23	10.7	6.8	23.9	0.0
Ashoka Buildcon Limited-(Consolidated)	Mar-16	34.2	-8.9	9.2	2.1
	Mar-17	30.7	-4.3	10.9	2.3
	Mar-18	30.0	-3.4	17.4	12.5
	Mar-19	25.9	-0.8	17.9	15.0
	Mar-20	27.5	3.3	20.2	11.6
	Mar-21	27.8	5.9	18.9	8.1
	Mar-22	24.5	13.8	37.1	2.3
	Mar-23	18.1	5.0	43.7	1.0
B L Kashyap and Sons Ltd -(Consolidated)	Mar-16	8.1	-0.7	6.0	2.0
	Mar-17	9.8	0.5	6.6	1.7
	Mar-18	8.9	2.0	9.5	1.2
	Mar-19	7.5	-0.8	4.7	1.1
	Mar-20	2.6	-7.7	-0.9	1.1
	Mar-21	8.2	-7.7	6.5	1.4
	Mar-22	7.8	3.8	15.0	0.9
	Mar-23	8.8	2.0	9.4	0.7
Consolidated Construction Consortium Limited-(Consolidated)	Mar-16	-9.6	-46.3	-3.5	20.9
	Mar-17	-1.4	-27.1	-0.9	63.7
	Mar-18	-1.3	-15.9	3.3	-19.1
	Mar-19	0.7	-15.6	3.3	-8.6
	Mar-20	-17.6	-45.6	-4.4	-4.7
	Mar-21	-22.1	-50.5	-1.3	-5.1
	Mar-22	-47.1	-107.8	-6.9	-2.7
	Mar-23	-22.8	-80.6	-4.0	-2.3
Gayatri Projects Ltd -(Consolidated)	Mar-16	12.8	-2.7	6.0	-12.5
	Mar-17	16.2	0.0	13.1	4.5
	Mar-18	17.0	-1.0	9.3	2.3
	Mar-19	15.9	4.6	14.8	1.9
	Mar-20	11.3	-1.7	9.3	2.2
	Mar-21	11.3	1.1	11.7	2.2
	Mar-22	-12.5	-31.0	-21.8	-562.3
	Mar-23				
Hindustan Construction Company Ltd -(Consolidated)	Mar-16	12.0	-6.4	9.7	-16.0
	Mar-17	8.4	-9.9	5.8	-13.4
	Mar-18	7.5	-9.7	5.5	-5.5
	Mar-19	7.4	-3.4	-0.8	-4.1
	Mar-20	9.2	2.1	37.4	-4.8
	Mar-21	4.7	-7.4	4.2	-3.3
	Mar-22	11.2	3.7	71.3	-3.5
	Mar-23	0.5	-0.3	20.5	-6.7



IL&FS Engineering and Construction Company Ltd -(Consolidated)	Mar-16	-9.4	-20.5	-6.7	-8.5
	Mar-17	8.2	-2.5	15.3	-11.2
	Mar-18	8.2	0.8	17.0	-15.0
	Mar-19	-7.1	-164.9	-204.1	-1.5
	Mar-20	1.1	-72.0	-105.2	-1.2
	Mar-21	-46.7	-75.5	-330.7	-1.0
	Mar-22	-2.3	-125.5	108.5	-0.9
	Mar-23	-70.1	-70.0	23.0	-0.9
IL&FS Transportation Networks Ltd -(Consolidated)	Mar-16	24.4	1.1	8.9	6.0
	Mar-17	35.7	1.9	9.3	7.3
	Mar-18	27.5	0.9	10.2	7.4
IRB Infrastructure Developers Ltd -(Consolidated)	Mar-16	52.0	12.5	9.5	3.3
	Mar-17	52.3	12.2	12.1	2.7
	Mar-18	47.3	16.2	12.5	2.4
	Mar-19	43.9	12.7	11.3	2.6
	Mar-20	43.5	10.5	17.3	1.4
	Mar-21	47.5	2.2	7.7	2.7
	Mar-22	48.3	6.1	8.6	1.3
	Mar-23	50.4	11.2	72.2	-1.3
ITD Cementation India Ltd -(Consolidated)	Dec-16	9.8	1.7	20.7	0.6
	Dec-17	8.4	3.5	19.3	0.8
	Mar-19	10.6	2.6	16.7	0.5
	Mar-20	9.0	1.5	12.5	0.5
	Mar-21	7.9	0.6	11.0	0.4
	Mar-22	7.8	1.8	14.3	0.5
	Mar-23	8.3	2.4	17.8	0.6
IVRCL Ltd -(Consolidated)	Mar-16	-10.6	-51.5	-4.1	-41.5
	Mar-17	-10.0	-33.3	-6.0	-12.3
	Mar-18	-10.2	-121.9	-12.4	-5.4
	Mar-19	-3.5	-165.1	-7.5	-2.6
	Mar-20	-28.6	-211.7	-14.7	-1.7
JMC Projects (India) Ltd -(Consolidated)	Mar-16	12.0	-2.6	8.0	3.3
	Mar-17	12.6	-1.7	9.8	3.3
	Mar-18	14.0	0.9	13.2	3.5
	Mar-19	13.9	2.2	16.4	3.0
	Mar-20	14.2	0.0	14.1	3.2
	Mar-21	12.5	-0.7	13.3	3.4
	Mar-22	8.1	0.3	25.6	-1.8
Kaushalya Infrastructure Development Corporation Ltd-(Consolidated)	Mar-16	-7181.5	-7285.5	-61.4	2.2
	Mar-17	-1416.4	-1179.8	-4.5	2.7
	Mar-18	-113.6	-147.1	-1.3	2.5
	Mar-19	65.7	86.0	20.9	0.7
	Mar-20	-3189.3	-3400.1	-9.0	0.8
	Mar-21	-30.0	28.1	3.4	0.6
	Mar-22	-951.8	309.0	1.2	0.6
	Mar-23	-1747.0	12426.4	19.5	0.4
KNR Constructions Ltd -(Consolidated)	Mar-16	15.0	9.6	12.4	0.9
	Mar-17	16.3	6.0	11.4	0.8
	Mar-18	22.0	11.1	16.6	0.7
	Mar-19	24.0	11.5	18.1	0.6
	Mar-20	25.8	10.4	17.6	0.5
	Mar-21	24.4	13.1	23.2	0.4
	Mar-22	26.4	10.1	21.0	0.6
	Mar-23	22.6	10.8	26.0	0.3
Larsen & Toubro Ltd -(Consolidated)	Mar-16	15.1	4.6	11.1	2.5
	Mar-17	15.2	5.9	11.6	2.3
	Mar-18	15.7	6.7	12.3	2.2
	Mar-19	15.5	7.6	12.2	2.2

	Mar-19	15.9	7.9	13.3	2.3
	Mar-20	16.2	7.5	12.5	2.2
	Mar-21	15.9	9.5	15.0	1.7
	Mar-22	13.8	6.6	11.5	1.5
	Mar-23	14.2	6.8	13.4	1.5
Madhucon Projects Ltd.-(Consolidated)	Mar-16	35.3	1.0	12.5	-54.1
	Mar-17	19.7	-42.8	2.0	-9.4
	Mar-18	-4.8	-101.3	-3.2	-3.9
	Mar-19	6.1	-41.5	-2.8	-3.3
	Mar-20	6.4	-154.6	-118.7	-1.2
	Mar-21	-4.0	-28.8	-2.6	-1.4
	Mar-22	-6.7	-13.4	-15.9	-1.2
	Mar-23	-21.7	-15.2	-9.9	-1.6
Man Infraconstruction Ltd -(Consolidated)	Mar-16	14.6	5.1	6.7	0.6
	Mar-17	24.5	14.5	15.4	0.4
	Mar-18	30.7	16.8	19.7	0.6
	Mar-19	27.1	11.5	11.8	0.6
	Mar-20	-0.9	-4.6	2.1	0.6
	Mar-21	22.6	7.8	9.6	0.7
	Mar-22	26.0	31.0	23.3	0.6
	Mar-23	21.9	15.3	33.8	0.2
MBL Infrastructures Ltd -(Consolidated)	Mar-16	11.3	3.7	11.5	1.9
	Mar-17	1.2	-2.9	1.7	2.8
	Mar-18	11.4	-48.4	-0.1	2.6
	Mar-19	24.8	-169.6	-8.8	3.3
	Mar-20	-25.5	124.7	23.0	-24.8
	Mar-21	-7.5	31.2	1.4	42.2
	Mar-22	-25.3	0.1	-1.5	14.2
	Mar-23	53.9	-30.4	10.4	13.0
NCC Ltd -(Consolidated)	Mar-16	10.9	0.9	12.9	1.0
	Mar-17	8.0	0.1	8.9	0.7
	Mar-18	10.7	1.6	11.1	0.5
	Mar-19	12.5	4.4	18.7	0.6
	Mar-20	12.7	3.5	13.8	0.4
	Mar-21	11.6	3.6	12.3	0.4
	Mar-22	9.2	4.4	15.2	0.2
	Mar-23	9.4	4.2	18.8	0.2
Patel Engineering Ltd -(Consolidated)	Mar-16	11.1	-4.9	5.4	3.0
	Mar-17	11.1	-2.6	7.0	2.4
	Mar-18	23.5	4.6	11.3	1.4
	Mar-19	16.0	6.5	11.4	1.2
	Mar-20	7.1	0.3	6.4	0.9
	Mar-21	12.3	-14.6	0.8	0.9
	Mar-22	15.6	2.1	11.3	0.9
	Mar-23	13.6	4.4	14.6	0.6
PNC Infratech Limited-(Consolidated)	Mar-16	21.4	7.0	14.8	1.2
	Mar-17	23.6	5.8	12.9	1.4
	Mar-18	28.8	10.9	15.7	1.2
	Mar-19	24.4	10.3	16.2	1.4
	Mar-20	21.6	10.7	19.2	1.4
	Mar-21	24.5	8.6	19.1	2.2
	Mar-22	21.3	8.1	16.4	1.8
	Mar-23	14.5	8.9	13.5	1.5
Pratibha Industries Ltd -(Consolidated)	Mar-16	17.1	0.6	14.2	6.1
	Mar-17	-14.1	-49.7	-6.5	19.8
	Mar-18	-201.0	-217.8	-70.6	-2.6
	Mar-19	-100.8	-418.4	-70.8	-1.3
Punj Lloyd Ltd -(Consolidated)	Mar-16	-20.9	-46.5	-15.9	-5.0

	Mar-17	-18.4	-17.7	2.6	-4.3
	Mar-18	-4.2	-1.4	-3.3	-3.8
Ramky Infrastructure Ltd -(Consolidated)	Mar-16	0.2	-2.1	10.0	7.7
	Mar-17	8.3	-0.7	11.9	6.8
	Mar-18	3.3	2.0	12.8	5.6
	Mar-19	11.3	0.0	11.6	4.9
	Mar-20	-2.0	-19.0	2.8	7.2
	Mar-21	10.9	1.8	9.6	6.4
	Mar-22	21.8	2.7	19.2	5.3
	Mar-23	19.8	67.6	54.9	1.1
Sadbhav Engineering Ltd -(Consolidated)	Mar-16	24.8	-5.4	8.7	7.3
	Mar-17	27.7	-3.7	8.9	9.7
	Mar-18	29.4	-2.3	11.0	11.0
	Mar-19	28.0	-1.0	11.6	14.6
	Mar-20	32.8	31.7	116.2	0.2
	Mar-21	26.7	-10.6	16.2	-3.2
	Mar-22	-18.2	-38.2	3.6	6.8
	Mar-23	12.4	-36.9	-0.7	15.4
Simplex Infrastructures Ltd -(Consolidated)	Mar-16	11.4	1.8	12.9	2.4
	Mar-17	11.5	2.4	13.2	2.2
	Mar-18	11.1	2.0	12.0	2.2
	Mar-19	9.8	2.0	11.7	1.8
	Mar-20	2.6	-8.0	0.6	2.2
	Mar-21	0.7	-21.3	-1.0	3.6
	Mar-22	2.0	-25.8	-0.8	7.1
	Mar-23	1.0	-25.1	1.1	19.8
Simplex Projects Ltd -(Consolidated)	Mar-16	2.7	-20.3	-1.0	5.2
	Mar-17	9.9	0.5	5.7	5.8
	Mar-18	6.8	0.4	1.0	5.1
	Mar-19	6.6	0.5	0.6	5.7
SPML Infra Ltd -(Consolidated)	Mar-16	10.7	-0.5	12.9	2.2
	Mar-17	5.6	-0.2	14.8	2.8
	Mar-18	10.9	2.3	14.1	2.6
	Mar-19	8.7	2.0	11.3	2.6
	Mar-20	3.6	0.4	9.3	4.0
	Mar-21	1.7	-17.2	-2.6	7.1
	Mar-22	0.6	0.0	1.5	6.2
	Mar-23	0.3	0.0	2.5	5.6
Unity Infraprojects Ltd -(Consolidated)	Mar-16	-35.0	-127.2	-7.3	-10.9
	Mar-17	-319.1	-466.8	-31.3	-3.4
Va Tech Wabag Limited-(Consolidated)	Mar-16	8.0	3.6	15.5	0.4
	Mar-17	9.3	3.5	17.6	0.3
	Mar-18	8.4	4.3	17.2	0.4
	Mar-19	6.5	3.2	12.5	0.6
	Mar-20	8.9	3.3	15.8	0.4
	Mar-21	7.7	3.6	12.7	0.3
	Mar-22	8.0	4.4	12.7	0.3
	Mar-23	10.7	0.4	4.6	0.1
Valecha Engineering Ltd -(Consolidated)	Mar-16	-9.7	-31.9	-10.7	-21.4
	Mar-17	4.6	-45.6	-8.2	-1.4
	Mar-18	0.0	-90.0	-14.1	-1.4
	Mar-19	2.8	-71.2	-63.1	-1.0
	Mar-20	7.1	-65.1	12.7	-0.9
	Mar-21	3.8	-24.2	-50.3	-0.9
	Mar-22	-4.7	-72.4	37.3	-0.9
	Mar-23	-4.6	-426.5	66.1	-0.7
Welspun Enterprises Limited-(Consolidated)	Mar-16	-21.9	-0.6	0.5	0.1
	Mar-17	-6.3	1.1	1.7	0.1

	Mar-18	7.6	6.5	8.2	0.3
	Mar-19	10.6	7.1	12.7	0.4
	Mar-20	11.6	8.4	11.7	0.5
	Mar-21	11.3	8.5	11.6	16.7
	Mar-22	10.6	9.0	11.4	-98.4
	Mar-23	8.8	26.3	29.9	0.3
<b>Dilip Buildcon Limited-(Consolidated)</b>	Mar-16	20.5	5.7	17.5	3.9
	Mar-18	18.2	7.4	16.9	2.2
	Mar-19	17.5	5.9	14.2	2.6
	Mar-20	17.5	4.4	13.8	2.8
	Mar-21	16.4	4.5	12.6	2.8
	Mar-22	7.0	-5.9	2.8	2.5
	Mar-23	7.1	0.0	9.5	1.7
<b>Gammon Infrastructure Projects Ltd -(Consolidated)</b>	Mar-16	26.5	-15.5	14.4	3.2
	Mar-17	26.7	-23.2	6.4	4.0
	Mar-18	25.7	-37.4	4.5	6.6
	Mar-19	40.6	-42.3	-11.8	-0.7
	Mar-20	52.4	4.0	-45.6	-0.4
	Mar-21	36.2	-114.3	-1.0	-0.3
	Mar-22	33.1	-535.0	50.1	-0.1

Source: CRISIL Research

## Player financials | Standalone

### Companies with exposure to roads sector: Margins and RoCE (Standalone)

Company	Year Ending	Operating profit margins	Net Profit Margins	RoCE	Gearing
		(per cent)	(per cent)	(per cent)	Times
<b>Ahluwalia Contracts India Ltd</b>	Mar-16	12.9	6.8	27.3	0.3
	Mar-17	12.2	6.1	26.6	0.2
	Mar-18	13.3	7.0	30.4	0.0
	Mar-19	12.5	6.7	24.3	0.1
	Mar-20	8.0	3.4	15.5	0.1
	Mar-21	7.8	3.9	16.3	0.0
	Mar-22	9.5	5.8	24.5	0.0
	Mar-23	10.7	6.8	24.0	0.0
<b>ARSS Infrastructure Projects Ltd</b>	Mar-16	30.3	0.8	7.6	5.1
	Mar-17	(17.0)	(39.2)	(14.7)	46.0
	Mar-18	20.6	(9.3)	(2.5)	39.8
	Mar-19	11.0	(2.4)	0.7	54.4
	Mar-20	(6.2)	2.7	0.9	42.1
	Mar-21	(16.1)	(19.2)	(3.0)	(120.0)
	Mar-22	(39.2)	(37.6)	(7.1)	(13.1)
	Mar-23	(2.1)	1.3	0.5	(13.6)
<b>Ashoka Buildcon Ltd</b>	Mar-16	13.7	6.7	12.1	0.3
	Mar-17	12.9	8.8	13.7	0.1
	Mar-18	12.8	9.7	16.2	0.1
	Mar-19	13.9	7.5	16.9	0.4
	Mar-20	15.3	9.8	20.4	0.2
	Mar-21	14.4	10.7	18.3	0.1
	Mar-22	11.0	(6.7)	(4.2)	0.2
	Mar-23	7.8	10.6	20.9	0.3
<b>B L Kashyap and Sons Ltd</b>	Mar-16	8.1	0.1	7.0	1.5
	Mar-17	9.6	1.4	9.3	1.4
	Mar-18	10.3	5.2	13.0	1.0
	Mar-19	8.1	1.9	6.9	0.8

	Mar-20	2.3	(3.9)	1.6	0.8
	Mar-21	8.7	0.3	8.9	0.8
	Mar-22	8.2	5.8	14.9	0.6
	Mar-23	9.5	4.8	12.7	0.5
<b>Consolidated Construction Consortium Ltd</b>	Mar-16	(10.2)	(44.1)	(3.5)	11.3
	Mar-17	(0.7)	(23.3)	(0.1)	24.2
	Mar-18	(0.6)	(16.6)	2.7	(26.5)
	Mar-19	1.0	(16.3)	2.7	(9.1)
	Mar-20	(19.2)	(41.5)	(3.8)	(4.7)
	Mar-21	(18.3)	(51.3)	(2.3)	(4.9)
	Mar-22	(49.9)	(103.7)	(7.7)	(2.6)
	Mar-23	(33.3)	(84.1)	(6.1)	(2.2)
<b>Dilip Buildcon Ltd</b>	Mar-16	20.3	5.5	17.7	2.4
	Mar-17	20.4	7.2	17.6	1.4
	Mar-18	18.2	8.1	20.9	1.2
	Mar-19	17.8	8.4	19.8	1.1
	Mar-20	17.6	4.7	17.3	0.9
	Mar-21	16.0	3.5	15.0	0.9
	Mar-22	8.5	(1.1)	6.0	0.7
	Mar-23	7.9	2.2	11.0	0.6
<b>Gammon India Ltd</b>	Mar-16	16.9	1.7	17.2	2.2
	Mar-17	(14.7)	(231.9)	(25.3)	6.0
	Mar-18	30.5	(826.4)	(42.0)	(3.6)
	Mar-19	40.2	(862.3)	(77.6)	(1.5)
	Mar-20	(93.7)	(1,558.2)	(79.5)	(1.2)
	Mar-21	(76.9)	(1,356.6)	808.9	(1.0)
	Mar-22	(916.7)	(3,925.3)	34.9	(0.8)
<b>Gayatri Projects Ltd</b>	Mar-16	15.3	3.3	10.7	2.3
	Mar-17	16.2	3.5	13.2	2.8
	Mar-18	17.1	6.2	16.2	1.7
	Mar-19	15.9	6.1	16.9	1.4
	Mar-20	12.6	(11.3)	(2.3)	2.1
	Mar-21	11.6	1.5	13.7	2.0
	Mar-22	(12.1)	(29.9)	(21.2)	34.1
<b>Hindustan Construction Company Ltd</b>	Mar-16	16.9	2.0	12.2	2.8
	Mar-17	17.1	1.4	12.3	1.6
	Mar-18	14.0	1.7	11.9	1.3
	Mar-19	12.2	(44.9)	(41.4)	2.6
	Mar-20	12.7	(4.6)	15.5	2.9
	Mar-21	11.7	(21.9)	(0.3)	6.5
	Mar-22	16.7	(3.3)	42.8	2.9
	Mar-23	13.1	4.9	34.3	2.7
<b>Hindustan Dorr-Oliver Ltd</b>	Mar-16	(7.6)	(96.8)	(7.0)	(1.2)
	Mar-17	(142.3)	(559.6)	(1,145.2)	(1.0)
<b>IL&amp;FS Engineering and Construction Company Ltd</b>	Mar-16	1.4	(10.2)	5.7	(171.2)
	Mar-17	9.7	0.3	15.8	23.6
	Mar-18	8.4	0.4	15.2	26.0
	Mar-19	(6.6)	(164.3)	(219.4)	(1.4)
	Mar-20	1.1	(72.2)	(104.1)	(1.2)
	Mar-21	(66.5)	(85.8)	(312.3)	(1.0)
	Mar-22	(71.0)	(125.6)	110.1	(0.9)
	Mar-23	(70.1)	(70.0)	23.3	(0.9)
<b>IL&amp;FS Transportation Networks Ltd</b>	Mar-16	7.4	(2.4)	8.9	3.6
	Mar-17	12.9	6.8	11.0	4.2
	Mar-18	15.7	8.1	11.9	4.5
	Mar-19	(856.8)	(9,468.8)	119.3	(0.1)
	Mar-20	(229.0)	(798.7)	(146.5)	(1.0)
<b>IRB Infrastructure Developers Ltd</b>	Mar-16	0.5	10.0	11.0	1.0

IRB Infrastructure Developers Ltd	Mar-16	8.5	10.6	11.9	1.2
	Mar-17	11.0	6.0	9.7	1.5
	Mar-18	11.0	15.3	9.4	2.2
	Mar-19	13.3	9.7	9.5	1.7
	Mar-20	13.1	7.0	6.5	3.1
	Mar-21	13.6	6.9	5.4	3.5
	Mar-22	26.0	12.3	8.3	0.6
	Mar-23	10.4	8.9	5.6	0.7
	ITD Cementation India Ltd	Dec-16	9.8	1.7	20.7
Dec-17		9.0	3.9	19.0	0.8
Mar-19		13.1	3.6	17.2	0.2
Mar-20		11.1	2.1	10.8	0.3
Mar-21		8.9	0.7	9.1	0.3
Mar-22		9.8	2.1	13.1	0.5
IVRCL Ltd	Mar-16	(17.6)	(46.8)	(6.7)	12.1
	Mar-17	(14.5)	(6.6)	(7.0)	15.0
	Mar-18	(40.5)	(155.1)	(21.3)	(3.8)
	Mar-19	(19.6)	(243.4)	(8.3)	(2.2)
	Mar-20	(142.4)	(537.6)	(23.0)	(1.5)
	Mar-21	(371.3)	(891.4)	(217.3)	(1.1)
	Mar-22	(14.0)	(680.2)	10.7	(1.0)
J. Kumar Infraprojects Ltd	Mar-16	17.0	7.0	13.0	0.3
	Mar-17	16.9	7.4	12.1	0.3
	Mar-18	15.7	6.7	13.3	0.4
	Mar-19	15.7	6.4	15.3	0.4
	Mar-20	14.4	6.2	13.1	0.4
	Mar-21	12.3	2.5	7.9	0.3
	Mar-22	14.4	5.8	15.1	0.2
	Mar-23	14.2	6.5	16.5	0.2
	JMC Projects (India) Ltd	Mar-16	9.3	1.7	12.5
Mar-17		9.5	2.5	13.4	0.9
Mar-18		11.3	3.8	16.0	1.0
Mar-19		11.1	4.3	18.1	0.8
Mar-20		11.8	2.1	14.6	0.9
Mar-21		10.1	1.9	13.5	0.8
Mar-22		9.0	(2.9)	(2.4)	1.1
Mar-23		9.0	(2.9)	(2.4)	1.1
Kaushalya Infrastructure Development Corporation Ltd	Mar-16	(8,301.9)	(8,418.4)	(61.2)	2.2
	Mar-17	(1,493.5)	(1,282.8)	(4.6)	2.6
	Mar-18	(84.7)	(146.8)	(1.1)	2.5
	Mar-19	(344.9)	3,767.0	19.7	0.8
	Mar-20	(2,209.2)	(3,023.7)	(6.4)	1.0
	Mar-21	(18.0)	0.1	5.9	0.9
	Mar-22	(912.5)	46.3	1.2	0.9
	Mar-23	(1,503.1)	(1,428.5)	(1.4)	0.9
	Mar-23	(1,503.1)	(1,428.5)	(1.4)	0.9
KNR Constructions Ltd	Mar-16	17.8	18.3	21.8	0.2
	Mar-17	15.5	10.4	17.8	0.2
	Mar-18	20.4	14.1	21.1	0.2
	Mar-19	20.3	12.3	19.0	0.2
	Mar-20	22.0	10.0	18.4	0.1
	Mar-21	20.2	9.0	22.1	0.0
	Mar-22	21.1	11.6	26.7	-
	Mar-23	19.5	13.3	25.6	0.0
Larsen & Toubro Ltd	Mar-16	9.8	7.8	14.2	0.3
	Mar-17	10.2	8.2	14.7	0.2
	Mar-18	9.6	7.2	15.0	0.2
	Mar-19	8.8	9.1	19.3	0.2
	Mar-20	8.5	8.0	13.4	0.5
	Mar-21	9.3	15.4	21.9	0.4



	Mar-22	9.3	7.8	13.8	0.3
	Mar-23	8.3	7.1	13.5	0.3
Madhucon Projects Ltd	Mar-16	20.6	3.1	10.2	0.7
	Mar-17	19.6	2.3	9.3	0.8
	Mar-18	15.0	2.0	5.7	0.8
	Mar-19	3.4	2.7	1.1	0.9
	Mar-20	(1.9)	(39.4)	(17.8)	1.2
	Mar-21	(16.2)	(5.6)	0.9	1.3
	Mar-22	(3.2)	(4.8)	(0.9)	1.3
	Mar-23	(15.7)	0.5	(1.3)	1.0
Man Infraconstruction Ltd	Mar-16	6.7	20.3	10.7	-
	Mar-17	10.4	41.5	13.1	-
	Mar-18	15.1	38.2	14.2	-
	Mar-19	29.3	65.2	17.6	0.0
	Mar-20	0.1	64.2	10.4	-
	Mar-21	3.1	77.3	12.2	-
	Mar-22	25.8	44.7	13.2	-
	Mar-23	17.2	20.8	18.6	0.0
MBL Infrastructures Ltd	Mar-16	10.2	3.7	14.3	1.2
	Mar-17	0.8	(2.9)	1.8	2.1
	Mar-18	7.4	(5.8)	10.2	1.3
	Mar-19	28.4	(163.4)	(10.4)	1.3
	Mar-20	24.2	212.9	21.0	0.8
	Mar-21	(33.4)	63.8	6.6	0.7
	Mar-22	15.2	85.6	4.3	0.6
	Mar-23	34.5	7.1	7.5	0.6
Mukand Engineers Ltd	Mar-16	0.8	(6.0)	(0.0)	0.9
	Mar-17	3.2	(2.0)	4.6	1.1
	Mar-18	(5.5)	(14.3)	(2.1)	1.6
	Mar-19	(19.7)	(41.8)	(10.7)	4.9
	Mar-20	(41.6)	(72.6)	(18.4)	(7.0)
	Mar-21	(82.1)	(138.8)	(24.6)	(2.4)
NCC Ltd	Mar-16	9.4	3.0	16.2	0.6
	Mar-17	9.0	3.0	13.2	0.5
	Mar-18	11.5	3.7	14.1	0.3
	Mar-19	11.9	4.7	19.7	0.4
	Mar-20	13.1	4.6	14.9	0.4
	Mar-21	11.9	3.6	12.2	0.3
	Mar-22	10.4	4.9	15.3	0.2
	Mar-23	10.1	4.3	17.7	0.2
Patel Engineering Ltd	Mar-16	14.5	(1.1)	9.0	2.8
	Mar-17	18.1	1.4	11.0	2.1
	Mar-18	22.4	2.9	12.5	1.1
	Mar-19	13.9	4.0	9.6	1.0
	Mar-20	6.0	1.5	8.9	0.8
	Mar-21	9.6	(8.1)	3.5	0.8
	Mar-22	15.1	1.7	10.5	0.8
	Mar-23	12.9	4.1	14.0	0.5
PBA Infrastructure Ltd	Mar-16	18.4	(24.6)	4.5	5.0
	Mar-17	11.1	(33.1)	1.5	8.7
	Mar-18	4.4	(36.0)	1.3	129.6
	Mar-19	3.1	7.2	2.2	41.6
	Mar-20	0.9	7.7	0.4	32.0
	Mar-21	20.0	9.1	0.4	28.3
	Mar-22	(2,070.3)	(14.3)	0.1	26.8
	Mar-23	(811.8)	(1,205.3)	(45.4)	(3.4)
Petron Engineering Construction Ltd	Mar-16	9.1	1.0	13.0	0.8
	Mar-17	2.9	(4.3)	1.4	0.6

	Mar-18	(58.9)	(75.4)	(134.8)	10.1
	Mar-19	3.9	(12.1)	(0.7)	(199.8)
<b>Pnc Infratech Ltd</b>	Mar-16	13.4	12.1	19.7	0.0
	Mar-17	13.4	11.9	13.1	0.1
	Mar-18	17.4	14.0	16.3	0.1
	Mar-19	15.5	11.1	19.3	0.2
	Mar-20	16.4	9.9	25.3	0.1
	Mar-21	14.2	7.7	19.3	0.1
	Mar-22	15.0	7.3	20.0	0.1
	Mar-23	13.5	8.7	20.1	0.1
<b>Pratibha Industries Ltd</b>	Mar-16	20.8	1.7	12.0	4.7
	Mar-17	(22.6)	(77.5)	(9.8)	12.9
	Mar-18	(157.2)	(240.7)	(78.7)	(2.5)
	Mar-19	(80.0)	(502.7)	(102.7)	(1.2)
<b>Punj Lloyd Ltd</b>	Mar-16	(16.4)	(44.7)	(7.3)	3.1
	Mar-17	(3.7)	(22.3)	0.6	32.0
	Mar-18	1.1	7.7	1.4	41.9
<b>Ramky Infrastructure Ltd</b>	Mar-16	(0.7)	0.8	14.6	7.3
	Mar-17	7.8	3.7	18.5	4.7
	Mar-18	0.4	4.7	18.1	2.6
	Mar-19	9.5	2.8	12.6	2.2
	Mar-20	4.0	0.2	7.9	1.5
	Mar-21	6.8	5.9	11.2	1.2
	Mar-22	19.2	9.1	27.5	0.9
	Mar-23	21.5	14.4	25.0	0.7
<b>Sadbhav Engineering Ltd</b>	Mar-16	10.6	4.1	12.1	0.8
	Mar-17	10.9	5.7	10.0	1.1
	Mar-18	12.1	6.3	12.2	0.8
	Mar-19	12.4	5.2	12.0	0.8
	Mar-20	12.7	3.8	9.1	0.6
	Mar-21	14.0	2.5	6.0	0.6
	Mar-22	13.7	(57.9)	(19.3)	1.0
	Mar-23	(8.9)	(34.4)	(8.1)	1.8
<b>Simplex Infrastructures Ltd</b>	Mar-16	10.9	1.8	12.4	2.4
	Mar-17	11.1	2.1	12.8	2.2
	Mar-18	11.1	2.0	12.1	2.2
	Mar-19	9.9	2.0	11.7	1.8
	Mar-20	6.7	(8.1)	0.8	2.2
	Mar-21	0.8	(22.8)	(1.0)	3.6
	Mar-22	2.4	(30.3)	(0.9)	6.9
	Mar-23	1.4	(32.7)	0.5	21.3
<b>Simplex Projects Ltd</b>	Mar-16	2.9	(20.2)	(0.9)	5.0
	Mar-17	9.4	0.8	5.6	5.4
	Mar-18	6.4	0.7	0.9	4.8
	Mar-19	6.2	0.8	0.5	5.2
	Mar-20	8.2	0.5	0.4	5.7
	Mar-21	6.9	0.1	0.2	9.0
<b>SPML Infra Ltd</b>	Mar-16	11.8	0.9	17.2	1.5
	Mar-17	5.1	0.1	15.2	2.4
	Mar-18	13.7	3.2	14.6	2.9
	Mar-19	10.4	3.5	13.0	3.5
	Mar-20	6.6	0.3	7.9	3.8
	Mar-21	7.0	(17.4)	(2.1)	6.6
	Mar-22	3.3	1.2	2.0	5.3
	Mar-23	3.2	0.2	2.6	4.9
<b>Unity Infraprojects Ltd</b>	Mar-16	(91.0)	(251.3)	(9.1)	36.4
	Mar-17	(309.6)	(445.2)	(44.8)	(2.7)
<b>Va Tech Wahan Ltd</b>	Mar-16	10.7	7.5	10.0	0.3

va Tech wavy Ltd	Mar-16	10.7	7.0	19.0	0.3
Mar-17	12.2	4.2	15.9	0.1	
Mar-18	10.3	6.3	17.2	0.3	
Mar-19	8.7	5.9	14.2	0.5	
Mar-20	10.1	3.4	15.4	0.5	
Mar-21	8.1	4.0	11.7	0.3	
Mar-22	9.0	4.3	11.9	0.3	
Mar-23	14.9	0.1	4.2	0.2	
Valecha Engineering Ltd	Mar-16	(15.2)	(25.9)	(24.5)	3.4
Mar-17	(2.0)	(14.0)	2.4	7.6	
Mar-18	(10.9)	(17.6)	5.1	20.6	
Mar-19	(1.9)	0.6	0.5	16.2	
Mar-20	(0.0)	0.8	0.5	14.5	
Mar-21	1.7	0.7	0.5	9.6	
Mar-22	(2.2)	1.0	0.5	12.7	
Mar-23	(22.8)	(19.6)	(3.4)	22.9	
Welspun Enterprises Ltd	Mar-16	(22.8)	22.2	3.1	0.0
Mar-17	(6.5)	13.5	4.2	0.1	
Mar-18	7.2	11.0	10.5	0.0	
Mar-19	10.5	8.8	13.9	0.1	
Mar-20	11.7	9.1	11.7	0.2	
Mar-21	12.1	7.6	7.7	0.3	
Mar-22	11.0	7.1	6.7	0.3	
Mar-23	8.7	26.6	28.4	0.2	

Source: CRISIL Research

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## 54.0 Operational data : Forecasts

Forecasts | National highways - Total length constructed/ upgraded (KM) by NHAI

### National highways - Total length constructed/ upgraded (KM) by NHAI

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25E	2025-26P
1,886	2,623	3,071	3,380	3,979	4,175	4,010	4,883	5,231	000-5500	500-6000

P: Projected

Source: CRISIL Research

Forecasts | National highways - Year-wise break-up of total length awarded (KM) by NHAI

### National highways - Year-wise total length awarded (KM) by NHAI

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25E	2025-26P
4,344	4,336	7,394	2,222	3,211	4,818	6,306	5,351	4,500	4500-5000	4500-5000

P: Projected

Source: CRISIL Research

Forecasts | National highways - Year-wise estimated investment (Rs billion)

### National highways - Year-wise estimated investment (Rs billion)

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25E	2025-26P
241	434	568	818	921	1,217	1,211	1,426	1,661	1750-1900	1900-2100

P: Projected

Source: CRISIL Research

Forecasts | Rural roads - Year-wise investments (Rs billion) under PMGSY

### Rural roads - Year-wise investments (Rs billion) under PM

2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23E	2023-24	2024-25E	2025-26P
170	165	160	170	234	215	226	246	272	240	210-230	230-250

P: Projected

Source: National Rural Roads Development Agency, CRISIL Research

Forecasts | State roads - Overall investments (Rs billion)

### State roads: Overall investments (Rs billion)

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23E	2023-24	2024-25E	2025-26P
887	1,055	957	1,204	1,248	1,235	1,499	1,726	1,890	2000-2200	2200-2400

P: Projected

Source: RBI, CRISIL Research

Forecasts | rural roads - Year-wise length constructed upgraded (KM) under PMGSY

### Rural roads - Year-wise length constructed upgraded (KM) under PMGSY

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25E	2025-26P
35,154	47,446	48,402	49,038	27,056	37,700	41,969	26,044	22,963	25000-30000	25000-30000

P: Projected

Source: National Rural Roads Development Agency, CRISIL Research

## 60.0 Operational data : Operating metrics

Key operating metrics - Q1 2024-25

### Key operating metrics

National Highway	Units	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024P	FY 2025P
Total Awarding	km	7,397	2,222	3,211	4,818	6306	6,003	4,200	4500-5000
Total Execution	Km	3,071	3,380	3,979	4,218	4,325	4,882	6,644	5000-6000

Note : P: Projected

Source: NHAI, CRISIL MI&A Research

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## **ANNEXURE - VI**

**Report on the Valuation of  
National Highways Infra Projects Private Limited and  
NHIT Western Projects Private Limited,  
wholly owned subsidiaries of National Highways Infra Trust,  
as of 31<sup>st</sup> March 2024**

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## Private and Confidential

Report Ref No: RVA2425AMDREP020

27/05/2024

National Highways Infra Investment Managers Private Limited  
G-5 & 6, Sector-10, Dwarka  
Delhi 110075

**Sub: Valuation of Specified SPVs (as defined below) of National Highways Infra Trust, pursuant to SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended ("the SEBI InvIT Regulations")**

Dear Sir,

We refer to our appointment letter dated 17<sup>th</sup> May 2023 wherein RBSA Valuation Advisors LLP ("RBSA") was appointed by National Highways Infra Investment Managers Private Limited ("NHIIMPL"/ the "Investment Manager") for valuation of Specified SPVs (as defined below), as an independent valuer, as per Regulation 2(zzf) of the SEBI (Infrastructure Investment Trust) Regulations, 2014 ("SEBI InvIT Regulations") as at 31<sup>st</sup> March 2024 ("Valuation Date").

National Highways Infra Projects Private Limited ("NHIPPL") and NHIT Western Projects Private Limited ("NWPPL") are wholly owned subsidiaries of National Highways Infra Trust ("NHIT" or the "Trust" or "InvIT") and have been incorporated as special purpose vehicles to operate and maintain the road projects. NHIT Western Projects Private Limited, formerly known as NHIT Eastern Projects Private Limited, was renamed on 13<sup>th</sup> May 2024. NHIPPL and NWPPL are together referred as the "Specified SPVs".

NHIPPL has entered into concession agreements with National Highway Authority of India ("NHAI" or "Sponsor") to operate, maintain and transfer 8 Toll Road projects, under the Toll, Operate and Transfer ("TOT") model (together referred to as "NHIPPL Projects" and individually referred to as the "Project"). NWPPL, formerly known as NHIT Eastern Projects Private Limited and was renamed as NHIT Western Projects Private Limited on 13<sup>th</sup> May 2024, have entered into concession agreement with NHAI to operate, maintain and transfer 7 Toll Road projects, under the TOT model (together referred to as "NWPPL Projects" and individually referred to as the "Project"). NHIPPL Projects and NWPPL Projects are together referred to as the "Specified Projects".

NHIPPL Projects as at the Valuation Date comprise the following:

1. Palanpur (Gujarat) to Abu Road (Rajasthan)
2. Abu Road (Rajasthan) to Swaroopganj (Rajasthan)
3. Kothakota Bypass (Telangana) to Kurnool (Andhra Pradesh)
4. Belgaum (Karnataka) to Kagal (Karnataka)
5. Chittorgarh (Rajasthan) to Kota (Rajasthan)
6. Agra Bypass (Uttar Pradesh)
7. Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)
8. Borkhedi – Wadner – Deodhari – Kelapur (Maharashtra/Telangana Border)



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NWPPL Projects as at the Valuation Date comprise the following:

1. Assam Package (AS- Patgaon & Dahalapara)
2. Orai-Bara
3. Assam Galia
4. Chichra-Kharagpur
5. Rewa-Katni-Jabalpur-Lakhnadon
6. Lakhnadon- Khawasa
7. Hubballi- Haveri-Chitradurga

NHIT is registered with the Securities and Exchange Board of India ("SEBI") as an infrastructure investment trust under the SEBI InvIT Regulations.

NHIIMPL is acting as Investment Manager to the Trust, NHAJ is acting as Sponsor to the Trust and IDBI Trusteeship Services Limited ("Trustee") is acting as the Trustee to the Trust, within the meaning of the SEBI InvIT Regulations. NHAJ monetized the Specified Projects through the InvIT (Infrastructure Investment Trust) route.

As per Regulation 21(4) of Chapter V of the SEBI InvIT Regulations: "A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year."

The Trust intends to undertake the fair valuation of the Specified SPVs as on 31<sup>st</sup> March 2024 ("Valuation Date") as per the SEBI InvIT Regulations.

In this regard, RBSA Valuation Advisors LLP has been appointed by the Investment Manager, as an independent valuer, as per Regulation 2(zf) of the SEBI InvIT Regulations, for the purpose of carrying out the valuation of the Specified SPVs.

We have analyzed the information provided by/ on behalf of the Investment Manager through broad inquiry, analysis and review but have not carried out a due diligence or audit of such information. We have relied on the explanations and information provided by/ on behalf of the Investment Manager. We have no present or planned future interest in the Sponsor, the Specified SPVs or the Investment Manager except to the extent of our appointment as an independent valuer. Our professional fees for the valuation are not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust, the Specified SPVs or the Investment Manager.

We enclose our valuation report (the "Report") providing our opinion on the fair enterprise value and equity value of the Specified SPVs as of 31<sup>st</sup> March 2024, on a 'going concern value' premise. The attached Report details the valuation approach and methodologies, calculations and conclusions with respect to this valuation.



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

Our valuation conclusion included herein, and the Report complies with the SEBI InvIT Regulations and guidelines, circulars or notifications issued by SEBI thereunder.

Please note that the Report must be read in conjunction with the Report including Assumptions and Limiting Conditions specified therein. This letter, the Report and the summary of valuation included herein may be provided to the Trust's advisors, the Securities and Exchange Board of India and other regulatory and supervisory authority, as may be required under the applicable regulations.

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

For **RBSA Valuation Advisors LLP**,  
(RVE No.: IBBI/RV-E/05/2019/110)

*R. Shah*



**Name: Ravishu Vinod Shah**

Designation: Partner

Asset Class: Securities or Financial Assets (RV No.: IBBI/RV/06/2020/12728)

27/05/2024

# RBSA Valuation Advisors LLP

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## 1. Executive Summary

National Highway Authority of India (“NHA”) was set up by an act of the Indian Parliament, NHA Act, 1988. NHA was set up with the primary objective of facilitating development, maintenance and management of national highways in India. NHA has been entrusted with National Highways Development Project, along with other minor projects.

National Highways Infra Trust (“NHIT” or the “Trust” or “InvIT”) is registered with the Securities and Exchange Board of India (“SEBI”) as an infrastructure investment trust under the SEBI InvIT Regulations. National Highways Infra Investment Managers Private Limited (“NHIIMPL” or the “Investment Manager”) is acting as Investment Manager to the Trust, National Highway Authority of India (“NHA” or “Sponsor”) is acting as Sponsor to the Trust and IDBI Trusteeship Services Limited (“Trustee”) is acting as the Trustee to the Trust, within the meaning of the SEBI InvIT Regulations.

National Highways Infra Projects Private Limited (“NHIPPL”) and NHIT Western Projects Private Limited (“NWPPL”) are wholly owned subsidiaries of National Highways Infra Trust and have been incorporated as special purpose vehicles to operate and maintain the road projects. NHIT Western Projects Private Limited, formerly known as NHIT Eastern Projects Private Limited, was renamed on 13<sup>th</sup> May 2024. NHIPPL and NWPPL are together referred to as the “Specified SPVs”.

NHIPPL has entered into concession agreements with National Highway Authority of India to operate, maintain and transfer 8 Toll Road projects, under the Toll, Operate and Transfer (“TOT”) model (together referred to as the “NHIPPL Projects” and individually referred to as the “Project”). NWPPL have entered into concession agreement with NHA to operate, maintain and transfer 7 Toll Road projects, under the TOT model (together referred to as “NWPPL Projects” and individually referred to as the “Project”). NHIPPL Projects and NWPPL Projects are together referred to as the “Specified Projects”.

As per Regulation 21(4) of Chapter V of the SEBI InvIT Regulations: *“A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year.”*

Accordingly, the Investment Manager and the Trustee intend to undertake the fair valuation of the Specified SPVs as on 31st March 2024 (“Valuation Date”). In this regard, RBSA Valuation Advisors LLP has been appointed by the Investment Manager, as an independent valuer, as per Regulation 2(zzf) of the SEBI InvIT Regulations, for the purpose of carrying out the Valuation of the Specified SPVs.



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The details NHIPPL Projects are as under:

Sr. No.	Name of Section	NH	Total Length (Kms)	Toll Plaza	Start Kms	End Kms
1	Palanpur (Gujarat) to Abu Road (Rajasthan)	NH-27	45.000	Khemana	601.000	646.000
2	Abu Road (Rajasthan) to Swaroopganj (Rajasthan)	NH-27	31.000	Undavariya	646.000	677.000
3	Kothakota Bypass (Telangana) to Kurnool (Andhra Pradesh)	NH-44	74.622	Pullur	135.469	211.000
4	Belgaum (Karnataka) to Kagal (Karnataka)	NH-48	77.705	Hattargi and Kognoli	515.000	592.705
5	Chittorgarh (Rajasthan) to Kota (Rajasthan)	NH-27	160.500	Bassi, Aroli and Dhaneshwar	891.929	1052.429
6	Agra Bypass (Uttar Pradesh)	NH-2 – NH-3	32.800	Raibha	176.800 KM of NH-2	13.030 KM of NH-3
7	Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)	NH-27	75.300	Raksha	1305.000 KM of NH-27	1380.387 KM of NH-27
8	Borkhedi – Wadner – Deodhari – Kelapur (Maharashtra/Telangana Border)	NH-44	138.150	Daroda and Kelapur	36.600 KM of NH-44	175.600 KM of NH-44

Source: Information provided by the Management



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The details of NWPPL Projects are as under:

Sr. No.	Name of Section	NH	Total Length (Kms)	Toll Plaza	Start Kms	End Kms
1	Assam Package (AS- Patgaon & Dahalapara)	NH-27	114	Dahalapara	961.500 KM of NH-27	1013.000 KM of NH-27
				Patgaon	30.000 KM of NH-27	92.671 KM of NH-27
2	Orai-Bara	NH-27	63	Usaka	1515.713 KM of NH-27 (LHS) and 1578.360 KM of NH-27 (RHS)	1578.872 KM of NH-27 (LHS) and 1515.713 KM of NH-27 (RHS)
3	Assam (Galia)	NH-27	27	Galia	1013+000 KM of NH-27	1040.300+000 KM of NH-27
4	Chichra-Kharagpur	NH-49	56	Balibhasha	185.150 KM of NH-49	129.000 KM of NH-49
5	Rewa-Katni-Jabalpur-Lakhnadon	NH-30 & NH-34	287*	Odhaki Paipkhar	656.000 KM of NH-30	725.185 KM of NH-30
				Kherwasani	725.185 KM of NH-30	813.257 KM of NH-30
				Mohtara	813.257 KM of NH-30	880.600 KM of NH-30
				Boharipar	880.600 KM of NH-30	1428.557 KM of NH-34
6	Lakhnadon-Khawasa	NH-44	107	Madai	546+420 KM of NH-44	653.770 KM of NH-44
				Khawasa		
7	Hubbali- Haveri- Chitradurga	NH-48	214	Chitradurga Bypass	0+000 KM of NH- 48	20+700 KM of NH- 48
				Chitradurga Davanagere	208+000 KM of NH- 48	260+000 KM of NH- 48
				Davangere Haveri	260+000 KM of NH- 48	338+923 KM of NH- 48
				Haveri Hubli	340+000 KM of NH- 48	403+000 KM of NH- 48

\*Excluding Katni Bypass Length of ~20 km

Source: Information provided by the Management

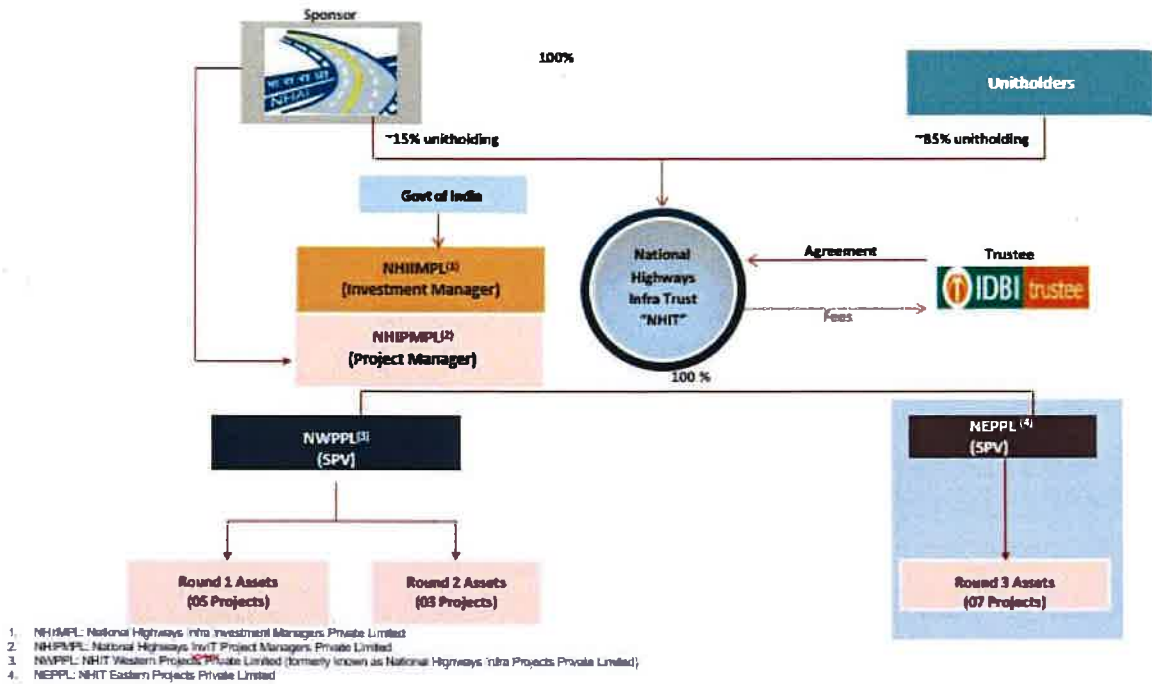


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## National Highways Infra Trust Structure



\*NHIPPL - National Highways Infra Projects Private Limited, NHIIMPL - National Highways Infra Investment Managers Private Limited, NHPMPL – National Highways InvIT Project Managers Private Limited

Note: - National Highways Infra Trust Structure as on 31<sup>st</sup> March 2024.

Source: Information provided by the Management



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## Valuation Analysis

The Discounted Cash Flow (“DCF”) method under the Income Approach has been adopted for the Enterprise Valuation of the Specified SPVs. Free Cash Flow to Firm (“FCFF”) method under DCF has been applied based on the projected financial statements of the Specified SPVs provided by the management of NHIIMPL (the “Management”). The Enterprise Value has been computed by discounting the projected FCFF of the Specified SPVs beginning from 1<sup>st</sup> April 2024 until the end of the respective concession period of the Specified Projects of the Specified SPVs, using an appropriate Weighted Average Cost of Capital (“WACC”).

The Investment Manager has appointed independent consultants to carry out Traffic study for estimation of toll revenue and Technical Due Diligence study for estimation of operating and maintenance expenses and major maintenance expenses, for each of the Specified Projects of the Specified SPVs over their respective concession periods. We have relied upon the Traffic Study Reports and Technical Due Diligence Reports provided by independent consultants on the Specified Projects of the Specified SPVs for the Enterprise Valuation of the Specified SPVs .

Valuation of a company/ business is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and we normally express our opinion on the value as falling within a likely range. However, considering the nature of the engagement, we have provided a single point value estimate. While we have provided our opinion on the enterprise value of the Specified SPVs based on the information made available to us and within the scope and constraints of our engagement, others may have a different opinion. Accordingly, we expressly disclaim all liability for any loss or damage of whatever kind which may arise from any person acting on any information and estimates contained in this Report which are contrary to the stated purpose.

While our work has involved an analysis of financial and other information provided by/ on behalf of the Management, our engagement does not include an audit in accordance with generally accepted auditing standards of the Specified SPVs existing business records. We have not carried out any independent technical evaluation or appraisal or due diligence of the assets or liabilities of the Specified SPVs. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by/ on behalf of the Management. Our Report is subject to the scope, assumptions and limitations detailed hereinafter. As such the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

We understand from the Management that capital expenditure of ~INR 1,068.8 crore to be incurred during FY2025 and FY2026 for NHIPPL Projects and capital expenditure of ~INR 342 Crore to be incurred during FY2026 and FY2027 for NWPPL Projects shall be borne by the respective SPVs.



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Further, the Management represented that:

- There are no ongoing material litigations including tax disputes and claims in relation to the Specified SPVs as of 31<sup>st</sup> March 2024.
- In respect of additional stamp duty demand notice by the Government of Karnataka for the Belgaum Kagal project for an amount of INR 69.91 Cr, the Management does not expect any financial impact on NHIPPL since NHIPPL has a confirmation from NHAI as part of pre-bid clarification wherein any demand for additional stamp duty shall be treated as change in law under the provisions of the Concession Agreement.

The Enterprise Valuation of the Specified SPVs as of 31<sup>st</sup> March 2024 has been carried out considering *inter-alia* Traffic Study Reports and Technical Due Diligence Reports of independent consultants, Business plan/ Projected financial statements of the Specified SPVs and other information provided by/ on behalf of the Management, industry analysis and other relevant factors.

The Valuation summary of the Specified SPVs as of 31<sup>st</sup> March 2024 is as follows:

SPV	WACC	Enterprise Value (INR Cr)	Equity Value (INR Cr.)
National Highways Infra Projects Private Limited (NHIPPL)	10.50%	12,202.0	2,405.6
NHIT Western Projects Private Limited (NWPPL)	10.40%	15,512.2	2,192.4

Particulars	In INR cr.	
	NHIPPL	NWPPL
<b>Enterprise Value</b>	<b>12,202.0</b>	<b>15,512.2</b>
Less: Debt	(9,945.3)	(13,327.5)
Less: Debt like items	(0.1)	-
Add: Cash and cash equivalent	149.1*	7.7
<b>Equity Value</b>	<b>2,405.6</b>	<b>2,192.4</b>

\* Cash and cash equivalent as at 31<sup>st</sup> March 2024 excludes fixed deposits aggregating ~INR 5.1 Cr which was earmarked by the Bank of Maharashtra ("BoM") for issue of Performance Guarantee to NHAI. Management represented that this FD is expected to be released once non-fund limit by BoM is sanctioned. Considering the aforementioned, working capital as at 31<sup>st</sup> March 2024 includes the aforementioned FD and the same is projected to be released in the subsequent period.





## 2. Engagement Overview

- National Highway Authority of India was set up by an act of the Indian Parliament, NHA Act, 1988. NHA was set up with the primary objective of facilitating development, maintenance, and management of national highways in India. NHA has been entrusted with National Highways Development Project, along with other minor projects.
- National Highways Infra Projects Private Limited and NHIT Western Projects Private Limited are wholly owned subsidiaries of National Highways Infra Trust and have been incorporated as special purpose vehicles to operate and maintain the road projects.
- NHIPPL and NWPPL have separately entered into concession agreements with National Highway Authority of India to operate, maintain and transfer 8 and 7 Toll Road projects, respectively, under the Toll, Operate and Transfer model.
- National Highways Infra Projects Private Limited entered into concession agreements with NHA in March 2021 for the following five projects (collectively referred to as "Round 1" assets):
  1. Palanpur (Gujarat) to Abu Road (Rajasthan)
  2. Abu Road (Rajasthan) to Swaroopganj (Rajasthan)
  3. Kothakota Bypass (Telangana) to Kurnool (Andhra Pradesh)
  4. Belgaum (Karnataka) to Kagal (Karnataka)
  5. Chittorgarh (Rajasthan) to Kota (Rajasthan)

Subsequently, NHIPPL entered into concession agreements with NHA in October 2022 for the following additional three projects (collectively referred to as "Round 2" assets):

1. Agra Bypass (Uttar Pradesh)
2. Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)
3. Borkhedi – Wadner – Deodhari – Kelapur (Maharashtra/Telangana Border)

Round 1 assets and Round 2 assets are together referred to as NHIPPL Projects.

- NHIT Western Projects Private Limited entered into concession agreements with NHA in March 2024 for the following Seven projects (together referred to as "Round 3" assets/ "NWPPL Projects"):
  1. Assam Package (AS- Patgaon & Dahalapara)
  2. Orai-Bara
  3. Assam Galia
  4. Chichra-Kharagpur
  5. Rewa-Katni-Jabalpur-Lakhnadon
  6. Lakhnadon- Khawasa
  7. Hubballi- Haveri-Chitradurga



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- National Highways Infra Trust is registered with the Securities and Exchange Board of India as an infrastructure investment trust under the SEBI InvIT Regulations. National Highway Authority of India is acting as Sponsor to the Trust, NHIIMPL is acting as Investment Manager to the Trust and IDBI Trusteeship Services Limited is acting as the Trustee to the Trust.
- A full valuation of the Specified SPVs has to be carried out not less than once in every financial year as per Regulation 21(4) contained in the Chapter V of the SEBI InvIT Regulations. The Trust intends to undertake the fair valuation of the Specified SPVs encompassing the Specified Projects, as on 31<sup>st</sup> March 2024 (“Valuation Date”) as per the SEBI InvIT Regulations.
- In this regard, RBSA Valuation Advisors LLP has been appointed by the Investment Manager, as an independent valuer, as per Regulation 2(zzf) of the SEBI InvIT Regulations, for the purpose of carrying out the Enterprise Valuation of the Specified SPVs.
- RBSA Valuation Advisors LLP is a registered valuer entity under the Section 247 of the Companies Act, 2013 registered with the Insolvency and Bankruptcy Board of India having Registered Valuer Entity No. IBBI/RV-E/05/2019/110.
- We declare that:
  - i. We are competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
  - ii. We are an independent registered valuer entity and have prepared the Report on a fair and unbiased basis; and
  - iii. We have at least two partners/ directors having experience of 5 years each in the valuation of infrastructure assets.
- The Valuation Date considered for the Enterprise and Equity Valuation of the Specified SPVs is 31<sup>st</sup> March 2024. Valuation analysis and results are specific to the Valuation date. A valuation of this nature involves consideration of various factors including the financial position of the Specified SPVs as at the Valuation Date, trends in the equity stock market and fixed income security market, macro-economic and industry trends, etc.
- We have carried out additional scope of work as per schedule V of SEBI InvIT Regulations (Refer Annexure 2B for further details).
- This Report covers the disclosures required as per the SEBI InvIT Regulations and the Valuation of the Specified SPVs is impartial, true and fair and in compliance with the SEBI InvIT Regulations.



## 3. Assumptions and Limiting Conditions

- 3.1. This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this Report; (iii) Traffic Study Reports and Technical Due Diligence Reports for the Specified Projects by independent consultants, iv) Provisional financial statements of the Specified SPVs for the period ended 31 March 2024 and (iv) Business plan/ Projected financial statements of the Specified SPVs and other information provided by/ on behalf of the Management and information obtained from public domain/ subscribed databases till 26<sup>th</sup> May 2024.
- 3.2. While our work has involved an analysis of financial and other information provided by/ on behalf of the Management, our engagement does not include an audit in accordance with generally accepted auditing standards of the Specified SPVs existing business records. We have not carried out any independent technical evaluation or appraisal or due diligence of the assets or liabilities of the Specified SPVs. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by/ on behalf of the Management. Our Report is subject to the Scope, Assumptions and Limitations detailed hereinafter. As such the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- 3.3. The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and we normally express our opinion on the value as falling within a likely range, considering the purpose and requirement of this engagement, we have provided a single value. While we have provided our opinion on the fair value of the Specified SPVs based on the information made available to us and within the scope and constraints of our engagement, others may have a different opinion.
- 3.4. A valuation of this nature is necessarily based on stock market, financial, economic and other conditions in general and industry trends in particular prevailing as on the Valuation date and the information made available to us as of the date hereof. Events occurring after the Valuation date may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 3.5. In the course of valuation, we were provided with both written and verbal information as mentioned in the Section 4. We have analysed the information provided to us by/ on behalf of the Management through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. We have assumed that no information has been withheld that could have influenced the purpose of our Report.



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- 3.6. Valuation may be based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time. However, we do not provide assurance on the achievability of the results projected by the Management as events and circumstances do not occur as expected and differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the projected results is *inter-alia* dependent on actions, plans and assumptions of the Management and macro-economic and other external factors which are beyond the control of the Management.
- 3.7. Our valuation is primarily from a business perspective and does not take into account various legal and other corporate structures beyond the limited information provided to us by the Investment Manager. The value conclusion is not intended to represent the value at any time other than the Valuation Date that is specifically stated in the Report.
- 3.8. We have also relied on the data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/ or reproduced in its proper form and context.
- 3.9. The actual price achieved in case of a transaction may be higher or lower than our estimate of value depending upon the circumstances and timing of the transaction, the nature of the business and other relevant factors. The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree considering *inter-alia* their own assessment of the Transaction and inputs from other advisors.
- 3.10. This Report has been prepared for the sole use by the Investment Manager / Trust / Sponsor/ the Specified SPVs in connection with the purpose stated herein. It is inappropriate to use this Report for any purpose other than the purpose mentioned herein. This restriction does not preclude the Investment Manager from providing a copy of the Report to its third-party advisors whose review would be consistent with the intended use. Our Report may be disclosed in connection with any statutory and regulatory filing in accordance with the provision of SEBI InvIT Regulations.- We shall not assume any responsibility to any third party to whom the Report is disclosed or otherwise made available.



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- 3.11. The Report assumes that the Specified SPVs comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, unless specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/ reflected in the financial statements provided to us.
- 3.12. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third-party having access to this Report, it should be noted that the Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- 3.13. In the particular circumstances of this case, our liability (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, irrespective of the quantum of loss or damage caused, shall be limited to the amount of fees actually received by us from the Investment Manager, as laid out in the engagement letter, for such valuation work.
- 3.14. In rendering this Report, we have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.
- 3.15. This Report does not look into the business/ commercial reasons behind the acquisition of the Specified Projects by the Specified SPVs nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of investing in an infrastructure trust as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 3.16. We are not advisors with respect to legal tax and regulatory matters for the Specified SPVs. No investigation of the Specified SPVs' claim to title of assets has been made for the purpose of this Report and the Specified SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans is closed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 3.17. The scope of work has been limited both in terms of the areas of the business and operations which have been reviewed. There may be matters, other than those noted in this report, which might be relevant in the context of the transaction and whose wider scope might uncover.
- 3.18. RBSA is not aware of any contingent, commitment or material issue, besides the information disclosed in the audited financial statements and additionally provided by the Investment Manager / Management which has been presented in this Report, which could materially affect the Specified SPVs economic environment and future performance and therefore, the fair value of their businesses.



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- 3.19. We have no present or planned future interest in the Trustee, Investment Manager, the Sponsor or the Specified SPVs and the fee for this Report is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction.
- 3.20. We have relied upon the representations of the Management in respect of the information provided by them. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Investment Manager, the Specified SPVs, their directors, employee or agents.





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- **Limitation of Liabilities**

- It is agreed that, having regard to RBSA's interest in limiting the personal liability and exposure to litigation of its personnel, the Investment Manager, the Sponsor, the Specified SPVs, the Trust or the Trustee will not bring any claim in respect of any damage against any of RBSA's personnel.
- In no circumstances, RBSA shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the Services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise) even if the Investment Manager had contemplated and communicated to RBSA the likelihood of such damages. Any decision to act upon the Report is to be made by the Investment Manager and no communication by RBSA should be treated as an invitation or inducement to engage the Investment Manager to act upon the Report.
- In the particular circumstances of this case, our liability (in contract or under statute or otherwise) for any loss or damage caused, shall be limited to the amount of fees actually received by us, as laid out in the engagement letter, for such valuation work.
- It is clarified that the Sponsor and the Trust will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- RBSA will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager, the Sponsor, the Specified SPVs, the Trust or the Trustee.



## 4. Sources of Information

For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by/ on behalf of the Management:

- Concession Agreements for the Specified Projects entered into between the Specified SPVs and NHAI;
- Reports of independent consultants appointed by the Investment Manager for Traffic study and estimation of toll revenue for the duration of the concession period for each of the Specified Projects of the Specified SPVs (together referred to as the “Traffic Study Reports”);
- Reports of independent consultants appointed by the Investment Manager for Technical Due Diligence study to estimate the operating and maintenance expenses and major maintenance expenses for the duration of the concession period for each of the Specified Projects of the Specified SPVs (together referred to as the “Technical Due Diligence Reports”);
- Provisional Financial statements of the Specified SPVs for the period ended 31<sup>st</sup> March 2024;
- Projected financial statements of the Specified SPVs from 1<sup>st</sup> April 2024 till the end of the concession period of the Specified Projects of the Specified SPVs, which the Management expects to be their best estimate of the expected performance of the Specified SPVs encompassing the Specified Projects (“Management Projections”);
- Discussions with the Management to inter-alia understand the historical and expected future performance of the Specified SPVs and the Specified Projects, key value drivers and other factors affecting the business of the Specified SPVs;
- Management representation letter with respect to mandatory disclosures required by SEBI; and
- Capital IQ’s database of publicly traded companies.

We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the Management.



## 5. Procedures

We have carried out the Enterprise and Equity Valuation of the Specified SPVs, to the extent applicable, in accordance with ICAI Valuation Standards, 2018 ("ICAI VS") issued by the Institute of Chartered Accountants of India.

We have adopted the following procedures for carrying out the valuation analysis:

- Considered the key terms of Concession Agreements;
- Analysis of the Management Projections;
- Considered the Traffic Study Reports and Technical Due Diligence Reports;
- Analysis of the key economic and industry factors which may affect the valuation of the Specified SPVs;
- Analysis of the financial performance (Profit & Loss Statement) of the Specified SPVs for the period 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024;
- Analysis of the financial position (balance sheet) of the Specified SPVs as of 31<sup>st</sup> March 2024;
- Analysis of the information available in public domain/ subscribed databases in respect of the comparable companies/ comparable transactions, as considered relevant by us;
- Selection of valuation approach and valuation methodology/(ies), in accordance with ICAI VS, as considered appropriate and relevant by us;
- Analysis of other publicly available information, as considered relevant by us; and
- Determination of Enterprise Value and Equity Value of the Specified SPVs.



## 6. Industry Overview

### Road Infrastructure in India

- India has the second largest road network in the world, spanning a total of ~ 6.23 million kilometers (“kms”). This comprises National Highways, Expressways, State Highways, Major District Roads, Other District Roads and Village Roads as under:

Particulars	In kms	% share
National Highways	144,634	2%
State Highways	186,908	3%
Other Roads	5,902,539	95%
<b>Total</b>	<b>6,234,081</b>	

Source: IBEF December 2023 Report

- This road network transports ~64.5 per cent of all goods in the country and ~90 per cent of India’s total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns, and villages in the country.

### Expansion of roadways

- In FY24 (until October), cumulatively, ~4,474 km of National Highways have been constructed and ~2,595 km of National Highways has been awarded.
- In FY23, the Ministry of Road Transport and Highways constructed national highways extending ~10,993 kms. In FY 22 the same was ~10,457 kms.
- To transform road infrastructure in Punjab, Haryana and Rajasthan, the Indian government has planned to construct roads for INR 11,000 crore (US\$ 1.48 billion).
- The Ministry of Road Transport & Highways extended certain relief measures provided earlier in view of the second COVID-19 wave.
- Odisha has completed 62,192 kms of roads under the Pradhan Mantri Gram Sadak Yojana (“PMGSY”) programme, making it one of the highest performing states in construction of rural roads.

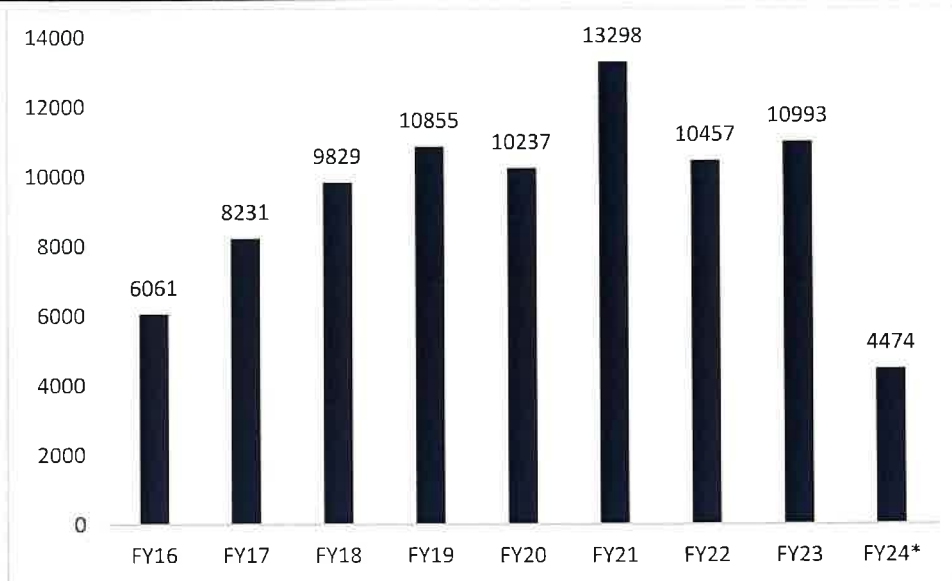


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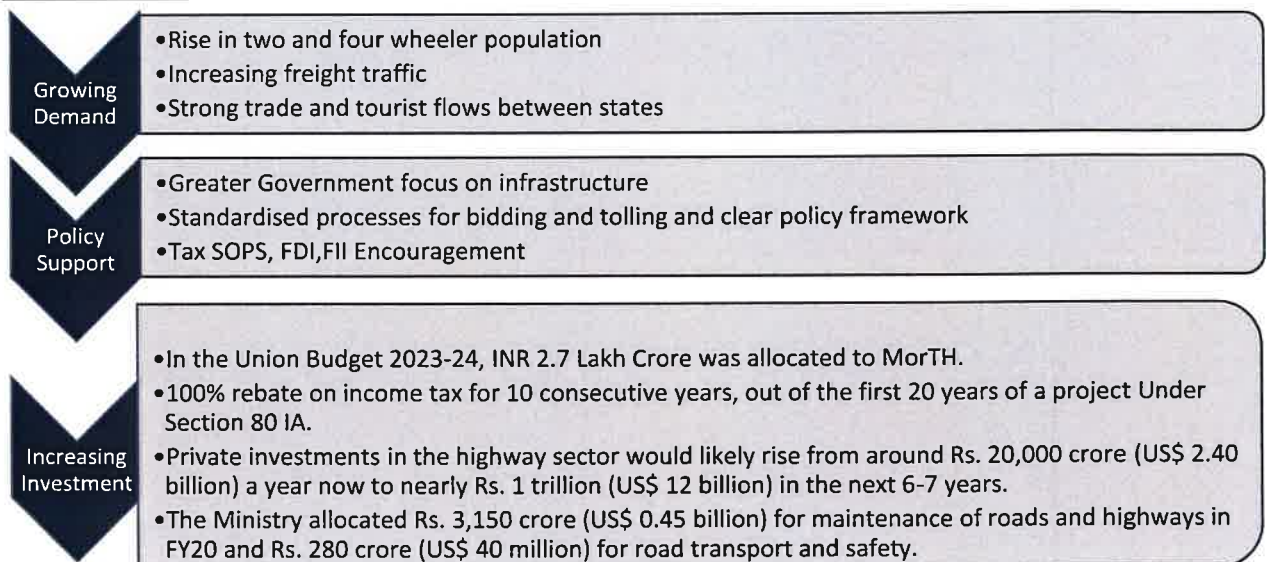
## Highway Construction in India (Kms)



\* Till October 2023

Source: IBEF December 2023 Report

## Growth Drivers



Source: IBEF December 2023 Report & Union Budget 2023-24

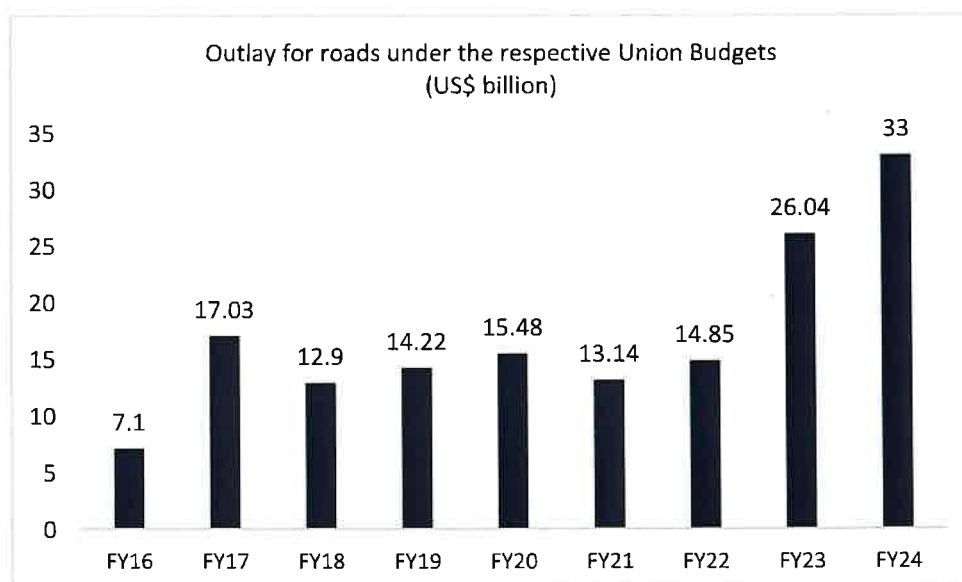


## Growth prospects

- Under “Parvatmala Pariyojana”, the Government of India plans to develop 250+ projects with a Ropeway length of 1,200+ km over five years.
- A total of 600+ sites are planned to be awarded by 2024-25 of which 144 Wayside Amenities (WSAs) have already been awarded.
- The Indian Government has announced to launch 1,080-km (road construction) projects worth INR 25,370 crore (US\$ 3.4 billion) under the Bharatmala Pariyojana—the ambitious road and highways project that aims to build highways from Maharashtra, Gujarat, Rajasthan, Punjab, Haryana and then cover the entire string of Himalayan territories.
- Indian government has announced its plan to construct the Delhi-Mumbai Express Highway (extending 1,380 kms), to improve connectivity from Delhi to Mumbai, covering states such as Haryana, Rajasthan, Gujarat and Madhya Pradesh. The estimated cost to construct the Delhi-Mumbai Express Highway is INR 98,000 crore (US\$ 13.08 billion).
- NHA is planning to raise Rs 40,000 crore (US\$ 5.72 billion) to monetize its highway assets through Infrastructure Investment Trust.

## Key Highlights of Union Budget 2023-24 and Interim Budget 2024-25

- The Government has allocated INR 2.8 lakh crore for Ministry of Road Transport and Highways.
- The Government plans to complete 25,000 Kilometers of National Highways.
- To transform road infrastructure in Punjab, Haryana and Rajasthan, the Indian government has planned to construct roads extending 313 kms for INR 11,000 crore (US\$ 1.48 billion).



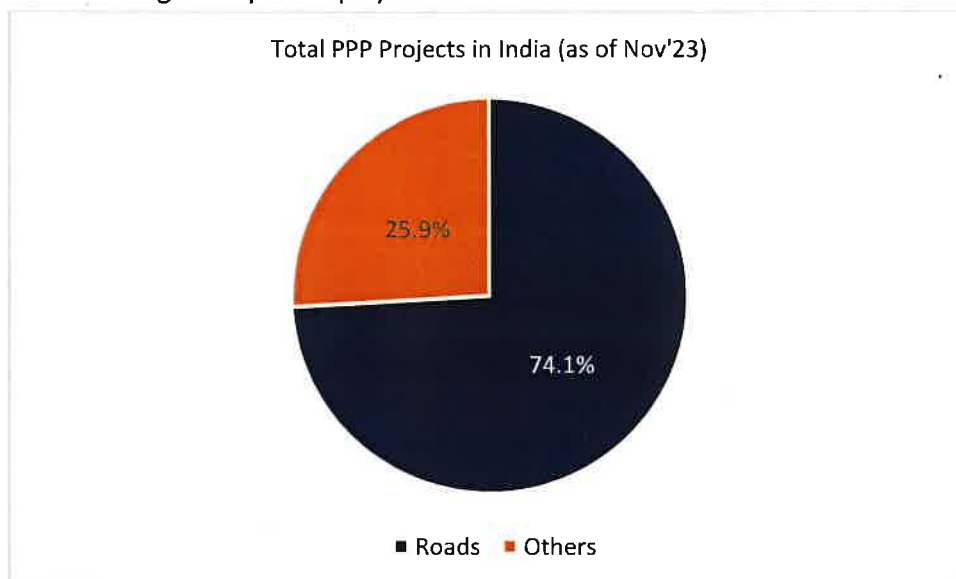
Source: IBEF Road Report December 2023





## Private Sector Participation: -

- The government has successfully rolled out over 60 road projects in India worth over US\$ 10 billion based on the Hybrid Annuity Model (HAM). HAM has balanced risk appropriately between private and public partners and boosted PPP activity in the sector.
- In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivizing timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.



(Source: IBEF Road Report December 2023 & Niti Aayog)

## Government initiatives: -

### 1. National Infrastructure Pipeline (NIP)

The government's ambitious National Infrastructure Pipeline which is to be implemented until FY25 is an attempt undertaken by the centre to facilitate economic revival by relying on infrastructure creation. The NIP covers a gamut of sectors, rural and urban infrastructure as well and entails investments to the tune of INR 111 Lakh Crores to be undertaken by the central government, state governments and the private sector. The Roads sector is expected to account for 18% capital expenditure over FY2019-25.



## 2. Bharatmala Pariyojana (BMP) – Phase I

- Bharatmala Pariyojana is a program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressways.
- A total of around 24,800 kms are being considered in Phase I. In addition, Phase I also includes 10,000 kms of balance road works under NHDP. Estimated outlay for Phase I is ~ INR 5.35 lakh Crores spread over 5 years.
- Summary of Phase 1 Components and approved outlay of for the same are as follows: -

Sr. No.	Components	Length (Km)	Outlay (INR crore)
1	Economic corridors development	9,000	120,000
2	Inter- corridors & feeder roads	6,000	80,000
3	National Corridors Efficiency Improvement	5,000	100,000
4	Border and International Connectivity	2,000	25,000
5	Coastal and port connectivity roads	2,000	20,000
6	Expressways	800	40,000
Total		24,800	385,000
7	Balance Road works under NHDP	10,000	1,50,000
Total		34,800	5,35,000

Source: MORTH Website

NHAI will consider only those projects that require minimal land acquisition worth INR 3 trillion under Bharatmala Pariyojana Scheme. A total of ~65,000 kms of roads and highways are to be constructed under Bharatmala Pariyojana.

## 3. Gati Shakti – National Master Plan

India's Gati Shakti program has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres). The main aim of this program is a faster approval process which can be done through the Gati Shakti portal and digitized the approval process completely.

## 4. Rural Development

Under the Interim Union Budget 2024-25, the Government of India has allocated INR 19,000 crores for Pradhan Mantri Gram Sadak Yojana (PMGSY). Over 7 lakh kilometers of roads have been constructed under the first and second phases of the scheme, which is currently in its third phase.



## 7. Valuation Approach and Methodology

VALUATION APPROACHES		
INCOME APPROACH	MARKET APPROACH	ASSET APPROACH
Estimates value based on the present value of future earnings of cash	Estimates value based on the multiples of comparable companies and precedent comparable transactions	Estimates value based on the fair value of the business' assets less the fair value of its liabilities
Applied	Not applied	Not Applied

### Basis and Methodology of Valuation

- Basis of Valuation**

It means the indication of the type of value being used in an engagement. Fair Value as per ICAI VS defined as under:

*“Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.”*

Fair value basis has been adopted for enterprise valuation of the Specified SPVs

- Valuation Date**

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

The Valuation Date considered for the fair enterprise valuation of the Specified SPVs is 31<sup>st</sup> March 2024. The attached Report is drawn up with reference to accounting and financial information as on 31<sup>st</sup> March 2024.

- Premise of Value**

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

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



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Approach & Method	Applied/Not Applied	Description	Rationale
<b>Income Approach</b> Discounted Cash Flow Method (DCF)	Applied	<ul style="list-style-type: none"> <li>▪ In the DCF method under the Income approach, forecast cash flows are discounted back to the Valuation date, estimating a net present value of the cash flow stream of the business. A terminal value at the end of the explicit forecast period is then determined and that value is also discounted back to the Valuation date to give an overall value for the business</li> <li>▪ A discounted cash flow methodology typically requires the forecast period to be of such a length to enable the business to achieve a stabilized level of earnings, or to be reflective of an entire operation cycle for more cyclical industries</li> <li>▪ The rate at which the future cash flows are discounted (the "discount rate") should reflect not only the time value of money, but also the risk associated with the business' future operations. The discount rate most generally employed is Weighted Average Cost of Capital ("WACC") or Cost of Equity (Ke), reflecting an optimal as opposed to actual financing structure</li> </ul>	<ul style="list-style-type: none"> <li>• Management has provided financial projections of the Specified SPVs, which represents their best estimate of the expected performance of the Specified SPVs for the balance tenor of their respective Concession period. Considering the aforementioned, the DCF method has been adopted to estimate the enterprise value of the Specified SPVs.</li> </ul>
<b>Market Approach</b> <ul style="list-style-type: none"> <li>• Market Price Method</li> </ul>	Not Applied	<ul style="list-style-type: none"> <li>▪ Under this method, the value of a company is arrived at considering its market price over an appropriate period.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As the Specified SPVs are not listed, this method is not applied</li> </ul>
<b>Market Approach</b> <ul style="list-style-type: none"> <li>• Comparable Companies Multiples ("CCM") Method</li> </ul>	Not Applied	<ul style="list-style-type: none"> <li>▪ Under Comparable Companies Method, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. Although no two companies are entirely alike,</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Specified Projects of the Specified SPVs are operational and does not have project implementation risk. Further, the projected income and cash flows of the Specified SPVs primarily depend on the key terms of the</li> </ul>



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Approach & Method	Applied/Not Applied	Description	Rationale
		<p>the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company.</p> <ul style="list-style-type: none"> <li>The appropriate multiple is generally based on the performance of listed companies with similar business models and size.</li> </ul>	<p>respective concession agreements, residual tenor, project-specific characteristics/factors, etc. which may differ from the other projects. Accordingly, this method is not adopted.</p>
<p><b>Market Approach</b></p> <ul style="list-style-type: none"> <li>Comparable Transaction Multiples ("CTM") Method</li> </ul>	Not Applied	<ul style="list-style-type: none"> <li>Under Comparable Transaction Multiples Method, the value of shares /business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company</li> <li>Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration is given to the specific characteristics of the business being valued</li> </ul>	<ul style="list-style-type: none"> <li>The projected income and cash flows of the Specified SPVs primarily depend on the key terms of the respective concession agreements, residual tenor, project-specific characteristics/ factors, etc. which may differ from the other projects. We have not adopted this methodology due to unavailability of information in public domain involving recent transactions in similar projects</li> </ul>
<p><b>Asset based Approach</b></p> <ul style="list-style-type: none"> <li>Adjusted Net Asset Value Method</li> </ul>	Not Applied	<ul style="list-style-type: none"> <li>Under the Adjusted Net Asset Value Method, a Valuation of a 'going concern' business is computed by adjusting the assets and liabilities to the fair market value as of the date of the Valuation.</li> <li>A net asset value methodology is typically most appropriate when:                             <ul style="list-style-type: none"> <li>Valuing a holding company or a capital-intensive company.</li> <li>Losses are continually generated by the business; or</li> <li>Valuation methodologies based on a company's net income or cash flow levels indicate a value lower than its adjusted net asset value.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The Specified SPVs has entered into concession agreements and are expected to make the operating profits. In such a scenario, the true worth of the business is reflected in its future earning capacity rather than the historical cost of the project. The valuation of the Specified SPVs is carried out on a 'going concern value' premise. Since the Net Asset value does not capture the future earning potential of the businesses, we have not adopted the Asset approach for the valuation of the Specified SPVs.</li> </ul>





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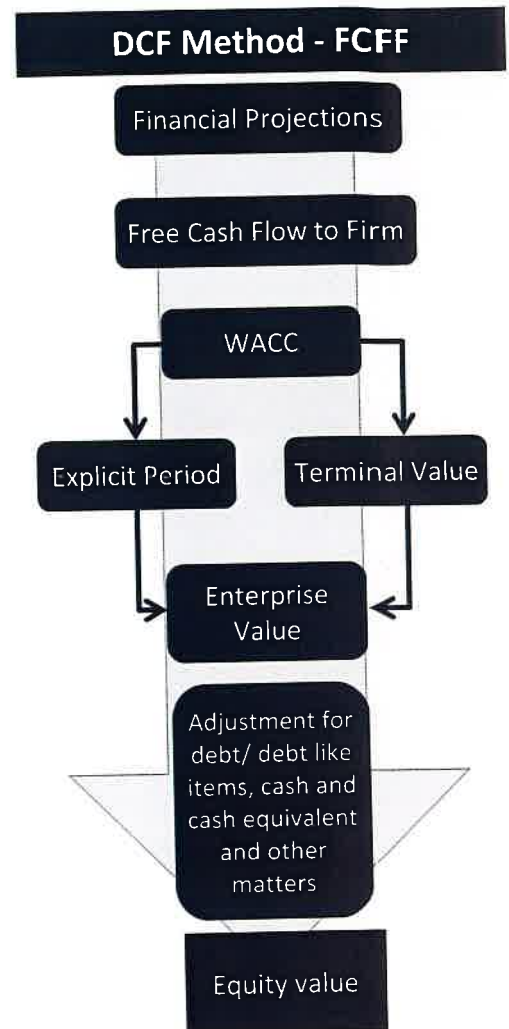


## Income Approach

The Income Approach is widely used for valuation under "Going Concern Value" premise. It focuses on the income generated by a company in the past as well as its future earning capability.

## Discounted Cash Flow ("DCF") Method

- Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter.
- Free Cash Flows to Firm ("FCFF") under the DCF method has been applied for estimating the enterprise value of the Specified SPVs.
- FCFF represent the cash available for distribution to both, the owners and creditors of the business. FCFF for the explicit period and perpetuity value is discounted by the Weighted Average Cost of Capital ("WACC") to derive the net present value. The WACC is an appropriate rate of discount to calculate the present value of the future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.
- Enterprise Value ("EV") is derived by aggregating the present value of FCFF for the balance tenor of the Concession Agreement ("Explicit period") and Terminal value at the end of the Explicit period.
- Terminal value is estimated based on the business' potential for further growth beyond the Explicit period. Considering *inter-alia* estimated economic life of the projects and terms of the Concession Agreement, Terminal value has been estimated considering release of net working capital, at the end of the Explicit period.
- The Enterprise Value of the Specified SPVs have been determined as an aggregate of the present value of FCFF for the Explicit period and Terminal value.





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## Weighted Average Cost of Capital (WACC)

WACC has been estimated as under:

Particulars	Definition/Formula
WACC	$Ke * (E / (D + E)) + Kd * (1-T) * (D / (D + E))$
Where:	
Ke	cost of equity
E	market value of equity
Kd	cost of debt
D	market value of debt
T	effective tax rate

The cost of equity is derived using the Capital Asset Pricing Model ("CAPM") as follows:

Particulars	Definition/Formula
Ke	$Rf + \beta * (Rm - Rf) + \alpha$
Where:	
Rf	the return on risk-free assets
Rm	the expected average return of the market
(Rm - Rf)	the average risk premium above the risk - free rate that a "market" portfolio of assets is earning
$\beta$	the beta factor, being the measure of the systematic risk of a particular asset relative to the risk of a portfolio of all risky assets
$\alpha$	Company specific risk factor (alpha), if any

A summary of WACC for the Specified Projects of the Specified SPVs is appended as per **Appendix 1**.



## 8. Valuation of the Specified SPVs

### 8.1. Key underlying assumptions as provided by the Management are as follows:

We have carried out the Enterprise and Equity Valuation of the Specified SPVs as of 31<sup>st</sup> March 2024, considering *inter-alia* the latest Traffic Study Reports and Technical Due Diligence Reports of independent consultants, Business plan/ Projected financial statements of the Specified SPVs and other information provided by/ on behalf of the Management, industry analysis and other relevant factors.

- **Operating Revenue:** Operating revenue for the Specified Projects for their respective concession period (the “Projected Period”) have been estimated by the Management considering the traffic projections from Traffic Study Reports of independent traffic consultants appointed by NHIIMPL and toll rates basis NHAI regulations.
- **Operational and Maintenance Expenses (Routine maintenance):** O&M expenses for the Projected Period have been estimated by the Management considering the Technical Due Diligence Reports of independent technical consultants appointed by NHIIMPL.
- **Major Maintenance & Repair Expenses (MMR / Periodic maintenance):** Periodic maintenance expenses are costs that are incurred to bring the road asset back to an earlier condition or to keep the road asset operating at its present condition. MMR expenses for the Projected Period have been estimated by the Management considering the Technical Due Diligence Reports of independent technical consultants appointed by NHIIMPL.
- **Project Management (PM) Expenses:** PM expenses are being paid to the Project Manager for management of all the toll road projects. These expenses have been estimated by the Management considering the PM agreement with the Project Manager.
- **Insurance Expenses:** Insurance expenses for the Projected Period have been estimated by the Management considering the Technical Due Diligence Reports of independent technical consultants appointed by NHIIMPL.



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- **SPV Costs:** The Management has estimated the base year cost for each project and annual escalation thereafter:

NHIPPL Projects	Annualized Base Year Cost (INR Crore)	Annual Escalation (%)
Abu Road to Swaroopganj	6.09	7.5%
Chittorgarh to Kota	6.09	7.5%
Palanpur to Abu Road	6.09	7.5%
Kothakota Bypass to Kurnool	6.09	7.5%
Belgaum to Kagal	6.09	7.5%
Agra Bypass	4.64	7.5%
Shivpuri Jhansi	5.13	7.5%
Borkhedi – Wadner – Deodhari – Kelapur	8.28	7.5%

NWPPL Projects	Annualized Base Year Cost (INR Crore)	Annual Escalation (%)
Assam Package (AS- Patgaon & Dahalapara)	6.76	7.5%
Orai-Bara	3.45	7.5%
Assam Galia	3.18	7.5%
Chichra-Kharagpur	3.40	7.5%
Rewa-Katni-Jabalpur-Lakhnadon	14.21	7.5%
Lakhnadon- Khawasa	6.73	7.5%
Hubbali- Haveri-Chitradurga	10.47	7.5%

- **Depreciation and Amortization:** Service Concession License to collect toll has been amortized over the period of concession.
- **Taxes:** Income taxes have been estimated considering, as appropriate, brought forward business losses and unabsorbed depreciation, tax depreciation/ amortisation policy followed by the SPV and the corporate income tax rate of 25.17%.



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- **Capital Expenditure:** Capital expenditure aggregating ~INR 1,068.8 crore is projected to be incurred by NHIPPL during FY2025 and FY2026 for the Specified Projects and Capital expenditure aggregating ~INR 342 crore is projected to be incurred by NWPPL during FY2026 and FY2027 for the Specified Projects considering *inter-alia* Technical Due Diligence Reports of independent technical consultants appointed by NHIIMPL, actual contracts awarded so far, actual bids and Management's estimate.
- **Working Capital:** Considering the nature of the business of operating toll road projects, the working capital requirement for the Projected Period has been estimated basis the net working capital position as of 31<sup>st</sup> March 2024 as a percentage of revenue which was around 0.01%.
- **Investment Management ("IM") Expenses:** The Trust and Investment Manager has entered into Investment Management Agreement ("IM Agreement") in terms of SEBI InvIT Regulations. IM Expenses has been projected considering inter-alia terms of the IM Agreement and Management's estimate.



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## 8.2. NHIPPL Projects

### 8.2.1. Palanpur (Gujarat) to Abu Road (Rajasthan)

#### 8.2.1.1. Project Overview

Parameters	Details
Project Name	NH27 (NH14) Palanpur/Khemana – Abu Road (Stretch 3)
Length of the project	45.00 kms
Toll Plaza Location	Khemana
Concession Start Date	16 <sup>th</sup> December 2021
Concession End Date	15 <sup>th</sup> December 2051

Source: Information provided by the Management

#### 8.2.1.2. Additional Procedures to be complied with in accordance with InvIT regulations.

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31<sup>st</sup> March 2024 is provided in Appendix 3

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (16<sup>th</sup> December 2021) until the Valuation Date.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Major Maintenance Expenses	-	-	-	98.04	1.73	6.02

Particulars for the year/ period ended	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037
Major Maintenance Expenses	-	-	-	-	-	4.41	-

Particulars for the year/ period ended	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044
Major Maintenance Expenses	-	-	147.97	-	14.09	2.8	-

Particulars for the year/ period ended	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052
Major Maintenance Expenses	-	182.15	-	-	-	25.72	-	225.73

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical Inspection  
We carried out the physical inspection of PLN-ABU on 26th April 2024. We observed during the physical inspection that the Toll was being collected at Khemana toll plaza. Please refer to Appendix 5 for the latest pictures of the project.





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## 8.2.2. Abu Road (Rajasthan) to Swaroopganj (Rajasthan)

### 8.2.2.1. Project Overview

Parameters	Details
Project Name	NH27 (NH14) Aburoad - Swaroopganj (Stretch 1)
Length of the project	31.00 kms
Toll Plaza Location	Undavariya
Concession Start Date	16 <sup>th</sup> December 2021
Concession End Date	15 <sup>th</sup> December 2051

Source: Information provided by the Management

### 8.2.2.2. Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3.

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (16<sup>th</sup> December 2021) until the Valuation Date.

**Forecasted Major Maintenance Expenses (INR Cr):**

Particulars for the year/ period ended	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030		
Major Maintenance Expenses	-	-	-	57.49	1.73	4.14		

Particulars for the year/ period ended	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037
Major Maintenance Expenses	-	-	-	-	-	4.41	-

Particulars for the year/ period ended	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044
Major Maintenance Expenses	-	-	89.96	-	9.71	2.80	-

Particulars for the year/ period ended	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052
Major Maintenance Expenses	-	140.64	-	-	-	18.28	-	136.99

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of ABU-SWA on 26th April 2024. We observed during the physical inspection that the Toll was being collected at Undavariya toll plaza. Please refer to Appendix 6 for the latest pictures of the project



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## 8.2.3. Kothakota Bypass (Telangana) to Kurnool (Andhra Pradesh)

### 8.2.3.1. Project Overview

Parameters	Details
Project Name	NH44 (NH7) Stretch of Kothakota Bypass – Kurnool Highway (Stretch 4)
Length of the project	74.622 kms
Toll Plaza Location	Pullur
Concession Start Date	16 <sup>th</sup> December 2021
Concession End Date	15 <sup>th</sup> December 2051

Source: Information provided by the Management

### 8.2.3.2. Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3.

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, “Governmental Licenses”) shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (16<sup>th</sup> December 2021) until the Valuation Date

Forecasted Major Maintenance Expenses (INR Cr):

Particulars	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Major Maintenance Expenses	-	-	-	-	4.31	-

Particulars	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037
Major Maintenance Expenses	-	-	-	296.49	-	1.71	6.43

Particulars	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044
Major Maintenance Expenses	-	23.12	365.83	6.51	2.10	-	-

Particulars	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052
Major Maintenance Expenses	454.20	-	62.53	4.14	-	434.80	32.71	-

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any;  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of KOT-KUR on 25 April 2024. We observed during the physical inspection that the Toll was being collected at Pullur toll plaza. Please refer to Appendix 7-for the latest pictures of the project.



## 8.2.4. Belgaum (Karnataka) to Kagal (Karnataka)

### 8.2.4.1. Project Overview

Parameters	Details
Project Name	NH48 (Old NH4) Stretch of Belgaum – Maharashtra / Karnataka Border (Kagal) Highway (Stretch 5)
Length of the project	77.705 kms
Toll Plaza Location	Hattargi and Kognoli
Concession Start Date	16 <sup>th</sup> December 2021
Concession End Date	15 <sup>th</sup> December 2051

Source: Information provided by the Management

### 8.2.4.2. Additional Procedures to be complied with in accordance with InvIT regulations

- A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3
- B. List of up to date/ overdue periodic clearances:  
As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, “Governmental Licenses”) shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.





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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (16<sup>th</sup> December 2021) until the Valuation Date

Forecasted Major Maintenance Expenses (INR Cr):

Particulars	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Major Maintenance Expenses	-	-	-	-	3.48	-

Particulars	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037
Major Maintenance Expenses	-	-	-	-	173.65	32.37	-

Particulars	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044
Major Maintenance Expenses	4.10	-	-	234.38	-	52.02	5.04

Particulars	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052
Major Maintenance Expenses	-	-	287.40	-	-	90.48	149.70	-

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
In respect of additional stamp duty demand notice by the Government of Karnataka for the Belgaum Kagal project for an amount of INR 69.91 Cr, the Management does not expect any financial impact on NHIPPL since NHIPPL has a confirmation from NHA as part of pre-bid clarification wherein any demand for additional stamp duty shall be treated as change in law under the provisions of Concession Agreement. As represented by the Management except as aforementioned, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.





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G. Physical inspection

We carried out the physical inspection of BEL-KAG on 30 April 2024. We observed during the physical inspection that the Toll was being collected at Hattargi and Kognoli toll plazas. Please refer to Appendix 8 for the latest pictures of the project.



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## 8.2.5. Chittorgarh (Rajasthan) to Kota (Rajasthan)

### 8.2.5.1. Project Overview

Parameters	Details
Project Name	NH27 (NH76) Chittorgarh – Kota & Chittorgarh Bypass (Stretch 2)
Length of the project	160.500 kms
Toll Plaza Location	Bassi, Aroli and Dhaneshwar
Concession Start Date	16 <sup>th</sup> December 2021
Concession End Date	15 <sup>th</sup> December 2051

Source: Information provided by the Management

### 8.2.5.2. Additional Procedures to be complied with in accordance with InvIT regulations

- A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3.
- B. List of up to date/ overdue periodic clearances:  
As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (16<sup>th</sup> December 2021) until the Valuation Date

Forecasted Major Maintenance Expenses (INR Cr):

Particulars	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Major Maintenance Expenses	-	-	-	73.69	23.33	-

Particulars	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037
Major Maintenance Expenses	-	-	-	103.31	-	48.98	-

Particulars	FY2038	FY2039	FY2040	FY2041	FY2042	FY2043	FY2044
Major Maintenance Expenses	-	-	114.55	-	-	67.08	-

Particulars	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052
Major Maintenance Expenses	-	120.50	-	-	-	-	-	-

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any;  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of CHT-KOT on 24 April 2024. We observed during the physical inspection that the Toll was being collected at Bassi, Aroli and Dhaneshwar toll plazas. Please refer to Appendix 9 for the latest pictures of the project.



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## 8.2.6. Agra Bypass (Uttar Pradesh)

### 8.2.6.1. Project Overview

Parameters	Details
Project Name	NH-2 – NH-3 Agra Bypass (Uttar Pradesh)
Length of the project	32.80 kms
Toll Plaza Location	Raibha
Concession Start Date	29 <sup>th</sup> October 2022
Concession End Date	28 <sup>th</sup> October 2042

Source: Information provided by the Management

### 8.2.6.2. Additional Procedures to be complied with in accordance with InvIT regulations

- A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3
- B. List of up to date/ overdue periodic clearances:  
As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (29<sup>th</sup> October 2022) until the Valuation Date

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	-	-	-	-	51.74	1.49

Particulars for the year/ period ended	31 Mar-31	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	7.32	-	-	-	-	-	3.80

Particulars for the year/ period ended	31 Mar-38	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	30-Sep-42
No of Months	12	12	12	12	12	6
Major Maintenance Expenses	-	-	91.39	16.00	-	-

Source: Information provided by the Management

D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending against the project as at the Valuation Date.

E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges associated with the project as at the Valuation Date.

F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards would be adequately covered by insurance.

G. Physical inspection  
We carried out the physical inspection of Agra Bypass on 08<sup>th</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Raibha toll plaza. Please refer to Appendix 10 for the latest pictures of the project.



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## 8.2.7. Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)

### 8.2.7.1. Project Overview

Parameters	Details
Project Name	NH27 Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)
Length of the project	75.30 kms
Toll Plaza Location	Raksha
Concession Start Date	29 <sup>th</sup> October 2022
Concession End Date	28 <sup>th</sup> October 2042

*Source: Management information*

### 8.2.7.2. Additional Procedures to be complied with in accordance with InvIT regulations

- A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3
- B. List of up to date/ overdue periodic clearances:  
As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.





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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (29<sup>th</sup> October 2022) until the Valuation Date

### Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	-	-	-	-	90.22	1.49

Particulars for the year/ period ended	31 Mar-31	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	10.22	-	-	-	123.47	-	3.8

Particulars for the year/ period ended	31 Mar-38	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	30-Sep-42
No of Months	12	12	12	12	12	6
Major Maintenance Expenses	-	20.85	-	126.95	-	-

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any;  
As represented by the Management, there are no litigations pending against the project as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges associated with the project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards would be adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of Shivpuri Highway on 29 April 2024. We observed during the physical inspection that the Toll was being collected at Raksha toll plaza. Please refer to Appendix 11 for the latest pictures of the project.



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## 8.2.8. Borkhedi – Wadner – Deodhari – Kelapur (Maharashtra/Telangana Border)

### 8.2.8.1. Project Overview

Parameters	Details
Project Name	NH44 Borkhedi – Wadner – Deodhari - Kelapur (Maharashtra)
Length of the project	138.15 kms
Toll Plaza Location	Daroda and Kelapur
Concession Start Date	29 <sup>th</sup> October 2022
Concession End Date	28 <sup>th</sup> October 2042

Source: Management information

### 8.2.8.2. Additional Procedures to be complied with in accordance with InvIT regulations

- A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3
- B. List of up to date/ overdue periodic clearances:  
As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NHIPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NHIPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date (29<sup>th</sup> October 2022) until the Valuation Date

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	-	0.01	31.65	-	14.38	232.71

Particulars for the year/ period ended	31 Mar-31	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	-	0.56	5.10	-	25.59	280.60	42.20

Particulars for the year/ period ended	31 Mar-38	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	30-Sep-42
No of Months	12	12	12	12	12	6
Major Maintenance Expenses	-	6.98	-	331.45	59.17	-

Source: Information provided by the Management

D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending against the project as at the Valuation Date.

E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges associated with the project as at the Valuation Date.

F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards would be adequately covered by insurance.

G. Physical inspection  
We carried out the physical inspection of Borkhedi – Wadner – Deodhari – Kelapur on 16th May 2024. We observed during the physical inspection that the Toll was being collected at Bassi, Aroli and Dhaneshwar toll plazas. Please refer to Appendix 12 for the latest pictures of the project.



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## 8.3. NWPPL Projects

### 8.3.1. Assam Package (Dahalapara and Patgaon)

#### 8.3.1.1 Project Overview

Parameters	Details
Project Name	NH-27 Assam Package
Length of the project	114.17 kms
Toll Plaza Location	Dahalapara and Patgaon
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

Source: Information provided by the Management

#### 8.3.1.2 Additional Procedures to be complied with in accordance with InvIT regulations.

- A. List of one-time sanctions/approvals which are obtained or pending:  
As represented by the Management, the list of sanctions/ approvals obtained till 31<sup>st</sup> March 2024 is provided in Appendix 3
- B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31 Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	0.00	0.00	218.95	3.32

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	0.00	163.69	0.00	8.45

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31-Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	211.59	0.00	0.00

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical Inspection  
We carried out the physical inspection of AS- Patgaon & Dahalapara on 2<sup>nd</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Dahalapara and Patgaon toll plaza. Please refer to Appendix 13 for the latest pictures of the project.





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## 8.3.2. Orai-Bara (Uttar Pradesh)

### 8.3.2.1 Project Overview

Parameters	Details
Project Name	NH-27 Orai-Bara (Uttar Pradesh)
Length of the project	62.9 kms
Toll Plaza Location	Usaka
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

Source: Information provided by the Management

### 8.3.2.2 Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31<sup>st</sup> March 2024 is provided in Appendix 3.

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4





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C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31 Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	100.13	0.00	0.00	2.08

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	101.19	0.00	0.00	0.00	0.00	5.28

Source: Information provided by the Management

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31-Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	0.00	144.30	0.00	0.00	0.00	0.00

D. On-going material litigations including tax disputes and claims in relation to the assets, if any:

As represented by the Management, there are no litigations pending as at the Valuation Date.

E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any

As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.

F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.

As represented by the Management, any natural or induced hazards is adequately covered by insurance.

G. Physical inspection

We carried out the physical inspection of OB on 1<sup>st</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Usaka toll plaza. Please refer to Appendix 14 for the latest pictures of the project.



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## 8.3.3. Assam (Galia)

### 8.3.3.1 Project Overview

Parameters	Details
Project Name	NH-27 Galia (Assam)
Length of the project	27.0 kms
Toll Plaza Location	Galia
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

Source: Information provided by the Management

### 8.3.3.2 Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31<sup>st</sup> March 2024 is provided in Appendix 3.

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31 Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	69.52	0.00	0.00	0.00	0.00	0.00	64.80

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31 Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	14.24	0.00	0.00	0.00	0.00	67.64

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of Galia on 2<sup>nd</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Galia toll plaza. Please refer to Appendix 15-for the latest pictures of the project.



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## 8.3.4. Chichra-Kharagpur (West Bengal)

### 8.3.4.1 Project Overview

Parameters	Details
Project Name	NH-49 Chichra-Kharagpur (West Bengal)
Length of the project	56.120 kms
Toll Plaza Location	Balibhasha
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

Source: Information provided by the Management

### 8.3.4.2 Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31 Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	2.22	0.82	0.00	54.16	1.65

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	4.16	0.00	0.00	0.00	0.00	4.21

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31 Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	93.95	0.00	1.81

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any;  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of ChK on 1<sup>st</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Balibhasha toll plaza. Please refer to Appendix 16 for the latest pictures of the project.





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## 8.3.5. Rewa-Katni-Jabalpur-Lakhnadon (Madhya Pradesh)

### 8.3.5.1 Project Overview

Parameters	Details
Project Name	NH-30 and NH-34 Rewa-Katni-Jabalpur-Lakhnadon (Madhya Pradesh)
Length of the project	287 kms (Excluding Katni Bypass Length of ~20 km)
Toll Plaza Location	Odhaki Paipkhar, Kherwasani, Mohtara and Boharipar
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

Source: Information provided by the Management

### 8.3.5.2 Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31<sup>st</sup> March 2024 is provided in Appendix 3.

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.





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C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31 Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	12.84	4.46	0.00	265.60	6.64

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	22.70	0.00	0.00	515.22	0.00	23.19

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31-Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	23.18	0.00	0.00	407.04	9.76	0.00

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any;  
As represented by the Management, there are no litigations pending as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges for this project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards is adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of RKJL on 17<sup>th</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Odhaki Paipkhar, Kherwasani, Mohtara and Boharipar toll plazas. Please refer to Appendix 17 for the latest pictures of the project.



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## 8.3.6. Lakhandon Khwasa (Madhya Pradesh)

### 8.3.6.1 Project Overview

Parameters	Details
Project Name	NH-44 Lakhnadon- Khawasa (Madhya Pradesh)
Length of the project	107.0 kms
Toll Plaza Location	Madai and Khawasa
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

Source: Information provided by the Management

### 8.3.6.2 Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31st March 2024 is provided in Appendix 3

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31 Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	36.71	0.00	137.38	0.00	19.43	26.66

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	26.37	144.50	0.00	45.76	29.75	42.76

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31-Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	0.00	5.35	13.68

Source: Information provided by the Management

D. On-going material litigations including tax disputes and claims in relation to the assets, if any;  
As represented by the Management, there are no litigations pending against the project as at the Valuation Date.

E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges associated with the project as at the Valuation Date.

F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards would be adequately covered by insurance.

G. Physical inspection

We carried out the physical inspection of LK on 17<sup>th</sup> May 2024. We observed during the physical inspection that the Toll was being collected at Madai and Khawasa toll plazas. Please refer to Appendix 18 for the latest pictures of the project.



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## 8.3.7. Hubli- Haveri Chitradurga (HHC) (Karnataka)

### 8.3.7.1 Project Overview

Parameters	Details
Project Name	NH-48 Hubballi- Haveri-Chitradurga (HHC) (Karnataka)
Length of the project	214 kms
Toll Plaza Location	Bankapur, Chalageri and Hebbalu
Concession Start Date	1 <sup>st</sup> April 2024
Concession End Date	31 <sup>st</sup> March 2044

*Source: Management information*

### 8.3.7.2 Additional Procedures to be complied with in accordance with InvIT regulations

A. List of one-time sanctions/approvals which are obtained or pending:

As represented by the Management, the list of sanctions/ approvals obtained till 31<sup>st</sup> March 2024 is provided in Appendix 3

B. List of up to date/ overdue periodic clearances:

As represented by the Management, all other material permits, registrations, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") shall be obtained as per individual project requirement. NWPPL would in due course and as required under applicable law procure all the Governmental Licenses issued by, and shall make all material declarations and filings with, the applicable Governmental Authority to own, lease, license, operate and use its properties and assets and to conduct the business by NWPPL. No notice of proceedings has been received relating to the revocation or modification of any Governmental Licenses, except as would not result in a Material Adverse Change. The general list of Governmental Licenses is enclosed in Appendix 4.



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- C. Estimates of already carried out as well as proposed major repairs and improvements along with estimated time of completion:

Historical Major Maintenance Expenses (INR Cr): Nil since the implementation date is 1<sup>st</sup> April 2024.

### Forecasted Major Maintenance Expenses (INR Cr):

Particulars for the year/ period ended	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	7.87	0.00	0.00	0.00

Particulars for the year/ period ended	31 Mar-32	31 Mar-33	31 Mar-34	31 Mar-35	31-Mar-36	31 Mar-37	31 Mar-38
No of Months	12	12	12	12	12	12	12
Major Maintenance Expenses	0.00	0.00	0.00	20.02	155.81	379.47	24.75

Particulars for the year/ period ended	31 Mar-39	31 Mar-40	31 Mar-41	31 Mar-42	31-Mar-43	31-Mar-44
No of Months	12	12	12	12	12	12
Major Maintenance Expenses	100.12	0.00	0.00	12.73	252.43	628.98

Source: Information provided by the Management

- D. On-going material litigations including tax disputes and claims in relation to the assets, if any:  
As represented by the Management, there are no litigations pending against the project as at the Valuation Date.
- E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any  
As represented by the Management, there are no revenue pendencies including local authority taxes associated or compounding charges associated with the project as at the Valuation Date.
- F. Vulnerability to natural or induced hazards that may not have been covered in town planning building control.  
As represented by the Management, any natural or induced hazards would be adequately covered by insurance.
- G. Physical inspection  
We carried out the physical inspection of HHC on 29<sup>th</sup> April 2024 and 30<sup>th</sup> April 2024. We observed during the physical inspection that the Toll was being collected at Bankapur, Chalageri and Hebbalu toll plazas. Please refer to Appendix 19 for the latest pictures of the project.





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## 9. Valuation Conclusion

We have carried out the Enterprise and Equity Valuation of the Specified SPVs as of 31<sup>st</sup> March 2024, considering *inter-alia* Traffic Study Reports and Technical Due Diligence Reports of independent consultants, Business plan/ Projected financial statements of the Specified SPVs and other information provided by/ on behalf of the Management, industry analysis and other relevant factors.

The Valuation summary of the Specified SPVs as of 31<sup>st</sup> March 2024 is as follows:

SPV	WACC	Enterprise Value (INR Cr)	Equity Value (INR Cr.)
National Highways Infra Projects Private Limited ("NHIPPL")	10.5%	12,202.0	2,405.6
NHIT Western Projects Private Limited ("NWPPL")	10.40%	15,512.2	2,192.4

Particulars	In INR cr.	
	NHIPPL	NWPPL
<b>Enterprise Value</b>	<b>12,202.0</b>	<b>15,512.2</b>
Less: Debt	(9,945.3)	(13,327.5)
Less: Debt like items	(0.1)	-
Add: Cash and cash equivalent	149.1*	7.7
<b>Equity Value</b>	<b>2,405.6</b>	<b>2,192.4</b>

\* Cash and cash equivalent as at 31<sup>st</sup> March 2024 excludes fixed deposits aggregating ~INR 5.1 Cr which was earmarked by the Bank of Maharashtra ("BoM") for issue of Performance Guarantee to NHAI. Management represented that this FD is expected to be released once non-fund limit by BoM is sanctioned. Considering the aforementioned, working capital as at 31<sup>st</sup> March 2024 includes the aforementioned FD and the same is projected to be released in the subsequent period.





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## Appendices

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## Appendix 1 - WACC

Particulars	NHIPPL	NWPPL	Remarks
Debt-to-equity Ratio	~ 1.00	~ 1.00	Considering <i>inter-alia</i> typical funding pattern for road infrastructure projects and long-term debt-equity ratio and permissible leverage under the SEBI InvIT Regulations
Unlevered Beta – Industry	~ 0.43	~ 0.43	Beta is a measure of the risk of the shares of a company. $\beta$ is the co-variance between the return on sample stock and the return on the market. In order to determine the appropriate beta factor for the Company, consideration must be given either to the market beta of the Company or betas of comparable quoted companies.  Unlevered beta has been estimated based on the 5-year monthly beta of select comparable companies.
<b>Cost of Equity (Ke)</b>			
Risk Free Rate (Rfr)	~6.97%	~6.97%	Based on 10-year zero coupon yield curve for Govt securities as at 31 <sup>st</sup> March 2024
Equity Market Risk Premium	~7.0%	~7.0%	Equity Market equity risk premium is estimated considering <i>inter-alia</i> historical equity market returns over a risk-free rate and forward-looking equity market risk premium estimates. Data sources reviewed generated a range of equity risk premium indications. However, a 7% equity market risk premium was considered reasonable representative of the equity risk premium for India.
Relevered Beta (Rounded)	~ 0.9	~ 0.9	Considering <i>inter-alia</i> 5-year monthly beta of comparable companies and debt-to-equity ratio
Additional Risk Premium	~1.0%	~1.0%	Considering <i>inter-alia</i> nature of revenue of the Specified Projects (toll collection), projected performance of the Specified SPVs, traffic risk, macro-economic additional uncertainties due to certain global events, partially offset by the operational nature of the Specified Projects.
<b>Cost of Equity (Ke)</b>	<b>~14.27%</b>	<b>~14.27%</b>	
<b>Cost of Debt (Kd)</b>			
Pre-Tax Cost of Debt (Kd)	~8.30%	~8.03%	Management estimate considering <i>inter-alia</i> prevailing interest rate as of 31 <sup>st</sup> March 2024
Effective tax rate	~17.8%	~18.44%	Estimated considering <i>inter-alia</i> business losses and unabsorbed depreciation, tax depreciation/ amortization policy followed by the Specified SPVs and corporate income tax rate
<b>Post-Tax Cost of Debt (Kd)</b>	<b>~ 6.82%</b>	<b>~ 6.55%</b>	
<b>WACC</b>	<b>10.55%</b>	<b>10.41%</b>	
<b>Rounded off WACC</b>	<b>10.50%</b>	<b>10.40%</b>	



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## Appendix 2A– Discounted Cash Flow (DCF)

### Enterprise & Equity Valuation of NHIPPL as at 31 March 2024

Amount in INR Cr.

Financial Year	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Months	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Revenue	997.0	1,141.1	1,275.9	1,418.7	1,565.2	1,699.8	1,819.1	1,932.7
Operating EBITDA before MMR Provisions & CSR Expense	784.2	922.8	1,029.9	1,161.5	1,292.4	1,410.3	1,511.8	1,618.5
Less: IM Expenses	(10.8)	(11.9)	(13.0)	(14.3)	(15.8)	(17.4)	(19.1)	(21.0)
Less: Income Tax	25.17%	-	-	-	-	-	-	-
Less: CSR Expense	-	-	-	-	-	-	-	-
Less: MMR Expenses	-	(0.0)	(31.6)	(229.2)	(190.9)	(245.9)	(17.5)	(0.6)
Less: Capital Expenditure	(948.5)	(120.3)	-	-	-	-	-	-
(Increase)/Decrease in Working Capital	(44.7)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Free Cashflows to Firm	(219.7)	790.7	985.2	917.9	1,085.7	1,147.1	1,475.2	1,597.0
Time to Midpoint	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50
Discount Factor	10.50%	0.95	0.86	0.78	0.70	0.64	0.58	0.52
Discounted Cash Flow	(209.0)	680.7	767.6	647.1	692.5	662.2	770.7	754.9

Mid Point Working	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32
Days	182.50	547.50	912.50	1,278.00	1,643.50	2,008.50	2,373.50	2,739.00	2,739.00
Time to Midpoint	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	

Financial Year	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041	FY2042
Months	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Revenue	2,014.9	2,211.1	2,470.2	2,726.4	2,956.0	3,204.5	3,478.3	3,779.9	4,082.7	4,425.7
Operating EBITDA before MMR Provisions & CSR Expense	1,667.3	1,853.8	2,089.5	2,288.8	2,491.0	2,710.2	2,934.0	3,179.7	3,424.1	3,725.2
Less: IM Expenses	(23.1)	(25.4)	(28.0)	(30.7)	(33.8)	(37.2)	(40.9)	(45.0)	(49.5)	(54.5)
Less: Income Tax	25.17%	(49.6)	(413.5)	(456.5)	(590.7)	(661.6)	(707.7)	(579.5)	(665.0)	(899.3)
Less: CSR Expense	-	-	-	-	-	-	-	-	(3.5)	(8.8)
Less: MMR Expenses	(5.1)	(399.8)	(322.7)	(372.5)	(56.2)	(4.1)	(51.0)	(809.7)	(715.3)	(85.1)
Less: Capital Expenditure	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in Working Capital	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Free Cashflows to Firm	1,639.1	1,379.0	1,325.3	1,429.1	1,810.2	2,007.3	2,134.4	1,745.5	1,990.7	2,677.6
Time to Midpoint	8.51	9.51	10.51	11.51	12.51	13.51	14.51	15.51	16.51	17.51
Discount Factor	10.50%	0.43	0.39	0.35	0.32	0.29	0.26	0.23	0.21	0.19
Discounted Cash Flow	701.1	533.8	464.3	453.0	519.2	521.0	501.4	371.0	382.9	466.0

Mid Point Working	31-Mar-24	31-Mar-33	31-Mar-34	31-Mar-35	31-Mar-36	31-Mar-37	31-Mar-38	31-Mar-39	31-Mar-40	31-Mar-41	31-Mar-42
Days	3,104.50	3,469.50	3,834.50	4,200.00	4,565.50	4,930.50	5,295.50	5,661.00	6,026.50	6,391.50	6,391.50
Time to Midpoint	8.51	9.51	10.51	11.51	12.51	13.51	14.51	15.51	16.51	17.51	

Financial Year	FY2043	FY2044	FY2045	FY2046	FY2047	FY2048	FY2049	FY2050	FY2051	FY2052
Months	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	8.48
Revenue	4,057.3	3,315.4	3,570.2	3,847.9	4,153.3	4,481.3	4,818.2	5,192.9	5,578.1	4,271.8
Operating EBITDA before MMR Provisions & CSR Expense	3,422.3	2,800.7	3,022.9	3,265.6	3,533.6	3,821.6	4,115.8	4,444.8	4,781.0	3,669.1
Less: IM Expenses	(59.9)	(39.0)	(42.9)	(47.2)	(51.9)	(57.1)	(62.8)	(69.1)	(76.0)	(83.6)
Less: Income Tax	25.17%	(812.5)	(692.0)	(634.4)	(697.5)	(787.5)	(945.9)	(1,019.7)	(957.7)	(1,138.1)
Less: CSR Expense	(16.0)	(22.4)	(25.7)	(27.3)	(31.9)	(40.7)	(52.1)	(63.4)	(73.8)	(83.6)
Less: MMR Expenses	(124.7)	(5.0)	(454.2)	(443.3)	(349.9)	(4.1)	-	(569.3)	(182.4)	(362.7)
Less: Capital Expenditure	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in Working Capital	0.0	0.1	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.6
Free Cashflows to Firm	2,409.2	2,042.4	1,865.6	2,050.4	2,312.4	2,773.7	2,981.1	2,785.2	3,310.7	2,328.8
Time to Midpoint	18.51	19.51	20.51	21.51	22.51	23.52	24.52	25.52	26.52	27.37
Discount Factor	10.50%	0.16	0.14	0.13	0.12	0.11	0.10	0.09	0.08	0.07
Discounted Cash Flow	379.5	291.1	240.6	239.3	244.2	265.1	257.8	218.0	234.5	151.4

Mid Point Working	31-Mar-24	31-Mar-43	31-Mar-44	31-Mar-45	31-Mar-46	31-Mar-47	31-Mar-48	31-Mar-49	31-Mar-50	31-Mar-51	15-Dec-51
Days	6,756.50	7,122.00	7,487.50	7,852.50	8,217.50	8,583.00	8,948.50	9,313.50	9,678.50	9,990.50	9,990.50
Time to Midpoint	18.51	19.51	20.51	21.51	22.51	23.52	24.52	25.52	26.52	27.37	



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Particulars	Amount in INR Cr.
	Mar-24
<b>Enterprise Value</b>	<b>12,202.0</b>
Less: Debt	(9,945.3)
Less: Debt like items	(0.1)
Add: Cash and cash equivalent*	149.1
<b>Equity Value</b>	<b>2,405.6</b>

\* Cash and cash equivalent as at 31<sup>st</sup> March 2024 excludes fixed deposits aggregating ~INR 5.1 Cr which was earmarked by the Bank of Maharashtra ("BoM") for issue of Performance Guarantee to NHAI. Management represented that this FD is expected to be released once non-fund limit by BoM is sanctioned. Considering the aforementioned, working capital as at 31<sup>st</sup> March 2024 includes the aforementioned FD and the same is projected to be released in the subsequent period.



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## Enterprise & Equity Valuation of NWPPL as at 31 March 2024

Amount in INR Cr.

Financial Year Months	FY2025 12.00	FY2026 12.00	FY2027 12.00	FY2028 12.00	FY2029 12.00	FY2030 12.00	FY2031 12.00	FY2032 12.00
Revenue	1,342.4	1,587.0	1,733.4	1,873.4	2,023.5	2,198.9	2,312.0	2,477.5
EBITDA before MMR Provisions and CSR Expense	1,194.6	1,349.5	1,462.8	1,575.0	1,738.5	1,896.3	1,990.8	2,145.8
Less: CSR Expense	-	-	-	-	-	-	-	-
Less: IM Expenses	(10.23)	(11.26)	(12.38)	(13.62)	(14.98)	(16.48)	(18.13)	(19.94)
Less: Income Tax	-	-	-	-	-	-	-	-
Less: MM Expenses	-	(36.7)	(15.1)	(250.6)	-	(558.1)	(40.4)	(69.5)
Less: Capital Expenditure	-	(125.0)	(217.2)	-	-	-	-	-
Add/Less: Working Capital	6.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Free Cashflows	1,190.5	1,176.5	1,218.2	1,310.7	1,723.5	1,321.6	1,932.3	2,056.4
Time to Midpoint	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50
Discount Rate	10.40%	0.95	0.86	0.78	0.71	0.64	0.58	0.53
Discounted Cash Flow	1,133.1	1,014.2	951.2	927.0	1,103.9	766.8	1,015.4	978.7

Mid Point Working	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32
Days	182.50	547.50	912.50	1,278.00	1,643.50	2,008.50	2,373.50	2,739.00
Time to Midpoint	0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50

Financial Year Months	FY2033 12.00	FY2034 12.00	FY2035 12.00	FY2036 12.00	FY2037 12.00	FY2038 12.00	FY2039 12.00	FY2040 12.00
Revenue	2,640.6	2,866.9	3,114.7	3,384.1	3,658.7	3,965.3	4,289.6	4,649.3
EBITDA before MMR Provisions and CSR Expense	2,288.4	2,502.9	2,727.8	2,958.9	3,145.8	3,408.5	3,719.7	4,043.6
Less: CSR Expense	-	-	-	-	-	-	(1.0)	(6.7)
Less: IM Expenses	(21.94)	(24.13)	(26.54)	(29.20)	(32.12)	(35.33)	(38.86)	(42.75)
Less: Income Tax	-	(399.7)	(617.1)	(472.4)	(648.2)	(780.9)	(873.5)	(956.9)
Less: MM Expenses	(154.4)	(144.5)	(20.0)	(880.5)	(409.2)	(173.4)	(137.6)	(144.3)
Less: Capital Expenditure	-	-	-	-	-	-	-	-
Add/Less: Working Capital	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Free Cashflows	2,112.0	1,934.6	2,064.1	1,576.7	2,056.3	2,418.7	2,668.7	2,892.9
Time to Midpoint	8.51	9.51	10.51	11.51	12.51	13.51	14.51	15.51
Discount Rate	10.40%	0.43	0.39	0.35	0.32	0.29	0.26	0.24
Discounted Cash Flow	910.4	755.3	730.0	505.0	596.5	635.5	635.2	623.6

Mid Point Working	31-Mar-33	31-Mar-34	31-Mar-35	31-Mar-36	31-Mar-37	31-Mar-38	31-Mar-39	31-Mar-40
Days	3,104.50	3,469.50	3,834.50	4,200.00	4,565.50	4,930.50	5,295.50	5,661.00
Time to Midpoint	8.51	9.51	10.51	11.51	12.51	13.51	14.51	15.51

Financial Year Months	FY2041 12.00	FY2042 12.00	FY2043 12.00	FY2044 12.00
Revenue	5,014.5	5,414.6	5,848.5	6,319.0
EBITDA before MMR Provisions and CSR Expense	4,368.9	4,728.1	5,118.3	5,542.2
Less: CSR Expense	(15.1)	(25.2)	(37.4)	(52.1)
Less: IM Expenses	(47.02)	(51.73)	(56.90)	(62.59)
Less: Income Tax	(1,077.4)	(986.7)	(1,200.7)	(1,195.5)
Less: MM Expenses	-	(725.3)	(267.5)	(712.1)
Less: Capital Expenditure	-	-	-	-
Add/Less: Working Capital	(0.0)	(0.0)	(0.1)	(0.1)
Free Cashflows	3,229.2	2,939.1	3,555.7	3,519.7
Time to Midpoint	16.51	17.51	18.51	19.51
Discount Rate	10.40%	0.20	0.18	0.16
Discounted Cash Flow	630.4	519.7	569.5	510.6

Mid Point Working	31-Mar-41	31-Mar-42	31-Mar-43	31-Mar-44
Days	6,026.50	6,391.50	6,756.50	7,122.00
Time to Midpoint	16.51	17.51	18.51	19.51



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Particulars	Amount in INR Cr. Mar-24
<b>Enterprise Value</b>	<b>15,512.2</b>
Less: Debt	(13,327.5)
Less: Debt like items	-
Add: Cash and cash equivalent	7.7
<b>Equity Value</b>	<b>2,192.4</b>





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## Appendix 2B– Additional Disclosure for the Specified Projects

INR Cr

Particulars	Acquired from @	NHIPPL Interest in the Concession agreement	Acquisition Cost @@	Enterprise Valuation for Previous 3 Financial year ended			
				31 March 2024	31 March 2023	31 March 2022	
Abu Road – Swaroopganj	NHAI	100%	741.7	12,202.0 *	11,260.2 *	7,775.1*	
Chittorgarh – Kota & Chittorgarh Bypass	NHAI	100%	1,193.4				
Palanpur/ Khemana – Abu Road	NHAI	100%	1,146.5				
Kothakota Bypass - Kurnool Highway	NHAI	100%	1,940.1				
Maharashtra / Karnataka Border (Kagal) Highway	NHAI	100%	2,328.7				
Agra Bypass (Uttar Pradesh)	NHAI	100%	1,029.9				#
Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)	NHAI	100%	453.9				#
Borkhedi – Wadner – Deodhari – Kelapur	NHAI	100%	1,365.8				#
<b>Total</b>			<b>10,200.0</b>	<b>12,202.0 *</b>	<b>11,260.2 *</b>	<b>7,775.1 *</b>	

@ Concession Agreement entered into with National Highway Authority of India, Sponsor of NHIT and a related party

@@ Base fee and premium. Excludes units of NHIT (10.05 lakh units at INR 101 per unit) aggregating ~INR 101 Cr issued to NHAI as consideration for Round 1 Assets, which were not apportioned to individual Projects. Acquisition cost of NHIPPL Projects (including units issued to NHAI) aggregated INR 10,301 Cr

# Acquired subsequent to 31 March 2022

\* Represents Enterprise value of NHIPPL. Since, NHIPPL Projects have been acquired by a single entity (NHIPPL), tax expense and IM fees are computed at NHIPPL level and, accordingly, separate valuation of NHIPPL Projects is not carried out at annual interval

### Statements of Assets of NHIPPL as at 31 March 2024

Particulars	Amount (INR Cr)
Net Tangible Assets	2.4
Intangible Assets	10,886.7
Deferred Tax Assets	115.2
Non-Current Assets	5.9
Cash and Cash Equivalent	149.1
Current Assets	13.8
<b>Total Assets</b>	<b>11,173.1</b>

Source: Information provided by Management



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Particulars	Acquired from @	NWPPL Interest in the Concession agreement	Acquisition Cost @@ (INR Cr)	Enterprise Valuation for Previous 3 Financial year ended (INR Cr)		
				31 March 2024	31 March 2023	31 March 2022
Assam Package (AS-Patgaon & Dahalapara)	NHAI	100%	1,404.6	15,512.2 *	#	#
Orai-Bara	NHAI	100%	1,714.2			
Assam (Galia)	NHAI	100%	235.5			
Chichra-Kharagpur (ChK)	NHAI	100%	1,282.2			
Rewa-Katni-Jabalpur-Lakhnadon	NHAI	100%	3,533.0			
Lakhnadon- Khawasa (LK)	NHAI	100%	2,564.8			
Hubbali- Haveri-Chitradurga	NHAI	100%	4,965.5			
<b>Total</b>			<b>15,699.9</b>	<b>15,512.2 *</b>	<b>NA</b>	<b>NA</b>

@ Concession Agreement entered into with National Highway Authority of India, Sponsor of NHIT and a related party

@@ Base fee and premium

# Not applicable, since NWPPL Projects were acquired after 31<sup>st</sup> March 2023

\* Represents Enterprise value of NWPPL. Since, NWPPL Projects have been acquired by a single entity (NWPPL), tax expense and IM fees are computed at NWPPL level and, accordingly, separate valuation of NWPPL Projects is not carried out at annual internal

## Statements of Assets of NWPPL as at 31 March 2024

Particulars	Amount (INR Cr)
Net Tangible Assets	0.0*
Intangible Assets	15,699.9
Deferred Tax Assets	-
Non-Current Assets	-
Cash and Cash Equivalent	7.7
Current Assets	11.4
<b>Total Assets</b>	<b>15,719.0</b>

\*Less than INR 0.05 Cr

Source: Information provided by Management



## Appendix 3 – List of one-time sanctions/approvals

### Palanpur (Gujarat) to Abu Road (Rajasthan)

- Environmental clearance dated April 17, 2006 issued by the IA-III Division, Ministry of Environment and Forests, Government of India in respect of Palanpur to Swaroopgunj section for rehabilitation and upgrading of existing NH-14 from 264.00 km to 340.00 km and NH-76 from 0/000 to 110/000 undertaken by NHAI.

### Abu Road (Rajasthan) to Swaroopganj (Rajasthan)

- Environmental clearance dated April 17, 2006 issued by the IA-III Division, Ministry of Environment and Forests, Government of India in respect of Palanpur to Swaroopgunj section for rehabilitation and upgrading of existing NH-14 from 264.00 km to 340.00 km and NH-76 from 0/000 to 110/000 undertaken by NHAI.

### Kothakota Bypass (Telangana) to Kurnool (Andhra Pradesh)

- Environmental clearance dated May 19, 2006, issued by the IA-III Division, Ministry of Environment and Forests, Government of India in respect of Kothakota to Kurnool section for upgrading of existing two lane to four lane divided carriageway configuration of NH-7 from 135.469 km to 211.000 km undertaken by NHAI.

### Belgaum (Karnataka) to Kagal (Karnataka)

- Environmental clearance dated May 14, 2002 issued by the IA-III Division, Ministry of Environment and Forests, Government of India in respect of Belgaum Maharashtra Border for four laning and strengthening of NH-4 515 km to 592 km undertaken by NHAI.

### Chittorgarh (Rajasthan) to Kota (Rajasthan)

- Environmental clearance dated February 2, 2006 issued by the IA-III Division, Ministry of Environment and Forests, Government of India in respect of Chittorgarh to Kota in Rajasthan section for upgrading of NH-76 of east west corridors undertaken by NHAI.

### Agra Bypass (Uttar Pradesh)

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust. No new one-time sanctions/approvals were required to be obtained since the implementation date until 31st March 2024. As of 31st March 2024, no one-time sanction/approval is pending for the Specified Project.

### Shivpuri (Madhya Pradesh) to Jhansi (Uttar Pradesh)

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust. No new one-time sanctions/approvals were required to be obtained since the implementation date until 31<sup>st</sup> March 2024. As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.



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## Borkhedi – Wadner – Deodhari – Kelapur (Maharashtra/Telangana Border)

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust. No new one-time sanctions/approvals were required to be obtained since the implementation date until 31<sup>st</sup> March 2024. As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

## Assam Package (AS- Patgaon & Dahalapara)

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

## Orai-Bara

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

## Assam (Galia)

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

## Chichra-Kharagpur

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.



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## Rewa-Katni-Jabalpur-Lakhnadon

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

## Lakhnadon- Khawasa

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

## Hubbali- Haveri-Chitradurga

- As represented by the Management, applicable one-time sanctions were obtained for the Specified Project by the Sponsor before its transfer to the Trust. However, information regarding such applicable one-time sanctions obtained by the Sponsor has not been provided to the Trust as of 31<sup>st</sup> March 2024 (the implementation date is 1<sup>st</sup> April 2024). As of 31<sup>st</sup> March 2024, no one-time sanction/approval is pending for the Specified Project.

*Source: Information provided by the Management*



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## Appendix 4 – List of Government Licenses

S. No.	Statutory Permission
1	Environmental Clearance
2	Forest Clearance
3	Tree Cutting permission
4	Borrow Area permission from state & local panchayat office
5	Boulder Extraction permission from state & local panchayat office
6	Quarry permission
7	Drilling & Blasting -Explosive License & permissing
8	Permission from State to draw Ground Water from river / reservoir
9	Factory License for Camp Set up
10	Shop & Establishment License for Setting up of Office other than Camp
11	Labour License
12	Inspector of Factories- For Setting up of Crusher, Batching Plant and HMP (CTE)
13	Inspector of Factories & Local Panchayat- For Consent to Operate- Crusher, Batching Plant and HMP (CTO)
14	CPCB permission for Batching plant, HMP and Crusher Set up
15	CPCB Permission/ State permission for using DG sets in camp and Construction projects
16	Approval /permission from Utility Shifting Agency- Electricity, Gas, Water pipelines for Excavations & elevated structure erection
17	Approval of Railways for ROB / RUB Construction
18	RTO permission to Operate and Run Construction equipment (movable) which does not have registration
19	Other any, as per local body/ state

Source: Information provided by the Management





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## Appendix 5 – Palanpur (Gujarat) to Abu Road (Rajasthan): Latest Pictures

Khemana Toll Plaza



Abu Palanpur Highway



Khemana Toll Plaza



## Appendix 6 –Abu Road (Rajasthan) to Swaroopganj (Rajasthan): Latest Pictures

Undavariya Toll Plaza



Abu Road to Swaroopgunj Stretch



Abu Road Bridge



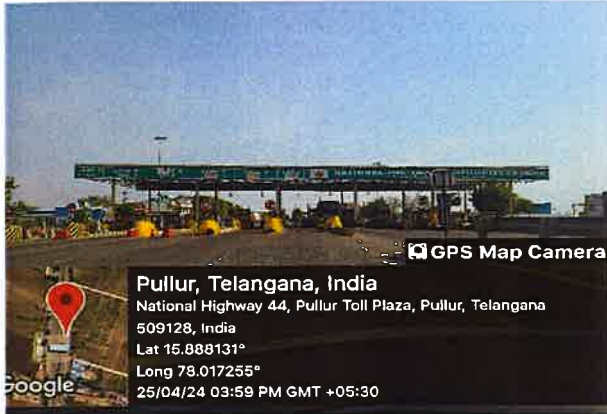
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## Appendix 7 –Kothakota Bypass (Telangana) to Kurnool (Andhra Pradesh): Latest Pictures

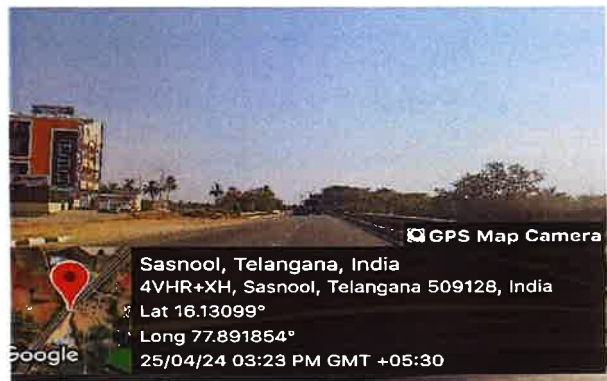
Pullar Toll Plaza



Kothakota Kurnool Toll Road



Kothakota Kurnool Toll Road



## Appendix 8 – Belgaum (Karnataka) to Kagal (Karnataka): Latest Pictures

Hattargi Toll Road



Hattargi Toll Plaza



Kognoli Toll Plaza





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## Appendix 9 – Chittorgarh (Rajasthan) to Kota (Rajasthan): Latest Pictures

Aroli Toll Plaza



Bassi Toll Plaza



Dhaneshwar Toll Plaza



## Appendix 10 –Agra Bypass (Uttar Pradesh): Latest Pictures

Raibha Toll Plaza



Agra Bypass Road



Raibha Toll Plaza





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## Appendix 11 – Shivpuri to Jhansi: Latest Pictures

Raksha Toll Plaza



Shivpuri To Jhansi road



Raksha Toll Plaza



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## Appendix 12 – Borkhedi-Wadner-Deodhari-Kelapur: Latest Pictures

Toll Road



Daroda Toll Plaza



Toll Road



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## Appendix 13 – Assam Package (Dahalapara and Patgaon): Latest Pictures

**Dahalapara Toll Plaza**



**Patgaon Toll Plaza**



**Assam Package Road Stretch**



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## Appendix 14 – Orai-Bara (Uttar Pradesh): Latest Pictures

### Usaka Toll Plaza



### Orai-Bara (Uttar Pradesh) Road Stretch





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## Appendix 15 – Assam (Galia): Latest Pictures

**Galia Toll Plaza**



**Assam (Galia) Road Stretch**



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## Appendix 16 – Chichra-Kharagpur (West Bengal): Latest Pictures

### Balibhasha Toll Plaza



### Chichra-Kharagpur (West Bengal) Road Stretch





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## Appendix 17 – Rewa-Katni-Jabalpur-Lakhnadon (Madhya Pradesh): Latest Pictures

### Odhaki Paipkhar Toll Plaza



### Kherwasani Toll Plaza



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## Boharipar Toll Plaza



## Rewa-Katni-Jabalpur-Lakhnadon (Madhya Pradesh) Road Stretch



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## Appendix 18 – Lakhnadon Khawasa (Madhya Pradesh): Latest Pictures of the project

**Khawasa Toll Plaza**



**Madai Toll Plaza**



**Lakhnadon Khawasa Road Stretch**



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## Appendix 19 – Hubli- Haveri Chitradurga (HHC) (Karnataka): Latest Pictures

### Hebbalu Toll Plaza



### Chalageri Toll Plaza



### Bankapur Toll Plaza





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## Hubli- Haveri Chitradurga Road Stretch



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## Hubli- Haveri Chitradurga Road Stretch





**NATIONAL HIGHWAYS INFRA INVESTMENT MANAGERS PRIVATE LIMITED**

Registered Office: G-5 &amp; 6, Sector-10, Dwarka, New Delhi– 110075,

Tel: 011-25076536, FAX: 011-25076536. Email: [nhiimpl@nhit.co.in](mailto:nhiimpl@nhit.co.in)**CIN: U65929DL2020GOI366835**Date: 12<sup>th</sup> April, 2024

<b>To,</b> <b>The Corporate Relations Department</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	<b>To,</b> <b>The Listing Department,</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
--	--

**Ref: Scrip Code: 543385; Scrip ID/Symbol: NHIT****Subject: Credit Rating of National Highways Infra Trust (NHIT)**

Dear Sir/Madam,

Pursuant to Regulation 23 and any other applicable provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, read with circular no. CIR/IMD/DF/127/2016 dated November 29, 2016, and Regulation 55 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find attached rating letters issued by the credit rating agencies, CARE Ratings Limited and India Ratings & Research Private Limited to NHIT.

Request you to take note of the same.

Sincerely,

For National Highways Infra Trust

By Order of the Board

**National Highways Infra Investment Managers Private Limited****GUNJAN** Digitally signed by  
GUNJAN SINGH  
**SINGH** Date: 2024.04.12  
18:54:33 +05'30'**Gunjan Singh****Company Secretary and Compliance Officer**

No. CARE/ARO/GEN/2024-25/1012

**Mr. Mathew George**  
Chief Financial Officer  
National Highways Infra Trust  
G-5, 6, NHAI Corporate Office, Sector-10  
Dwarka  
New Delhi  
Delhi 110075

April 11, 2024

**Confidential**

Dear Sir,

**Credit rating for bank facilities/Instruments/Issuer Rating**

This has reference to your email dated April 10, 2024 on the above subject.

2. In this connection, we invite your attention to our rating letter no. **CARE/ARO/RL/2023-24/8479, CARE/ARO/RL/2023-24/8477, CARE/ARO/RL/2023-24/8482 and CARE/ARO/RL/2023-24/8483** dated **March 29, 2024** assigning the rating to the long-term bank facilities, instruments and issuer rating of your Trust. We confirm that the following ratings are outstanding for your Trust.

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>
Long Term Bank Facilities	9000.00	CARE AAA; Stable
Long Term Bank Facilities	2850.00	CARE AAA; Stable
Public Issue of Non-Convertible Debentures	1500.00	CARE AAA; Stable
Long-term Instruments	500.00	CARE AAA; Stable
Issuer Rating#	-	CARE AAA; Stable

<sup>1</sup> The proposed long-term debt of ₹500 crore will be utilised for refinancing part of the term debt raised towards financing Round-1 assets and will not result in additional increase in the total debt.

Please refer to CARE's Rating symbols at Annexure 1

3. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

4. All the other clauses vide our letter dated March 29, 2024 would continue to apply for the above rating(s).

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

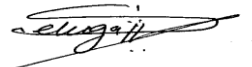


**Ritu Dalal**  
Analyst  
[ritu.dalal@careedge.in](mailto:ritu.dalal@careedge.in)

**CARE Ratings Limited**

32, Titanium, Prahaladnagar Corporate Road,  
Satellite, Ahmedabad – 380 015  
Phone: +91-79-4026 5656

CIN-L67190MH1993PLC071691



**Setu Gajjar**  
Assistant Director  
[setu.gajjar@careedge.in](mailto:setu.gajjar@careedge.in)

4th Floor, Godrej Coliseum, Somaiya Hospital  
Road, Off Eastern Express Highway, Sion (East),  
Mumbai - 400 022  
Phone: +91-22-6754 3456  
Email: [care@careedge.in](mailto:care@careedge.in) • [www.careedge.in](http://www.careedge.in)

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**CARE Ratings Limited**

32, Titanium, Prahaladnagar Corporate Road,  
Satellite, Ahmedabad – 380 015  
Phone: +91-79-4026 5656

**4th Floor, Godrej Coliseum, Somaiya Hospital  
Road, Off Eastern Express Highway, Sion (East),  
Mumbai - 400 022  
Phone: +91-22-6754 3456  
Email: [care@careedge.in](mailto:care@careedge.in) • [www.careedge.in](http://www.careedge.in)**

**CIN-L67190MH1993PLC071691**

## Annexure 1

### CARE Rating Symbols and Definitions for Long /Medium Term Debt Instruments

<b>Symbols</b>	<b>Rating Definition</b>
CARE AAA	Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.
CARE AA	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
CARE A	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.
CARE BBB	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.
CARE BB	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations.
CARE B	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations.
CARE C	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations.
CARE D	Instruments with this rating are in default or are expected to be in default soon

Modifiers {"+" (plus) / "-"} can be used with the rating symbols for the categories CARE AA to CARE C. The modifiers reflect the comparative standing within the category.

### **CARE Ratings Limited**

32, Titanium, Prahaladnagar Corporate Road,  
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Phone: +91-79-4026 5656

**4th Floor, Godrej Coliseum, Somaiya Hospital  
Road, Off Eastern Express Highway, Sion (East),  
Mumbai - 400 022  
Phone: +91-22-6754 3456  
Email: care@careedge.in • www.careedge.in**

CIN-L67190MH1993PLC071691

Mr. Suresh Goyal  
MD & CEO  
National Highways Infra Investment Managers Pvt Ltd (On Behalf of National Highways Infra Trust)  
G 5&6, Sector 10, Dwarka,  
New Delhi - 110075

April 10, 2024

*Dear Sir/Madam,*

**Re: Rating Letter for Bank Loan Ratings and NCDs of National Highways Infra Trust**

**Please refer to the rating letter dated 04-03-2024.**

India Ratings and Research (Ind-Ra) is pleased to communicate the ratings of National Highways Infra Trust's bank facilities & NCDs.

The bank wise facilities & NCD Details are mentioned in the Annexure.

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

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

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

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

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

for, the opinions stated therein. The individuals are named for contact purposes only.

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It 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](mailto:infogrp@indiaratings.co.in)

Sincerely,

India Ratings



**Vishal Kotecha**  
**Director**



**Annexure: Facilities Breakup**

Instrument Description	Banks Name	Ratings	Outstanding/Rated Amount(INR million)
Term loan	State Bank of India	IND AAA/Stable	40500.00
Term loan	Axis Bank Limited	IND AAA/Stable	20000.00
Term loan	Bank of Maharashtra	IND AAA/Stable	4000.00
Term loan	National Bank for Financing Infrastructure and Development (NaBFID)	IND AAA/Stable	30500.00
Term loan	Punjab National Bank	IND AAA/Stable	20000.00
Term loan	IDBI Bank	IND AAA/Stable	3500.00

**Annexure: ISIN**

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCDs	INE0H7R07017	25/10/2022	7.90	25/10/2035	IND AAA/Stable	4500
NCDs	INE0H7R07025	25/10/2022	7.90	25/10/2040	IND AAA/Stable	4500
NCDs	INE0H7R07033	25/10/2022	7.90	25/10/2047	IND AAA/Stable	6000

*VLS*

## Annexure: VIII

### Details of Sponsor, Investment Manager, Trustee, valuer, directors of the Trustee or Investment Manager or sponsor

#### 1. **Sponsor:- National Highways Authority of India**

NHAI is an autonomous body under MoRTH, and was established on 15th June, 1989, by the NHAI Act, as a body corporate, having a perpetual succession and common seal. It was made operational in February, 1995, with the appointment of the Chairman and other Members. NHAI is responsible for the development, maintenance and management of the national highways in India entrusted to it by the Central Government.

NHAI has an all-India presence through its different offices (regional offices/project implementation units/corridor management units) in different cities. The functioning of NHAI is governed by NHAI Act, and the rules and regulations framed thereunder.

Pursuant to Section 17 of the NHAI Act, NHAI may receive additional capital and grants from the Central Government to discharge its functions. Additionally, NHAI has not issued any shares against such capital or grants invested by the Central Government.

As per Section 3(3) of the NHAI Act, NHAI shall consist of: (i) a chairman; (ii) not more than six full-time members; and (iii) not more than six part-time members, and each of the above shall be appointed by the Central Government by notification in the official gazette.

#### ***Head office and address for correspondence:***

G-5 & 6, Sector – 10,  
Dwarka, New Delhi – 110 075

#### ***Contact Person of the Sponsor:***

Mr. NRVVMK Rajendra Kumar is the contact person of the Sponsor. His contact details are as follows:

#### **Mr. NRVVMK Rajendra Kumar**

G-5 & 6  
Sector – 10, Dwarka  
New Delhi 110 075  
Tel: + 91 11 2507 4100 Extn: 1619  
Email: [memberfinance@nhai.org](mailto:memberfinance@nhai.org)  
Website: [www.nhai.gov.in](http://www.nhai.gov.in)

#### **LIST OF BOARD MEMBERS OF NHAI:**

- **Mr. Santosh Kumar Yadav – Chairman**

#### **Full Time Member**

- Mr. NRVVMK Rajendra Kumar - Member (Finance)
- Mr. K.Venkata Ramana - Member (PPP)
- Mr. Alok Deepankar -Member (Technical)
- Mr. Vinay Kumar Rajawat - Member (Project)

- Mr. Anil Choudhary - Member (Project)
- Mr. Vishal Chauhan - Member (Admin)

### **Part Time Member**

- Mr. B.V.R. Subrahmanyam - CEO Niti Aayog
- Dr. Manoj Govil- Secretary, Department of Expenditure
- Mr. V Umashankar- Secretary, Ministry of Road Transport & Highways
- Mr. Dharmananda Sarangi- DG(RD)&SS
- Prof. Manoj Kumar Tiwari- Director, IIM, Mumbai (Non-Government Members)
- Mr. Rajnish Kumar - Former Chairman, State Bank of India (Non-Government Members)

## **2. Investment Manager:- National Highways Infra Investment Managers Private Limited**

National Highways Infra Investment Managers Private Limited was incorporated as a Private Limited Company on 25<sup>th</sup> July, 2020, under the Companies Act, 2013. The Investment Manager was initially incorporated as a wholly owned subsidiary of NHAI. Subsequently, NHAI transferred its entire shareholding in the Investment Manager to the President of India, acting through the Ministry of Road Transport and Highways, Government of India. Accordingly, at present, the Investment Manager is a Government Company as defined under the Companies Act, 2013, as amended. The CIN of the Investment Manager is U65929DL2020GOI366835.

The principal business of the Investment Manager in terms of its memorandum of association is, inter alia:

- a) to carry on the business of acting as investment manager investment adviser, trustee, settler, sponsor, promoter, portfolio manager, manager, administrator, attorney, agent, consultant, representative or nominee of or for any collective investment schemes, trusts, special purpose vehicles, infrastructure investment trusts, real estate investment trusts, properties and/or assets of any kind, including any fund set up, formed or established in India or in any other country by the Company or by any other person including bodies corporate, limited liability partnerships, partnerships, trusts, societies, associations of persons or by government, state or local authority (whether incorporated or not) of any other agency or organisation with respect to any class of assets, and to thereby settle, administer, manage, deploy funds, acquire, take up, manage, invest, hold, sell, deal or dispose of all or any property, investments, securities or other assets of any kind whatsoever, acting in such capacity;
- b) to negotiate and obtain concessions from the appropriate Government/ s for the rights to build, operate and own or transfer highways, interchangers, viaducts and bridges and any other structures, buildings and services that are ancillary thereto in India and upon such terms for such benefits as may be set forth in the concessions or negotiated from time to time and generally to carry on the business of owners, operators or toll collectors or concessionaires of highways, bridges, tunnels, railways, ports, airports, public utilities, telecommunication facilities and any other rights, properties, utilities and services wherever situated; and
- c) to carry on the business of builders and contractors for the construction, upgradation, maintenance and repairs of roads, highways, bridges, viaducts, buildings, interchangers, tunnels, railways, ports, airports, public utilities, telecommunication and other related works and generally to carry on the business of engineers, contractors, consultants, advisors, managers and administrators in all its branches, mechanical, electrical and telecommunication, engineering and incidental thereto, to provide financing or act as guarantors for project financing to owner where to required. The Trustee i.e. IDBI Trusteeship Services Limited, vide their letter dated 31st July, 2020, appointed NHIIMPL as the Investment Manager of the proposed Trust, based on the recommendation of the Sponsor.

**Registered office:**

G - 5 & 6, Sector 10, Dwarka,  
New Delhi 110 075  
Tel: +91 11 2507 6536  
Email: [nhiimpl@nhit.co.in](mailto:nhiimpl@nhit.co.in)  
Contact person: Mr. Suresh Goyal

**Corporate Office (Delhi):**

Unit No. 324, 3<sup>rd</sup> Floor, D-21, Corporate Park,  
Sector 21, Dwarka, New Delhi – 110077  
Tel: 011-49253927

**Corporate Office (Mumbai):**

609, Plot No. C-63, G-Block, A Wing,  
6th Floor, INS Tower, Bandra Kurla Complex,  
Bandra East, Mumbai – 400051  
Tel: 022-46197585

**LIST OF BOARD OF DIRECTORS OF IM**

- Mr. Suresh Goyal, Managing Director & CEO
- Mr. Shailendra Narain Roy, Independent Director
- Mr. Mahavir Parsad Sharma, Independent Director
- Mr. Sumit Bose, Independent Director
- Mr. Pradeep Singh Kharola, Independent Director
- Ms. Usha Rao Monari, Independent Director
- Mr. N R V V M K Rajendra Kumar, Nominee Director
- Mr. Vinay Kumar, Nominee Director
- Mr. Pushkar Kulkarni, Unitholder Nominee Director
- Mr. Debapratim Hajara, Unitholder Nominee Director

**3. The Trustee – IDBI Trusteeship Services Limited**

IDBI Trusteeship Services Limited is the Trustee of the Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee. The Trustee has obtained a certificate of registration dated 14th February, 2017 (having registration code IND000000460), which is valid until suspended or cancelled by SEBI. The Trustee was incorporated in India under the Companies Act, 1956 with Corporate Identity Number (“CIN”) U65991MH2001GOI131154. The Trustee was originally incorporated on 8th March, 2001 at Mumbai, Maharashtra. The Trustee’s registered office and principal place of business is situated at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001, Maharashtra. The Trustee is jointly promoted by IDBI Bank Limited, Life Insurance Corporation and General Insurance Corporation for providing corporate and other trusteeship services.

**Registered office:**

Universal Insurance Building,  
Ground Floor, Sir Phirozshah Mehta Road,  
Fort, Bazargate, Mumbai – 400001

Tel: +91 11 4513 8885, 8097 474712  
Fax: +91 22 6631 1776

E-Mail: [delhiitsl@idbitrustee.com](mailto:delhiitsl@idbitrustee.com)

Website: [www.idbitrustee.com](http://www.idbitrustee.com)

Contact Person: Mr. Deepak Kumar/Mr. Mahendra Singh Chouhan

#### **LIST OF DIRECTORS OF THE TRUSTEE**

1. Mr. Pradeep Kumar Jain
2. Mr. Pradeep Kumar Malhotra (MD & CEO)
3. Ms. Baljinder Kaur Mandal
4. Mr. Arun Kumar Agarwal
5. Mr. Hare Krushna Dandapani Panda
6. Mr. Balkrishna Variar
7. Mr. Jayakumar Subramoniapillai

#### **4. Details of Valuer**

##### **M/S RBSA VALUATION ADVISORS LLP (Upto 30<sup>th</sup> November, 2024)**

Add: Unit No. 1121, 2<sup>nd</sup> Floor, Building No. 11,  
Solitaire Corporate Park,  
Guru Hargovindji Road, Chakala,  
Andheri East, Mumbai – 400093

Tel: +91 22 6130 6000

E-Mail: [ravishu.shah@rbsa.in](mailto:ravishu.shah@rbsa.in)

Reg No.: IBBI/RV-E/5/2019/110

##### **M/S ERNST & YOUNG MERCHANT BANKING SERVICES LLP (From 1<sup>st</sup> December, 2024 till the conclusion of the Annual Meeting of the Unitholders to be held in the year 2026)**

Add: 14<sup>th</sup> Floor, The Ruby  
29 Senapati Bapat Marg  
Dadar (West), Mumbai - 400 028

Tel: +91 22 61920000

E-Mail: [jain.nilesh@in.ey.com](mailto:jain.nilesh@in.ey.com), [ankur.gupta19@in.ey.com](mailto:ankur.gupta19@in.ey.com)

Registration No.: IBBI/RV-E/05/2021/155

## Annexure IX

### LEGAL AND OTHER INFORMATION

*Except as stated in this section, there are no material litigations and actions by regulatory authorities, in each case against the Trust, the Project SPV, the Sponsor, the Investment Manager, the Project Manager or any of their respective Associates and the Trustee as on the date of the Half Yearly Report.*

#### **I. Litigation involving the Trust**

There are no pending criminal, regulatory or other material litigations involving the Trust as on the date of the Half Yearly Report.

#### **II. Litigation involving Associates of the Trust**

As on the date of the Half Yearly Report, the Trust does not have any Associate.

#### **III. Litigations involving the Project SPV**

There are no pending criminal, regulatory or other material litigations involving the Project SPV as on the date of the Half Yearly Report.

#### **IV. Litigations involving the Associates of the Project SPV**

Please see the section entitled “ – *Litigations involving the Associates of the Sponsor*” below.

#### **V. Litigations involving the Sponsor**

##### **Criminal matters**

There are no pending criminal litigations involving the Sponsor as on the date of the Half Yearly Report.

##### **Regulatory matters**

1. An application was filed by Amresh Singh against Union of India and others including NHAI before the National Green Tribunal (“**Tribunal**”) alleging the rampant dumping of soil by NHAI contractors directly in the river Chenab and Tawi without prior environmental clearance. After considering all the documents placed on record, while referring the report of Monitoring Committee, the Tribunal was not satisfied with the actions taken by NHAI, and accepted the recommendations of the Monitoring Committee and directed the J&K Pollution Control Board to take appropriate actions in consultation with CPCB against the names mentioned in the report of the Monitoring Committee. The Bench also directed NHAI to take strict actions against the non-compliant contractors and sub-contractors at the HQ level. The matter is currently pending.
2. An application was filed before the National Green Tribunal Principal Bench, New Delhi regarding the Ghazipur Dump Site and the environmental problems that are caused due to the unsegregated, un-recycled large mountain of dump. The Sponsor was not a party to these proceedings till 2017 and East Delhi Municipal Corporation (“**EDMC**”) had been exploring the implementation of a project to undertake the removal and processing of the municipal solid



waste dumped at the site. In view of the same, the EDMC held discussions with the Sponsor for use of solid waste for construction of embankments in the expansion of NH-24 or other National Highway projects undertaken by the Sponsor. In view of our role, we were impleaded in the case in 2017. The matter is currently pending.

### **Material civil matters**

The following material civil cases are initiated by Contractors/Concessionaires (hereinafter mentioned as the “**Claimant**”) against the Sponsor in relation to various projects across India:

### **Arbitrations**

1. Abhijeet Angul Sambalpur Toll Road Limited has initiated arbitration proceedings against the Sponsor in relation to the rehabilitation and up-gradation of four laning of the Angul-Sambalpur section of NH-42 in the State of Odisha. The claims raised relate to the compensation for losses suffered by the Claimant on account of delay in procurement of site and necessary approvals, wrongful termination of the concession agreement and debarment from participation in bidding for future projects of the Sponsor. The claims raised by the Claimant amount to ₹ 21070 million. The Sponsor has also filed counter claim for ₹1,282,7.20 million. The matter is currently pending.
2. Madhucon Projects Ltd. (Barasat Krishnagar Expressway Limited) has initiated arbitration proceedings against the Sponsor in relation to Barasat-Krishnagar Section BOT (Annuity) in the State of West Bengal. The claims filed by the Claimant for loss due to interest on debt, loss due to interest on equity infused into the project, losses due to idling/underutilisation of machinery and equipment, losses due to idling/underutilisation of manpower, losses due to miscellaneous expenditure incurred at site, compensation due to delay in handing over of site, losses due to price escalation on the works already executed, losses due to expenses incurred on the works executed, loss of overheads and profit and total termination payment. The Claimant has raised a claim for ₹ 2,1398.90 million. The Sponsor has also filed counter claims against the Claimant for ₹ 10,606.80 Million. The matter is currently pending.
3. M/s Raipur Expressway Limited has initiated arbitration proceedings against the Sponsor in relation to improvement, operation, maintenance and strengthening of existing 2-lane road and widening to 4-lane divided highway from Km 239.000 to Km 281.000 of NH-6 (Raipur- Aurung Section) in the state of Chhattisgarh on BOT basis. The claims were filed by the Claimant for compensation due to delay in declaration of appointed date, compensation due to extension of time for project completion, damages for delay in providing right of way (ROW), claim on account of change of scope, claim for interest on delayed payments by the respondent, claim for loss of bonus due to arbitrary withdrawal of provisional completion certificate, claim on account of delay in releasing bank guarantees for retention money and claim for expenses and loss of profit due to delay in release of performance security. The Claimant has raised a claim for ₹ 10,121.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 4,231.70 million. The matter is currently pending.
4. M/s Ashoka Highway (Durg) Limited has initiated arbitration proceedings against the Sponsor in relation to design, engineering, finance, construction, operation & maintenance of end of Durg Bypass- Chhattisgarh/Maharashtra Border from Km 322.400 to Km 405.000 of NH-6 under NHDP. The Claimant has raised a claim for ₹ 2866.10 million. The Sponsor has also filed counter claims against the Claimant for ₹ 56.60 million. The matter is currently pending before arbitral tribunal. However, as both the parties want to settle the disputes, the matter has now been

referred to conciliation committee (CCIE), with the consent of the parties, in terms of the policy circular dated June 2, 2017.

5. Jetpur Somnath Tollways Limited has initiated arbitration proceedings against the Sponsor in relation to Jetpur Somnath Section BOT (Toll). The claims filed by the Claimant for damages under the respective concession agreement for delay in non-fulfilment of all conditions precedent set forth in the concession agreement, Compensation for additional costs incurred by the Claimant towards deployment of plants, machineries and equipment during the extended construction period from October 1, 2014, up to November 10, 2016, compensation for additional cost incurred on account of inflation/price escalation of major input costs during the extended construction period from October 1, 2014, up to November 10, 2016, additional interest liability towards lenders (IDC) during construction period on account of extended construction period, compensation for additional cost incurred on account of EPC overheads during the extended construction period from October 1, 2014, up to November 10, 2016, additional compensation for delay (as per actuals/anticipated in the financial model) for the project period till September, 2016 on account of inability to collect toll fee for the entire stretch resulting from various material defaults by respondent, additional SPV incorporation charges resulting due to infusion of increased equity by the shareholders on account of material defaults by the respondent and interest cost on such shareholder's equity (unsecured debt from shareholders). The Claimant had raised a claim for ₹ 13,096.00 million. The Sponsor had also filed counter claims against the Claimant for ₹ 8,472.10 million. An award of ₹ 12,130 million in favour of the Claimant in the matter has been passed on July 31, 2021. The matter is no more pending in Arbitration.
6. Gwalior Jhansi Expressways Limited has initiated an arbitration proceeding against the Sponsor in relation to the designing, development and maintenance of certain sections of NH-75 in the States of Uttar Pradesh and Madhya Pradesh. The claims relate to compensation for non-payment of annuities and interest, for additional direct costs incurred by the Claimant due to material breach of the concession agreement and additional costs incurred by the Claimant in respect of interest payments during the construction period beyond the scheduled project completion date. The claims raised by the Claimant amount to ₹ 20,611.5 million. The Sponsor has also filed a counter claim against the Claimant for the failure relating to compliance of the maintenance obligation, reimbursement of one-half of remuneration, costs and expenses of the independent consultant, delayed cost due to time overrun and also on account of loss of toll revenue due to delay. The counter claim is for an amount of ₹ 13980.00 million. The said matter is currently pending.
7. M/s Indore Dewas Tollways Limited. has initiated arbitration proceedings against the Sponsor in relation to 6-laning of Indore-Dewas Section of Nh-3 from Km 577.550 to Km 610.000 and Km 0.000 to Km 12.600 (approx. length 45.05Km) in the State of Madhya Pradesh under NHDP Phase-V to be executed as BOT(Toll) project on DBFOT pattern. The claims filed by the Claimant for claim for utilization of resources beyond the scheduled 6-laning date, as envisaged in the respective concession agreement, compensation for Claimant's loss towards additional interest during construction, compensation towards Claimants loss of toll revenue attributable to respondents misrepresentation and subsequent default in maintaining feeder roads, refund of additional concession fee/premium paid by the Claimant, compensation/indemnification towards loss of profit claimants EPC contractor. The Claimant has raised a claim for ₹ 10709.60 million. The Sponsor has also filed counter claims against the Claimant for ₹ 5353.40 million. The matter is currently pending.
8. GVK Shivpuri Dewas Expressway Private Limited has initiated arbitration proceedings against

the Sponsor in relation to the designing, development and maintenance of the Shivpuri-Dewas Section of NH-3 in the State of Madhya Pradesh. The claims raised by the Claimant relate to the return of the performance bank guarantee upon termination of the contract by us and compensation for the losses suffered by the Claimant due to delay in receiving environmental clearances. The claims raised by the Claimant amount to ₹ 5,521.40 million. The Sponsor has also filed a counter claim against the Claimant for amounts incurred on account of maintenance and management of the existing stretch, estimated expenses on account of retendering and on account of loss of premium. The counter claim is for an amount of ₹ 10,761.00 million. The matter has now been settled for release of Performance Bank Guarantee by NHA amounting to ₹ 281.50 vide settlement agreement dated 16.09.2021.

9. M/s GVK Deoli Kota Expressway Private Limited has initiated arbitration proceedings against the Sponsor in relation to design, construction, development, finance, operation and maintenance of four laning of Deoli- Kota Section of NH-12 from Km 165.000 to Junction of NH-76 on Kota Bypass (approx. length 83.04 Kms) in the State of Rajasthan on BOT(Toll) project on DBFOT pattern under NHDP phase-II. The claims filed by the Claimant for claim on account of prolongation costs and extended stay at the site, loss suffered on account of additional overhead and loss of profit, loss of toll revenue, claim on account of increase in cost of the project due additional works done by the Claimant owing to the change of scope, claim on account of additional expenses incurred by the Claimant towards tunnel work, claim on account of excessive repair and prolonged maintenance duration of existing road, claim on account of the Respondent in making the termination payment and claim on account of future loss to Claimant. The Claimant has raised a claim for ₹ 60130.00 Million . The Sponsor has also filed counter claims against the Claimant for ₹ 5,657.60 million. The matter is currently pending.
10. Soma Isolux Kishangarh-Beawar Tollway Private Limited has initiated arbitration proceedings against the Sponsor in relation to the “improvement, operation and maintenance, rehabilitation and strengthening of the existing 2 lane road and widening it to six-lane divided highway from km 364.125 to km 58.245 (approximately 93.56 km) on the Krishangarh-Ajmer-Beawar section of National Highway”. The claim relates to compensation for increase in overheads due to extended construction period, for additional cost due to loss of productivity, idling and under-utilization of plant & equipment during the extended period and for costs incurred towards interest payments on debt during the extended construction period. The claims raised by Claimant amounts to ₹ 11,968.00 million. The Sponsor has also filed counter claims against Claimant for ₹ 3,109.5 million. The matter is currently pending.
11. Panipat Jalandhar NH One Tollway Private Limited has initiated arbitration proceedings against the Sponsor in relation to six laning of Panipat-Jalandhar section of NH-1 (km 96.00 to km 387.100) in the state of Haryana and Punjab. The claims filed by the Claimant were in relation to delay in finalization of toll plaza and commencement of toll operations at approved locations, loss of fee revenue on account of defaults, extension of project completion schedule and change in scope and other claims. The Claimant has raised a claim for ₹ 70,359.00 million. The Sponsor has also filed counter claims against Claimant for ₹ 32,847.00 million. The matter is currently pending.
12. M/s. Shapoorji Pallonji & Company Private Limited has initiated arbitration proceedings against the Sponsor in relation to Jammu-Udhampur section BOT (Annuity). The claims filed by the Claimant in relation to declaration of provisional completion certificate date as June 1, 2014 with consequential reliefs of bonus for the period from January 7, 2014 to May 31, 2014, determination of appointed date and payment of bonus from July 5, 2014, compensation for additional cost arising out of change in methodology of rock excavation due from July 10, 2014,

and compensation for additional cost arising out of change in methodology of tunnel rock excavation from October 17, 2014. The Claimant has raised a claim for ₹ 9,383.40 million. The Sponsor has also filed counter claims against the Claimant for ₹ 14,940.00 million. The matter has now been settled for ₹ 2826.7 million vide agreement dated 28.02.2022.

13. M/s Bareilly Highways Project Limited has initiated arbitration proceedings against the Sponsor in relation to four laning of Bareilly-Sitapur section of NH-24 from Km 262.000 to Km 413.200 (approx. 151.200km) in the State of Uttar Pradesh under NHDP Phase-III of DBFOT basis. The claims filed by the Claimant were in relation to claim for additional interest on debt beyond SPCD (i.e. between August 23, 2013 to January 31, 2019), interest for additional interest on debt beyond SPCD, claim for interest due on additional promoters contribution infused in the project, claim for interest due on delay release of grant, claim for expenses incurred by SPV company beyond SPCD, claim for interest for cost of land compensation, claim for net revenue loss from SPCD till January 31, 2019, interest for net revenue loss from SPCD till January 31, 2019, claim for interest on excess 50% independent engineering cost debit by the Sponsor, claim for reimbursement of GST on regular EPC invoices-change of law, claim for interest on claim of GST on change of scope & utility shifting, claim for direct expenses incurred by EPC contractor beyond SPCD, claim for plant and machinery rental/rehandling for extended period, claim for interest for plant and machinery/rental/rehandling for extended period, claim for price escalation during the extended period, claim for interest for price escalation during the extended period, claim for expenses incurred on change of scope/variation items, claim for interest for change of scope/variation items, claim for additional transportation cost due to ban in local mining at sites, claim for interest for additional transportation cost due to ban in local mining at sites. The Claimant has raised a claim for ₹ 37,211.40 million. The Sponsor has also filed counter claims against the Claimant for ₹ 35359.80 million. The matter is currently pending.
14. M/s Lucknow-Sitapur Expressways Limited has initiated arbitration proceedings against the Sponsor in relation to improvement, operation and maintenance including strengthening and widening of existing two lane road to four lane dual carriageway from km 488.270 – Km. 413.200 of NH -24 (Lucknow Sitapur Section) in the State of Uttar Pradesh on BOT basis. The claims filed by the Claimant for revenue loss, revenue loss due to delay in COD, revenue loss from start of toll collection, EPC escalation, EPC additional overhead, EPC overstay of plant and equipment, additional maintenance cost of EPC, loss of profit earning capacity, extra cost IDC, revenue loss due to overloading and claims for underpasses. The Claimant has raised a claim for ₹ 7,470 million. The Sponsor has also filed counter claims against the Claimant for ₹ 3270.00 million. The matter is currently pending.
15. M/s Tantia Raxaul Private Limited has initiated arbitration proceedings against the Sponsor in relation to two laning with paved shoulder of Piopraakothi to Raxaul Section of NH-28A from Km 0.600 to Km 62.064 in the state of Bihar. The claims filed by the Claimant were in relation to claim for termination payment for default of respondent , claim for non-finalisation of location and correct notification for toll plaza (along with interest at the rate of 18%) , claim for delay in handover for land/ right of way/ site (along with interest at the rate of 18%) , claim for additional interest during construction on account of extended construction period, claim for increased distance/lead for stone aggregate, claim for inflation/ price escalation (along with interest at the rate of 18%), claim for additional cost of maintenance, claim for increased overheads of concessionaire (along with interest at the rate of 18%), claim for increased overheads of EPC contractor (along with interest at the rate of 18%), claim for idling/underutilisation of plant, machinery & equipment, and claim for loss of profits of EPC contractor. The Claimant has raised a claim for ₹ 9,861.70 million. The Sponsor has also filed counter claims against the Claimant for ₹ 2,873.60 million. The matter is currently pending.

16. M/s Haridwar Highways Project Limited has initiated arbitration proceedings against the Sponsor in relation to the four laning of Muzaffarnagar-Haridwar Section from Km 131.00 to Km 211.000 of NH-28 in the state of UP and Uttarakhand under NHDP Phase-II as BOT (Toll) on DBFOT pattern. The claims filed by the Claimant were in relation to financial expenses incurred by the Claimant beyond the scheduled commercial operation date till February 2019, interest payable on compensation for delay in handing over of the land form from appointed date till February, 2019, interest due on delay towards release of grant from February 7, 2013, up to February, 2019, claim for reimbursement of GST on regular bills/invoices of the Claimant from July, 2016, claims for expenses incurred by the Claimant on rentals of plants and machinery beyond SCOD, claims for expenses incurred by the Claimant on rentals of plants and machinery beyond SCOD till February 2019, claim for expenses incurred by the Claimant due to price escalation beyond the SCOD up to February 2019, additional transportation cost due to ban on mining at sites, claim for direct expenses incurred beyond SCOD up to February 2019, expenses incurred on existing road maintenance beyond SCOD and claim on account of amount recovered for Dehradun Highway Project Limited. The Claimant has raised a claim for ₹ 22,060.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 22,260.00 million. The matter is currently pending.
17. Madhucon (Madurai-Tuticorin Expressways Limited) has initiated arbitration proceedings against the Sponsor in relation to the "Design, Engineering, Finance, Construction, Operation and Maintenance of Madurai-Tuticorin Section from km 138.800 to km 264.50 of NH-45B in the State of Tamil Nadu under NHDP Phase IIIA". The claims relate to compensation payable due to prolongation of the project, refund of liquidated damages, change of scope of work, loss of business opportunity, loss on account of shortfall in revenue from the project and amount payable on account of price escalation during the extended period of construction. The claim raised by Claimant amounts to ₹ 81,993.10 million. The Sponsor has also filed counter claims against the Claimant for ₹ 2,902.60 million. The said matter is currently pending.
18. M/s Chennai Elevated Toll Way Limited has initiated arbitration proceedings against the Sponsor in relation to the new four lanes elevated road from Chennai Port to Maduravoyal (NH-4) in the State of Tamil Nadu under NHDP Phase-VII on BOT(Toll) basis. The claims filed by the Claimant were in relation to termination payment, claims payable to the EPC contractor, claim for additional cost due to idling/ underutilization/ prolongation of plants & equipment, loss of profit payable to the EPC contractor due to delay and termination of the contract, loss of opportunity to the EPC contractor due to delay and termination of the contract, claims for infructuous expenditure for setting up camps, site approach, road development etc. The Claimant has raised a claim for ₹ 41,071.80 million. The Sponsor has also filed counter claims against the Claimant for ₹21,632.70 million. The award of has been pronounced in this arbitration. The claimant has been awarded an amount of ₹21170.95 million and the sponsor has been awarded an amount of ₹260.10 million.
19. M/s MEP Chennai Bypass Toll Road Private Limited has initiated arbitration proceedings against the Sponsor in relation to operation and maintenance of Chennai Bypass section from Km 0.000 to Km 32.600 of NH-4 & 5 in the State of Tamil Nadu on OMT basis. The claims filed by the Claimant were in relation to amount due towards concession fee (up to April 8, 2016), damages for non-completion of project facilities calculated up to April 8, 2016, amount due towards non-fulfilment of condition precedent and damages for non-maintenance of project highway calculated up to April 8, 2016. The Claimant has raised a claim for ₹ 5,033.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 8,704.30 million. The matter is

currently pending.

20. M/s Kurukshetra Expressway Private Limited has initiated arbitration proceedings against the Sponsor in relation to four laning of Rohtak-Bawal section of NH-352 (Old NH-71) from Km 363.300 (Design Km. 363.300) to Km 450.800 (Design Km 445.553) under NHDP-III in the State of Haryana on DBFOT basis. The claims were raised under the terms of the relevant concession agreement. The Claimant has raised a claim for ₹ 9,150.00 million. The matter is currently pending.
21. M/s JSR Mulbagal Tollways Private Limited has initiated arbitration proceedings against the Sponsor in relation to 4-laning of Mulbagal-AP/Karnataka Border Section of NH-75 (Old NH-4) from Km 216.912 to Km 239.100 in the state of Karnataka to be executed on design, build, finance, operate and transfer (DBFOT/BOT) basis in BOT (Toll) mode under NHDP Phase-III. The claims filed by the Claimant are in relation to the amount payable to the Claimant in the event of termination by concessionaire and / or by the authority, the interest on the capital/equity of the concessionaire, loss for underutilization / idle of resources deployed in the way of man power, towards machineries, plant and equipment beyond the date of completion for about 29 months, loss of profit, loss of return envisaged by the concessionaire as a result of default of the authority, amount spent towards the short fall of subsistence revenue, losses due to price escalation, revenue that might have generated by the Claimant through advertisements and loss due COVID-19. The Claimant has raised a claim for ₹ 21,332.50 million. The Sponsor has also filed counter claims against the Claimant for ₹ 119.30 million. The award of ₹1060.47 million has been pronounced in favour of claimant.
22. M/s Rohtak Panipat Tollway Private Limited has initiated arbitration proceedings against the Sponsor in relation to the four laning of Rohtak-Panipat Section of NH-71A from Km 0.00 (Km 63.300) of NH-10 to Km 80.58 (Km 83.500 of NH-1) in the State of Haryana on DBFOT basis under NHDP Phase-III. The claims filed by the Claimant were raised in terms of the relevant concession agreement. The Claimant has raised a claim for ₹ 11,509.30 million. The matter is currently pending and is under Conciliation.
23. M/s Ranchi Expressway Limited has initiated arbitration proceedings against the Sponsor in relation to the four laning of Ranchi- Rargaon-Jamshedpur Section from Km 114.00 to Km 277.500 of NH-33 in the State of Jharkhand on BOT(Annuity) basis under NHDP Phase-II. The claims filed by the Claimant were in relation to payment towards value of work done, amount payable towards maintenance of existing road, refund of amount expended on interest during construction, compensation payable due to delay in handling over of land, extra expenditure due to escalation of cost of work done, loss incurred due to idling of machinery due to prolongation of project, loss of overheads due to prolongation of project, loss of overheads and profits on value of work done due to illegal termination and claim for amount of revenue loss (loss of annuity). The Claimant has raised a claim for ₹ 89402.50 million. The Sponsor has also filed counter claims against the Claimant for ₹ 2,6281.80 million. The matter is currently pending.
24. M/s Navayuga Bangaluru Tollways Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to the Designing, Engineering, Finance, Construction, Operation and Maintenance of Access controlled highway project namely, the development and the capacity improvement of the existing carriageways from km 10.000 to 29.500, on the Bangalore Nelamangala section of the National Highway No.4 (NH-4) in the State of Karnataka on BOT basis. The claims filed by the Claimant were in relation to Loss of Toll Revenue, Force free run, Change in Law, Loss of Toll Revenue – Non Revision of Toll rates, Termination payment &



Compensation, BG Charges, COVID. The Claimant has raised a claim for ₹ 15000.00 million. The Sponsor is yet to file its counter claims against the Claimant. The matter has been settled.

25. M/s Millennium City Expressways Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to the 8/6 lane highway from Km.14.300 to km. 42.000 at Delhi-Gurgaon section of NH-8 on BOT basis. The claims filed by the Claimant were in relation to the Loss of profit on account of closure of the Km. 24 Toll Plaza (such amount calculated until 24.06.2021), Loss of profit on account of commissioning of the competing/alternate road facilities alternatively, extend Concession Period by a period of ninety four (94) months, Loss of profit suffered due to failure to provide requisite security at the Main Toll Plaza, thereby resulted in loss of toll revenue from the residents of nearby 31 villages, Various works carried out by the Claimant as change of scope, which were over and above the Project Agreements, payment for which remains pending despite the Claimant having already completed such additional works, Compensation/extension due to Demonetization, Compensation/extension due to Pandemic/Covid, On account of additional compliance with the Joint Action Plan that was over and above the Project Agreements. The Claimant has raised a claim for ₹ 24160.00 million. The Sponsor has also filed counter claims against the Claimant for ₹ 10440.00 million. The matter is currently pending.
26. M/s AE Tollway Ltd. has initiate arbitration proceedings against the Sponsor in relation to the 6-laning of Agra-Etawah Bypass Section of NH-2 from km. 199.660 to km, 323.525 under NHDP Phase-V in the State of UP on BOT (Toll) basis. The claims filed by the Claimant were in relation to the Additional cost incurred towards Interest during Construction (IDC) for the delayed Period, Additional direct cost incurred during the delayed period, Fixed Overhead (FOH) payable to EPC Contractor, Escalation cost. The Claimant has raised a claim for ₹ 13179.80 million. The Sponsor has filed a Counter-claims of ₹ 11875.10 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
27. Pink City Expressway Pvt. Ltd. has initiate arbitration proceedings against the Sponsor in relation to the 6 laning of Gurgaon-Kotputli-Jaipur Section of NH-8 from Km 42.700 to Km 273.00 (Length 225.60 Km.) in the State of Haryana & Rajasthan to be executed as BOT (Toll) on DBFOT pattern under NHDP PH-V. (Ref-III). The claims filed by the Claimant were in relation to the delay in handing over of ROW, idle of resources deployed in the way of man power, towards machineries, plant and equipment beyond the date of completion. The Claimant has raised a claim for ₹ 42870 million. The Sponsor has filed the Counter-claims of ₹ 149524.50 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
28. VIL Limited has initiated arbitration proceedings against the Sponsor in relation to the Two Laning with paved shoulders of Sitarganj-Bareilly section of NH-74 from Km254.820 to Km329.280 in State of Uttar Pradesh & Uttarakhand under NHDP Phase-IV on EPC Mode. The claims filed by the Claimant were in relation to the delay in handing over of ROW, idle of resources deployed in the way of man power, towards machineries, plant and equipment beyond the date of completion. The Claimant has raised a claim for ₹ 10058.60 million. The Sponsor has filed the Counter-claims of ₹ 2621 million against the Claimant. The matter is currently pending before the Arbitral Tribunal. The claimant has been awarded an amount ₹1170.99 million has been and the sponsor has been awarded an amount of ₹10 million in this matter. The matter has been challenged in the High Court.
29. KM Toll Road Private Limited has initiated arbitration proceedings against the Sponsor in relation to the Construction, operation and maintenance of National Highway No. 8A extension including section from km 0.00 to km 71.40 (approximately 71.40 km) on the Gandhidham

(Kandla) – Mundra Port section of National Highway No. 8A Extension in the state of Gujarat by Four-Laning and subsequent Six-Laning thereof on design, build, finance, operate and transfer (“DBFOT”) basis. The claims filed by the Claimant for declaration for valid termination of the Concession Agreement by the Claimant, Termination Payment, refund to the Claimant of sum wrongfully deducted purportedly towards non-compliance of Punch List items, pay towards Change in Law etc. The Claimant has raised a claim for ₹ 18730.00 million. The Sponsor has filed the Counter-claims of ₹ 1572.40 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

30. GMR Hyderabad Vijaywada Expressway Pvt Ltd has initiated arbitration proceedings against the Sponsor in relation to 4/6 laning of Hyderabad- Vijaywada Section from Km 40.000 to Km 221.500 of NH-9 (New NH-65) in the State of Andhra Pradesh (BOT). The claims filed by the Claimant were in relation to the extension of the Concession period, damages in lieu of the extension of the Concession period. The Claimant has raised a claim for ₹ 12659.40 million. The Sponsor has filed the Counter-claims of ₹ 5900.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
31. Supreme Panvel Indapur Tollway Pvt Ltd has initiated arbitration proceedings against the Sponsor in relation to Four laning of Panvel-Indapur Section of NH-17 from km 0.00 to km 84.00 under NHDP Phase III on BOT Basis on design, build, finance, operate and transfer (DBFOT) pattern in the State of Maharashtra. The Claimant has raised a claim for ₹16189.70 million. The Sponsor is yet to file the Counter-claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.
32. Gorakhpur Infrastructure Co. Pvt. Ltd.has initiated arbitration proceedings against the Sponsor in relation to Design construction Finance Operation and Maintenance of Km.0.000 to Km. 32.270 of Gorakhpur Bypass on NH-28 (existing Km. 255.700 to Km. 279.800) in the State of Uttar Pradesh on BOT (Annuity) basis. The Claimant has raised a claim for ₹ 7101.30 million. The Sponsor is yet to file the Counter-claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.
33. M/s Raebareilly Allahabad Highway Private Limited.has initiated arbitration proceedings against the Sponsor in relation to Two Laning with Paved shoulder of Raebareilly to Allahabad section of NH-24B from kn. 82.000 to km. 188.600 in the state of Uttar Pradesh through Public Private Partnership on Design, Build, Finance, Operate and Transfer on the Toll Basis under NHDP-IVA.. The Claimant has raised a claim for ₹ 6842.40 million. The Sponsor has filed the Counter-claim of ₹ 782.30 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
34. Solapur Tollways Pvt. Ltd..has initiated arbitration proceedings against the Four laning of Solapur-Mah/Knt border Section of NH-9 from Km. 249+000 to Km.348.800 in the State of Maharashtra is being executed on DBFOT basis. The Claimant has raised a claim for ₹ 8265.80 million. The Sponsor has filed the Counter-claim of ₹ 8100.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
35. M/s Solapur Yedeshi Tollway Ltd has initiated arbitration proceedings against the Four laning of Solapur- Yedeshi section of NH-21 from km.0.000 to km 100.000 (Design Length -98.717 km) in the state of Maharashtra to be executed for BOT (Toll) on DBFOT pattern under NHDP Phase IV. The Claimant has raised a claim for ₹ 7900.00 million. The Sponsor has filed the Counter-claim of ₹ 1400.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.

36. Madhucon Projects Ltd. has initiated arbitration proceedings against the Widening & Strengthening of existing NH from 2-lane to 4-lane from km.255.00 to km 230.500 of Raha to Dharmatul Section of NH-37 in Assam on East-West Corridor under Phase-II programme of NHDP Contract Package EW-II (AS-02). The Claimant has raised a claim for ₹ 6762.60 million. The Sponsor has filed the Counter-claim of ₹ 950.80 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
37. Kishangarh Gulabpura Tollway Ltd has initiated arbitration proceedings against the Six Lanning of Kishangarh to Gulabpura Section of NH 79A and NH 79 in the State of Rajasthan (Length 90.000 KM) on DBFOT (Toll) IRB-ARBITRATION Ref NO.3. The Claimant has raised a claim for ₹ 8689.60 million. The Sponsor has filed the Counter-claim of ₹ 3560.00 million against the Claimant. The matter is currently pending before the Arbitral Tribunal.
38. Transstroy Dindigul-Theni-Kumli Tollways Pvt Ltd has initiated arbitration proceedings against Two laning with paved shoulder of Dindigul-Theni Section from Km 2.750 to Km 73.400 of NH-45 (Extn.) and Theni-Kumli section of NH-220 from Km 215.500 to Km 273.600 in the State of Tamil Nadu under DBFOT Annuity basis. The Claimant has raised a claim for ₹ 5258.40 million. The Sponsor is yet to file the Counter-claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.
39. JR Toll Road Pvt. Ltd. has initiated arbitration proceedings against the Sponsor in relation to the Design, Engeneering, Construction, Development, Finance, Operation and Maintainance of Jaipur to Reengus Section of NH-11 (KM 246.300 to Km 298.075) in the state of Rajasthan under NHDP Phase-III on Design, Build, Finance, Operate and Transfer (DBFOT) Basis. The claims raised by the Claimant amount to ₹ 8440 million. The Sponsor has also filed counter claim for ₹ 8200 million. The matter is currently pending.
40. M/s Dilip Buildcon Ltd. has initiated arbitration proceedings against the Sponsor in relation to the Six Laning of Gorhar to Khairtunda Section of NH-2 from km. 320.810 to km. 360.300 section on HAM in the State of Jharkhand under NHDP phase V. The claims raised by the Claimant amount to ₹ 360.31 million. The Sponsor is yet to file the Counter-Claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.
41. M/S VRC-SPIDPL has initiated arbitration proceedings against the Sponsor in relation to the 4-Laning of Rohtak-Jind section from km.307+000 to km 347+800 of NH-71 and connecting link from Km. 347.800 of NH-71 to km.9+400 of NH-71A (Balance work) on EPC mode under Bharatmala (Left out in NHDP) in the State of Haryana. The claims raised by the Claimant amount to ₹4600.02 million. The Sponsor is yet to file the Counter-Claim against the Claimant. The matter is currently pending before the Arbitral Tribunal.
42. Sadbhav Engineering Limited initiated arbitration proceedings against the Sponsor in relation to the 4 Laning of Rohtak-Panipat Section of NH-71A from Km 0.00 (Km 63.300) of NH-10 to Km 80.58 (Km 83.500 of NH-1) in the State of Haryana of DBFOT basis under NHDP Phase-III.(BOT) (Ref II). The claims raised by the Claimant amount to ₹19370.92 million. The Sponsor has also filed counter claim for ₹6220.70 million. The matter is currently pending before the Arbitral Tribunal.
43. M/s TPF Getinsa Eurostudies Limited initiated arbitration proceedings against the Sponsor in relation to the Rehabilitation & upgradation of existing 2-lane to 4-lane standards from Duburi

to Chandilkhole section ( km.338.376- km. 428.074) of NH-200 ( new NH-53) in the state of Odisha under NHDP-III on EPC mode (Pkg-III). The claims raised by the Claimant amount to ₹100 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal

44. M/s PRS Tolls Private Limited initiated arbitration proceedings against the Sponsor in relation to the Tolling, Operation, Maintenance & Transfer of Palanpur- Radhanpur- Samkhiyali section of NH-27 from km 536+000 to km 589+600 in the State of Gujarat (TOT Bundle 5 (A-1). The claims raised by the Claimant amount to ₹3140 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
45. M/s Simplex Infrastructures Ltd initiated arbitration proceedings against the Sponsor in relation to the Rehabilitation and up-gradation to 4-laning of NH-31D from Km 113+200 to Km 154+854 (Pkg-2A) Falakata-Salsalabari Section in the State of West Bengal on EPC Basis. The claims raised by the Claimant amount to ₹9000 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
46. M/s Sahakar Global Ltd. initiated arbitration proceedings against the Sponsor in relation to the user fee collection at Palsit Toll Plaza located at Km.585.692 for the section from Km. 520.103 to Km. 587.853 (Panagarh to Palsit) of NH-2 in the State of West Bengal and Supplementary Agreement dated 03.06.2019 (2nd ref.). The claims raised by the Claimant amount to ₹360.43 million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
47. M/S IL&FS Engineering & Construction Company Ltd. initiated arbitration proceedings against the Sponsor in relation to the Balance work of Patna-Gaya-Dobhi Section of NH-83 from Km.83.000 to Km.127.217 (Pkg-III) on EPC (Item Rate) in the State of Bihar executed under JICA ODA Loan Assistance. The claims raised by the Claimant amount to ₹600 million. The Sponsor has also filed counter claim for ₹22780 million. The matter is currently pending before the Arbitral Tribunal.
48. M/s Gayatri Projects limited initiated arbitration proceedings against the sponsor in relation to Rehabilitation and up-gradation of Cuttack-Angul section of NH-42 (New NH-55), Package II to 4-lane (Km 60.200 to Km 112.00) on EPC Basis. The claims raised by the claimant 250 million. The sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
49. M/S Mangloor Highways Pvt. Ltd. Initiated the arbitration proceedings against the sponsor in relation to the Four laning of Sangareddy- Nanded- Akola Section of 161 from Mangloor (Design Km 86.788/ Existing Km 91.350) to Telangana/ Maharashtra Border ( Design Km 135.751/ Existing Km 140.873) (Design Length 48.963 Km) in the State of Telangana under Bharatmala Pariyojna on Hybrid Annuity Mode Package- III. The SOC is yet to be filed. The matter is currently pending before the Arbitral Tribunal. PNC Infratech Ltd initiated arbitration proceedings against NHAI in relation Rehabilitation and upgradation of Barabanki - Jarwal road junction in the State of Uttar. The S.O.C is yet to be filed by the contractor. NHAI is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal comprising of sole Arbitrator Justice Indira Banerjee (Former Judge, Supreme Court).
50. M/S JSR Constructions Private Limited initiated arbitration proceedings against the Sponsor in relation to the Construction of ROB Butibori and its approaches from km 22.865 to km 24.650 of Nagpur-Hyderabad section of NH-7 (New NH-44), Package NS-29 at Railway Level crossing No. 113. The claims raised by the Claimant amount to ₹ 406.4 million. The Sponsor is yet to file

counter claim. The matter is currently pending before the Arbitral Tribunal.

51. M/s Dilip Buildcon Ltd-Tuljapur AUSA Highways Ltd initiated arbitration proceedings against the Sponsor in relation to the Four laning of Tuljapur - AUSA (including Tirljapur bypass) section of NH361 from Km. 0.000 to Km. 55.835 (existing chainage: Km. 416.000 to Km.470.000) under the NHDP Phase- IV in the state of Maharashtra on Hybrid Annuity Mode. The claims raised by the Claimant amount to ₹ **2259.6** million. The Sponsor has also filed counter claim for ₹ **298** million. The matter is currently pending before the Arbitral Tribunal.
52. M/s Dilip Buildcon Ltd- Wardha Butibori Highways Pvt Ltd initiated arbitration proceedings against the Sponsor in relation to the Four laning of Wardha to Butibori section of NH- 361 from Km 465.500 to Km 524.690 (Design length 59.190 km) in the state of Maharashtra under the NHDP Phase IV on Hybrid Annuity Mode. The claims raised by the Claimant amount to ₹ **664.3** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
53. M/s Dilip Buildcon Ltd- Yavatmal Wardha Highways Pvt Ltd. initiated arbitration proceedings against the Sponsor in relation to the Four laning of Yavatmal to Wardha (Package III) section of NH- 361 from Km400,575 to Km 465.500 (Design length 64.925 km) in the state of Maharashtra under the NHDP Phase IV on Hybrid Annuity Mode. The claims raised by the Claimant amount to ₹ **779.3** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
54. M/s Dilip Buildcon Ltd- Mahagaon Yavatmal Highways Pvt Ltd initiated arbitration proceedings against the Sponsor in relation to the Four laning of Mahagaon to Yavatmal section of NH- 361 from Km320.580 to Km 400.575 in the state of Maharashtra under the NHDP Phase IV on Hybrid Annuity Mode. The claims raised by the Claimant amount to ₹ **1433.8** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
55. M/s Atlanta Infra Assets Ltd.initiated arbitration proceedings against the Sponsor in relation to the Improvement, operation and maintenance including strengthening and widening of existing 2-lane road to 4-lane dual carriageway from Km.9.200 to Km.50.000 of NH-6 (Nagpur-Kandhali section) in the State of Maharashtra on Build, Operate and Transfer (BOT) basis. (Ref-III). The claims raised by the Claimant amount to ₹ **1680** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
56. M/s NSC Projects Pvt. Ltd. initiated arbitration proceedings against the Sponsor in relation to the Two-lanes with/without paved shoulders from Km 0.000 to Km 69.480 (Design) of Sanquelim to Belagavi Section of NH-748 AA in the State of Goa and Karnataka. The Arbitral Tribunal is yet to be constituted.
57. M/s Raipur Expressways Ltd. initiated arbitration proceedings against the Sponsor in relation to the Improvement, Operation & Maintenance, Rehabilitation and Strengthening of existing 2-lane road and widening to 4-lane divided carriageway from Km. 239.000 Km. to 281.000 of NH-6 (Raipur-Aurang Section) on Build, Operate and Transfer (BOT) basis (Ref-2). The claims raised by the Claimant amount to ₹ **9090** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
58. M/S Shamlaji Expressway Private Limited initiated arbitration proceedings against the Sponsor in relation to the Six Laning of Shamlaji to Motachiloda from Km. 401.200 to 494.410 section of NH-8 in Gujarat under NHDP Phase-V (Package -VI) on HAM. The claims raised by the Claimant

amount to ₹ **11863.4** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

59. M/s Srinagar Banihal Expressway Ltd initiated arbitration proceedings against the Sponsor in relation to the Rehabilitation, Strengthening and Four laning of Srinagar to Banihal Section from Km220.700 to Km286.110 of NH-44 (old NH 1A) in the UT of Jammu and Kashmir on BOT (Annuity) Basis. The claims raised by the Claimant amount to ₹ **29000** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.
60. NK Toll Road Ltd. initiated arbitration proceedings against the Sponsor in relation to the Design, Construction, Development, Finance, Operation and maintenance of Km. 258.645 (end of Namakkal Bypass) to Km. 292.6 (Start of Karur Bypass) and Improvement, of Operation, Maintenance of Km. 248.625 (Start of proposed flyover on Namakkal Baypass) to Km. 258.645 (end of Namakkal Baypass) on NH- 7 in the State of Tamil Nadu on BOT basis. The claims raised by the Claimant amount to ₹ **5521.4** million. The Sponsor is yet to file counter claim. The matter is currently pending before the Arbitral Tribunal.

**Material civil matters filed by the Sponsor**

61. Essel Walajahpet Poonamalle Toll Road Private Limited has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal). The claims challenged are for compensation for adjusted equity as termination payments, compensation for repayment of the debt borrowed from the lenders/creditors, compensation for loss of profit payable to EPC contractor, compensation for internal rate of return and mobilisation and de-mobilisation. The amount challenged before the High Court of Delhi is ₹ 6532.90 million. The matter is currently pending.
62. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against Oriental Nagpur Betul Highways Limited. The claims challenged are for date of PCOD to be declared as January 7, 2014, and grant bonus of additional 91 d<sup>ays</sup> including 9th instalment of annuity payment. The amount challenged before the High Court of Delhi is ₹ 8220.70 million. The matter is currently pending.
63. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against West Haryana Highway Private Limited. The claims challenged are interest due on additional promoter contribution infused in the project, price escalation during the extended period, plant and machinery idling/rental/rehandling for extended period and interest on plant and machinery idling/rental. The amount challenged before the High Court of Delhi is ₹ 5,478.90 million. The matter is currently pending.
64. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against Gwalior Bypass Project Limited. The claims challenged are claim for interest on delayed release of annuity amount along with interest due to delayed payment of regular annuity, claim for interest on debt after COD till December 31, 2016 and interest incurred on price escalation form PCOD till October 31, 2016. The amount challenged before the High Court of Delhi is ₹ 5,328.10 million. The matter is currently pending.
65. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against Pune Solapur Expressways Pvt. Ltd. The Sponsor has challenged the entire award w.r.t to extension of Concession Period by 928 days vide the petition marked as Diary No. 990741/2022. The amount challenged before the High Court of Delhi is ₹ 224.60



million. The matter is currently pending.

66. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against M/s GMR. The Sponsor has challenged the Final Report released by Sole Arbitrator on 28.02.2022 which has determined the loss in terms of Article 41 amounting to ₹ 16722.00 million in favour of the Concessionaire. The petition is marked as FAO (OS) 108/2020 109/2020 110/2020. The matter is currently pending.
67. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against the M/s BSCPL Aurang Tollway Ltd. The Sponsor has challenged the entire award of the Arbitral Tribunal. The challenge include the claims with respect to the Right of Way, Payment for idealizing of plant and machinery vide petition marked as OMP (Comm) 341/2022. The amount challenged before the High Court of Delhi is ₹ 2819.4 million. The matter is currently pending.
68. The Sponsor has filed a petition before the High Court of Delhi (challenging the award of the arbitral tribunal) against the M/s L&T Ltd. The sponsor has challenged the entire award awarded by the Arbitral Tribunal vide petition marked as OMP (Comm) 363/2022 before the High Court of Delhi. The amount challenged before the High Court of Delhi is ₹ 294.6 million. The matter is currently pending.
69. The sponsor has filed a petition before the High Court of Delhi challenging the award of the Arbitral Tribunal against TK Toll Pvt. Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered OMP Comm 24/2023 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 5870 million. The matter is currently pending.
70. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the GMR-HVEPL. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as O.M.P. (Comm) 319/2022 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 16720 million. The matter is currently pending.
71. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the Jetpur Somnath Tollways Pvt. Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as OMP (Comm) 5/2022 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 14817 million. The matter is currently pending.
72. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the M/s Surat Hazira NH-6 Tollway Pvt Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as OMP (Comm) 237/2021 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 32327 million. The matter is currently pending.
73. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the M/s MS IRB AHMEDABAD VADODARA SUPER EXPRESS. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as O.M.P. (COMM) 311/2024 & O.M.P (ENF.) (COMM)-179/2024 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 16809.4 million. The matter is currently pending.

74. The sponsor has filed a petition before the Hon'ble High Court of Delhi challenging the award of the Arbitral Tribunal against the M/s IRB Yedeshi Aurangabad Tollway Ltd. The Sponsor has challenged the entire award passed by the Arbitral Tribunal vide petition numbered as OMP (COMM) 277/2024 before the Hon'ble High Court of Delhi. The amount challenged before the Hon'ble High Court of Delhi is ₹ 17201.6 million. The matter is currently pending.

**Other material litigation**

Considering the business and purpose of the Sponsor, it is imperative for the Sponsor to have an effective mechanism for the acquisition of land for building roads. Taking this need of the Sponsor into account, the parliament has enacted the NH Act, a special enactment which overrides the Land Acquisition Act, 1894 in cases where the land is acquired for the purposes of building National Highways. The Parliament has enacted the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, which is applicable to land acquisitions under NH Act with effect from January 1, 2015 (i.e. one year from the date of commencement of the Act, subject to notification by Central Government). The process of acquiring land is a very cumbersome process and it leads to a large number of disputes. At present there are approximately 72,000 land acquisition cases pending before various Courts/Tribunals/Competent Authorities for adjudication.

**VI. Litigations involving the Associates of the Sponsor**

Except as disclosed below, as on the date of the Half Yearly Report, there are no pending criminal or material litigations or regulatory actions involving the Associates of the Sponsor.

Sr. No	Name of Associate	Number of proceedings outstanding	Amount involved (₹ in million)
<b>Direct Tax</b>			
1.	Paradip Port Road Company Limited	5	7.74
2.	Tuticorin Port Road Company Limited	3	1.97
3.	Vishakhapatnam Port Road Company Limited	3	1.73
4.	Calcutta Haldia Port Road Company Limited	3	-
5.	Mumbai JNPT Port Road Company Limited	2	-
6.	New Mangalore Port Road Company Limited	2	-
7.	Chennai Ennore Port Road Company Limited	1	-
8.	Ahmedabad Vadodara Expressway Company Limited	7	112.14

**VII. Litigations involving the Project Manager**

There are no pending criminal, regulatory or other material litigations involving the Project Manager as on the date of the Half Yearly Report.

**VIII. Litigations involving the Associates of the Project Manager**

Please see the section entitled “ – Litigations involving the Associates of the Sponsor” above.

**IX. Litigations involving the Investment Manager**

There are no pending criminal, regulatory or other material litigations involving the Investment Manager as on the date of the Half Yearly Report.

**X. Litigations involving the Associates of the Investment Manager**

As the President of India is the Promoter of the Investment Manager, persons or entities that may be classified as 'associates' of the Investment Manager in terms of Regulation 2(1)(b)(ii) and Regulation 2(1)(b)(iii) of the InvIT Regulations, have not been identified as 'associates' of the Investment Manager. Consequently, information or disclosures required to be included with respect to such persons or entities pursuant to the InvIT Regulations has not been included in the Half Yearly Report.

**XI. Litigations involving the Trustee**

<b>1</b>	<p>SBICAP Trustee &amp; Ors Vs. ITSL &amp; Ors. - O.S.No. 25877/2013, before the City Civil court Bangalore case was transferred on 31.05.2019 to Commercial div. CITY CIVIL and SESSIONS JUDGE Bangalore case is registered as Commercial Disputes case in Com. O.S. No.25877/2013</p>
	<p><u>Current Status –</u></p> <p>a) <i>The matter has been stayed by the order of the Hon’ble High Court of Karnataka and the stay is extended.</i></p> <p>b) <i>On 15/02/2024, the case was called out in open Court. Advocate for defendant no.1 present and filed memo stating that, 6 months has expired from the date of interim order on 14.02.2024. Advocate for plaintiff present and filed memo along with case status of W.P.no.17774/2023. The matter has now been fixed on 10.01.2025.</i></p> <p><b><u>Brief Background -</u></b></p> <p>SBI Cap Trustee (the “Plaintiff”) had filed a suit before the City Civil Court, Bangalore against the Trustee and others (the “Defendants”) requiring sale of pledged shares for a particular price by SREI Fund/Investors, for whom the Trustee was acting as the share pledge trustee. India Competitive Global Fund (ICGC) acting through the SREI Investment Manager had a First &amp; Exclusive Charge over the Pledged shares. At the instructions of the ICGC &amp; SREI Investment Manager had transferred the Pledged shares to their demat account as they has First &amp; Exclusive right over the shares. We as Share Pledge Trustee has acted on the instructions of the Lenders/Investors. ICGC/SREI sold the shares and appropriated the amounts towards their dues and transferred the surplus amount to the Plaintiff. The Plaintiff is acting for a consortium of lenders and has residual interest. The Plaintiff’s case is that the ICGC/SREI has appropriated more amount than their dues. The aggregate claim amount is Rs. 1,550.3 million. The Branch Manager of SBI along with their counsel submitted to the Court that they are willing to explore settlement. The Court referred the matter for pre-conciliation efforts. In the afternoon session, our Advocate appeared before the Conciliator. Advocate briefly explained the dispute to the Conciliator. The Plaintiff informed the Conciliator that if Trinity provides the details of the loan transaction and a statement of accounts in relation to the same, this information would help them resolve the dispute quickly. The case was listed on 30.09.2021 for further conciliation. As no representative was present on behalf of the Company, the Court has recorded that there is no settlement between the parties. The case</p>

	<p>was adjourned to October 27, 2021 for the parties to proceed with the litigation. The case is now revolving around the proving of the dues by ICGC/SREI and appropriation of amounts. We as ITSL had no role in sale of shares, maintenance of books of accounts and appropriation of amounts and transfer of surplus amount. The matter was adjourned to 16.11.2021 for framing of Issues, 23.11.2021 for filing of list of witnesses ICGC, SREI &amp; ITSL, for filing of affidavit of evidence by SBI, 07.12.2021 for cross examination of witnesses of SBI, 14.12.2021 for filing of affidavit of evidence by ICGC/SREI /Trinity/ITSL and 21.12.2021 for cross examination of witnesses of Trinity and ITSL and 07.01.2022 for further orders. We as ITSL has filed an application under Order 1 Rule 10(2) read with Section 151 of the Code of Civil Procedure, 1908 for unsuiting ITSL from the suit and for deleting the name of ITSL from the array of the parties. The matter is now listed on 30.06.2022 for arguments on the application of ITSL for deleting the name of ITSL from the array of the parties. ITSL has no role in sale of shares &amp; appropriation of sale proceeds. The Plaintiff appeared and filed the amended plaint and copies of the documents in two volumes (volume I consisting of 410 pages and volume II consisting of 598 pages). The Learned Judge upon examining the volumes observed that the Plaintiff had not filed the statement of truth. Therefore, the Learned Judge adjourned the matter for filing the statement of truth and additional written statement, if any. ITSL has filed its additional Written Statement on 12<sup>th</sup> August, 2022. The matter adjourned to 25<sup>th</sup> January, 2023 for the reply arguments by the Defendants 2 &amp; 3. The main contention taken by the Plaintiff Advocate while arguing on IA is that they are entitled for complete residual dues which Defendant No 2 &amp; 3 have received while selling the pledged shares. Plaintiff's IAs dismissed as not survived for consideration. The Plaintiff approached the High Court of Karnataka. The Current Status is as indicated above.</p>
<p><b>2</b></p>	<p><b>Muthoot Finance Ltd. Vs. Trustees Association of India (TAI), ITSL, Axis Trustee &amp; SBICAP Trustee) – (Case No.29 of 2021) before Competition Commission of India (CCI).</b></p> <p><u>Current Status:-</u></p> <ul style="list-style-type: none"> <li>i) CCI vide its Order dated the 14<sup>th</sup> March, 2024 rejected the application dated 21.03.2023 and held that DG may continue its investigation.</li> <li>ii) Additional Director General, CCI vide his letter dated the 15<sup>th</sup> March, 2024 addressed to ITSL, directed to provide the requisite information/documents as sought by CCI vide notice dated 18.02.2022 latest by 26.03.2024.</li> <li>iii) We have submitted the required information on 11.04.2024 and 15.04.2024.</li> <li>iv) DG, CCI had summoned one of our Officer (Anjalee Athalye) on 11<sup>th</sup> June, 2024 for deposition/taking statement in the matter.</li> <li>v) Ex--MD &amp; CEO (Mr.Sanjay Sinha) of Axis Trustee and ITSL was also called for deposition on 22<sup>nd</sup> July, 2024.</li> <li>vi) Ex--MD &amp; CEO(Ms. Padma Betai) of ITSL was also called for deposition on 23<sup>rd</sup> July,2024</li> <li>vii) Present MD &amp; CEO (Mr.P.K. Malhotra) of ITSL was called for deposition on 2<sup>nd</sup> August, 2024. On 2<sup>nd</sup> August, 2024. During the deposition, the DG directed MD &amp; CEO to provide details regarding reasons for less fees charged in 3 cases and the turnover generated by TAI in the last 5 financial years which were submitted to SEBI on 8<sup>th</sup> August,2024 and 9<sup>th</sup> August,2024 respectively.</li> </ul>

	<p><b>Brief Background</b></p> <p>On 10.09.2021, the Competition Commission of India(CCI) received an information from Muthoot Finance Limited (Informant) against Trustees Association of India (TAI) and three of its members, i.e., IDBI Trusteeship Services Limited, Axis Trustee Services Limited, and SBI CAP Trustee Company Limited (collectively referred to as 'OPs') for alleged contravention of Sections 3(3) and 4 of the Competition Act, 2002 (Competition Act) (hereinafter referred to as the 'Information'). I .e. for entering into anti-competitive agreement and formation of Cartel. CCI.</p> <p>The CCI has passed an order dated 23.12.2021 under Section 26(1) of the Competition Act, 2002 (Competition Act) directing the Director General to investigate the conduct of Trustees' Association of India's (TAI), IDBI Trusteeship Services Limited (IDBI), Axis Trustee Services Limited and SBICAP Trustee Company (together referred to as the 'OPs') and its office bearers for <i>prima facie</i> violating Section 3(1) read with Section 3(3) of the Competition Act (Prima Facie Order) dealing with anti-competitive horizontal agreement (including cartel).</p> <p>TAI, ITSL, Axis Trustee &amp; SBICAP Trustee filed Civil Writ Petition Nos. 3781 of 2022, 3791 of 2022, 3842 of 2022 and 3847 of 2022 respectively before Bombay High Court challenging the jurisdiction of CCI as the SEBI as Sectoral Regulator has Jurisdiction to decide the matter. The matter has been adjourned to 15<sup>th</sup> February, 2023 for hearing on Application by CCI for vacation of Stay.</p> <p>At the hearing held on 21<sup>st</sup> February,2023, the Bombay High Court directed CCI to first decide the jurisdictional issue, leaving all other contentions open. Matter to go before CCI. The matter was listed before the Competition Commission of India (CCI) on13.12.2023 for hearing. After hearing both the parties, the CCI concluded that the parties are at liberty to file additional submissions (if any) on any additional points within one week. Additional written submissions have been filed on 21/12/2023. The Current Status is as indicated above.</p>
<p><b>3</b></p>	<p><b><u>R.K. Mohata Family Trust Vs. ITSL &amp; Ors.</u></b></p> <p><u>Current Status :</u></p> <p>Arising out of SLP© No. 411 of 2023 filed by Authum Investments &amp; Infrastructure Ltd.(AAIL) Vs. R.K.Mohata Family Trust &amp; Ors, Supreme Court vide their Order dated the 3<sup>rd</sup> March,2023 allowed the Resolution Plan filed by AAIL and directed AAIL to make the payments prior to 31<sup>st</sup> March, 2023. AAIL has made the payment.</p> <p><b><u>Brief Background :</u></b></p> <p>One Mr. R.K.Mohata Family Trust has filed Commercial Suit (lodging) No. 27568 of 2021 before Bombay High Court against ITSL &amp; RHFL praying for holding of meeting of debenture holders of RHFL as also damages of Rs.1,05,50,902 against ITSL towards his investment. Hon'ble Bombay High Court vide their orders dated the 31.03.2022 read with the Order dated the 06.04.2022 and the order dated the 10.05.2022directed ITSL to hold the meeting of debenture holders. ITSL convened a meeting of the debenture holders on 13.05.2022 and as directed by Hon'ble Bombay High Court and the Results of the voting of meeting have been placed before the Hon'ble Bombay High Court in sealed cover. The matter is <i>sub-judice</i> before the Hon'ble Bombay High Court. Authum (AAIL) filed an appeal before the Hon'ble Supreme Court against the order of BHC. The matter was listed for hearing on 31<sup>st</sup> January, 2023. The matter was part heard and thereafter adjourned.</p>
<p><b>4</b></p>	<p>SCR 109885 – 1/394/14 - J Patel &amp; 68 Others (All investors of Dynamic India Fund III) Vs.</p>

Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL , before Supreme Court of Mauritius

**Current Status :**

*Hearing for the appeal filed by the Plaintiffs, against the order dated June 03, 2022* was scheduled on May 18, 2023. The matter has now been fixed for Merits on May 13, 2024 before the Supreme Court. May 13, 2024 hearing has been postponed to November 25, 2024

**Brief Background :**

Suit is filed by investors seeking compensation and damages of Rs. USD 103, 699, 976 for the loss of their investments in Dynamic India Fund III from Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL.

All the Defendants including ICICI Venture have raised preliminary objections to the Suit.

DIF III has raised five preliminary objections to the Suit viz. (i) Plaintiffs have been wrongly styled; (ii) Suit is a disguised derivative action and the appropriate court to hear it is the Commercial Court and not the Civil Court; (iii) there is a connected Stay Application filed before the Commercial Court by DIF III that the Suit has to be stayed as the Suit is a Class Action suit and hence the Commercial Court and not the Civil Court has the jurisdiction to hear the Suit; (iv) the Plaintiffs should have put the other shareholders of DIF III into cause; and (v) the Plaintiffs have to provide Security for costs to all the Defendants.

The other Defendants have raised preliminary objections with respect to privity of contract and jurisdiction of Mauritius Courts.

Nearly 6 years after the Suit was filed in 2014 in Mauritius, on January 28, 2020, the court heard arguments on only two of the preliminary objections raised by ICICI Bank and ICICI Venture viz. (a) Mauritius court lacks jurisdiction to hear disputes between non-Mauritians (both the Plaintiffs and the Defendants No. 3 and 4 i.e. ICICI Bank and ICICI Venture are not Mauritius residents); and (b) Mauritius court is not the convenient forum to hear the disputes raised.

The arguments relied, amongst others, related to the facts that (a) alleged conduct of ICICI Bank and ICICI Venture did not admittedly happen in Mauritius and offences, if any, happened in India; (b) investments were in real estate projects in India; (c) investments were in a real estate fund in India; and (d) Indian law governs the contractual relationship between the parties.

By an order dated June 9, 2020 the Supreme Court of Mauritius stayed the proceedings as against ICICI Bank and ICICI Venture on the grounds that none of the allegations made against ICICI Bank and ICICI Venture occurred in Mauritius and hence the courts in Mauritius lack jurisdiction to adjudicate such allegations. In the subsequent hearing on July 1, 2020, the Plaintiffs informed the Court of their decision not to appeal against the order staying the proceedings as against ICICI Venture and ICICI Bank. The proceedings would continue against the other Defendants viz. DIF III, IFS and the Trustee.

The Supreme Court of Mauritius vide its order dated the 3<sup>rd</sup> June, 2022 have deleted ICICI Bank and ICICI Venture Fund Management Company Ltd. from the array of the parties allowed



	<p>to continue the case against Dynamic India Fund III, SANE Mauritius and the WITECO now ITSL.</p> <p>The Plaintiffs have filed an appeal against the said Judgement dated the 3<sup>rd</sup> June,2022 passed by The Supreme Court of Mauritius.</p> <p>ICICI Venture Fund Management Company Ltd. is taking care of the matter on behalf of ITSL as a Trustee and also appointed Counsels to defend ITSL. We have taken up the matter with the ICICI Venture stating that WITECO now ITSL is also not a Mauritius resident and Mauritius court is not the convenient forum to hear the disputes raised and hence lacks the jurisdiction. Further, ITSL is acting only as a trustee and there cannot be any claim against ITSL at all as ICICI Venture Fund Management Company Ltd. was Investment Manager of the Fund who has managed all affairs of the Fund. The Current Status is as indicated above.</p>
<p><b>5</b></p>	<p><b>Pawan Kapoor &amp; Anr. Vs. SEBI &amp; Ors.( Karvy Data Management Services Ltd )</b></p> <p><u>Current Status :</u></p> <p><i>The matter was listed on 05/02/2024 for early hearing. The Petitioner had filed an application being CM. Appl. 62768/2023 for early hearing which was listed for hearing on 05.12.2023 before HMJ Subramonium Prasad, as Item No. 48 (Supplementary List), in Court No. 7, Delhi High Court. The Hon'ble Court after hearing the parties was not of the opinion to entertain the application filed by the applicant/petitioner, since, no case of urgent hearing was made out. Accordingly, the said application for early hearing was dismissed and the court directed the matter to be listed on the date already fixed i.e. <u>05.02.2024</u>.</i></p> <p><i>Pursuant to the order dated 19/12/2023 passed by Delhi High Court, MCA has launched inspection of ITSL vide letter dated the 19<sup>th</sup> December, 2023. We have provided the data to Regional Director (RD) , MCA, Western Region, Mumbai on 1<sup>st</sup> January, 2024. RD had called us for personal hearing on 04/01/2024. RD has issued a letter dated 8<sup>th</sup> January, 2024 calling information. We vide our letter dated the 24<sup>th</sup> January,2024 provided all documents together with supporting documents duly signed by Director of ITSL to Regional Director, MCA, Western Zone.</i></p> <p><i>The matter before Delhi High Court is now fixed on 15<sup>th</sup> January, 2025.</i></p> <p><b><u>Brief Background</u></b></p> <p>In the case of Karvy Data Management Services Ltd ; one Pawan Kapoor &amp; Amri Resorts Pvt. Ltd. the Debenture Holders have filed Writ Petition before Delhi High Court, inter alia against ITSL alleging various non compliances by ITSL and for not initiating action against Karvy Data Management Services Ltd. for defaults in payment of interest &amp; Principal. The matter was listed before Hon'ble Delhi High Court on 19.12.2022. The Hon'ble Delhi High Court has directed Ministry of Corporate affairs to investigate in the complaint and provide report. The Current Status is as indicated above.</p>
<p><b>6</b></p>	<p><b><u>Mr. Kamlakar Babu Alias Baburao Patil &amp; Others and ITSL &amp; Others</u></b></p> <p>Current Status:</p> <p>Now, the Issuer Company has mortgaged different property and disputed property has been released. We have filed an application for deletion of our name from array of the parties. The matter has now been listed on 14/11/2024 for orders on ITSL application for deletion of name from array of the parties.</p>

	<p><b><u>Brief Background.</u></b></p> <p>One Kamalakar B. P has filed declaratory civil suit bearing No 226/2023 of which we have received notice from court of civil judge (Senior Division) Thane on 28/07/2023. The suit is basically for declaration of deed of mortgage dated 15/06/2021 executed by defendant no. 2 to no.7 in favour of ITSL as defendant No 1 as void, illegal, invalid, non-est, not binding on the plaintiffs together with relief for permanent injunction from entering into the suit property, selling in auction and/or agreeing to sale in auction the suit property under the garb or colour whatsoever. The plaintiff has also prayed for temporary injunction from selling of the suit property.</p>
<p><b><u>7</u></b></p>	<p><b><u>Contempt Petition (Civil) No.953 of 2023 in Civil Appeal No. 1581 of 2023- Praduman Tondon &amp; Ors. Vs.Sanjay Soumitra Dangi &amp; Ors. (Authum/RHFL case) before Supreme Court of India.</u></b></p> <p>Current Status – On 24/09/2024 The Counsel for the Petitioner sought time in the matter. Accordingly, the matter was adjourned by 4 weeks. The matter is now fixed on 12<sup>th</sup> Novemeber, 2024.</p> <p>The matter was listed on 9<sup>th</sup> October, 2023 before the bench comprising of Hon’ble Mr. Justice B.R. Gavai, Hon’ble Mr. Justice P S Narasimha and Hon’ble Mr. Justice Prashant Kumar Mishra before the Hon’ble Supreme Court of India.</p> <p>Senior Counsel Mr. Gopal Sankaranarayanan along with the SAM team appeared for Respondent No.20 i.e. IDBI Trusteeship Service Limited, Senior Counsel Mr. Nikhil Nayyar appeared for Respondent No. 1-9 i.e. Authum Investment and Infrastructure Limited and its directors and Senior Counsel Mr. Dhruv Mehta appeared for Respondent No. 10-19 i.e. Reliance Home Finance Limited and its directors.</p> <p>When the matter was called, the counsel for the Petitioners submitted that counter-affidavits have been filed in the matter and they seek time to file rejoinders to the same. Pursuant to the same, the counsel for the Petitioners prayed that the matter be next listed on a non-miscellaneous day for hearing. Mr. Sankaranarayanan thereafter apprised the Hon’ble Court that there are three similar contempt petitions that have been filed before the Hon’ble Court, however Respondent No. 20 is only a party to the captioned contempt petition. He further contented that no case has been made out against Respondent No. 20 and therefore they should be deleted from the array of parties in the captioned matter. Such request was however objected to by the Appellant. In reference to the same, the Hon’ble Court passed an oral remark that Respondent No.20 should file an application for deletion from the array of parties, if they wish to be deleted.</p> <p><b><u>Brief Facts</u></b></p> <p>This Contempt petition has been filed against Order dated the 3<sup>rd</sup> March, 2023 passed by Hon’ble Supreme Court of India. The case of the Petitioners is that the cut-off date of 15<sup>th</sup> April 2022 for voting on the Resolution Plan and the Distribution Mechanism was not known. The matter was listed on 22/09/2023. Senior Counsel suggested to file an application for deletion of ITSL’s name from array of the parties. The application is being prepared and filed. The fresh date in the matter is yet to be notified. We have engaged Shardul Amarchand Mangaldas &amp; Co Advocates &amp; Solicitors to represent ITSL before the Supreme Court. The Current Status is as indicated above.</p>

<p><b><u>8</u></b></p>	<p><b>CBM Constructions LLP Vs. IDBI Trusteeship Services Ltd. &amp; Ors.- Suit No. CS <u>SCJ/987/2023</u> before Senior Civil Judge cum RC, South-East, Saket, New Delhi.</b></p> <p><b><u>Current Update :</u></b></p> <p>On 28/09/2024 the Court has dismissed the suit for default and non-prosecution. We have filed our WS and Application for deletion of our name from array of the parties on 11<sup>th</sup> January, 2024.</p> <p><b><u>Brief Background :</u></b> CBM Constructions LLP, one of the Debenture Holder in the case of Three C Green Developers Pvt. Ltd. has filed suit bearing No. CS SCJ/987/2023 before Senior Civil Judge cum RC, South-East, Saket, New Delhi , praying for:-</p> <ul style="list-style-type: none"> <li>i) directions to ITSL for transfer of pledged shares of defendant no.2 and 5 and place the directors in the said companies</li> <li>ii) permanent and prohibitory injunction restraining defendant nos.3,4,6,7,8 &amp;9 in any manner corresponding with any third agencies on behalf of defendant No.2 and 5</li> <li>iii) directing defendant no.1 to immediately execute the share transfer in its favour and place the directors in defendant No. 2 and 5 as called upon by communication dated 5.8.2023</li> <li>iv) Declare that defendant no.3 to 10 have no right and interest in defendant no.2 and 5.</li> <li>v) Prayer against ITSL for transfer of Pledged shares has already been complied by ITSL and suit against ITSL do not survive.</li> </ul>
<p><b><u>9</u></b></p>	<p><b>DSP Asset Managers Pvt. Ltd. Vs. Grant Thornton (Bharat) LLP &amp; Ors.- <u>Company Appeal No. of 2024 before NCLAT, Mumbai.</u></b></p> <p><b><u>Current Status:</u></b></p> <p>When the subject matter was taken up for hearing, the counsel for the appellant apprised the Ld. Registrar about the reasons for delay in refiling of the appeal.</p> <p>Our Advocate requested the Ld. Registrar to permit us to file our response on the said application and take objections, if permitted.</p> <p>However, the Ld. Registrar apprised us that the respondents do not have any say in case of delay in refiling of the appeal. Accordingly, the Ld. Registrar allowed the said application and directed to list the main appeal before the Court. The date of listed on 25<sup>th</sup> October, 2024.</p> <p><b><u>Brief Background:-</u></b></p> <p>Aggrieved by the NCLT order dated the 13<sup>th</sup> May,2024, DSP Asset Manager has filed an appeal before, NCLAT, New Delhi. We have engaged Expletus Legal to represent us in the matter. We have prepared our Reply to the Appeal and sent to Expletus Legal on 22/07/2024 for filing with NCLAT, Delhi. .</p> <p>The Allegation against ITSL is that the ITSL has delayed in filing their claim with GT for admission.</p>
<p><b><u>10</u></b></p>	<p><b>Spenta Suncity Private Ltd – Moniveda Consultants LLP &amp; Anr. Vs. ITSL &amp; Pradeep Kumar Malhotra - Contempt petition 616 of 2023 And Civil Appeal 9052-9053 of 2022 Before</b></p>

Hon'ble Supreme Court of India- Pradeep Kumar Malhotra and ITSL.

**Current Status:**

At the hearing held on 11/03/2024, we have filed Counter Replies in both Civil Appeal and Contempt Petition before Supreme Court of India. The Appellants have been directed to file their rejoinder within three weeks. The Matter now is listed on 13/05/2024 for hearing. At the hearing held on 13/05/2024, ITSL the Respondent 10 has been directed to file Affidavit/Undertaking confirming that it is not carrying out any constructions nor it has authorised anyone to carry out constructions including Spenta Suncity Private Ltd. The required Affidavit/Undertaking was filed in stipulated time. At the hearing held 15/07/2024 it was informed that on 10<sup>th</sup> July, 2024 a petition under Section 7 of IBC, 2016 has been admitted against Spenta Suncity Pvt. Ltd. and IRP has been appointed. Moratorium has been imposed. IA seeking Impleadment of Spenta as a Party respondent was allowed as Respondent No.11 through Gajesh Labhchand Jain, IRP. Amended cause title to be filed within 3 days. Issue Notice to added Respondent No.11. Added respondent not to carry on constructions on the property. Application seeking vacation/modification of orders dt.16.12.2022 & 13.09.2024 was listed for hearing on 13.09.2024 and now listed on 14.10.2024 for adding specific prayers. Civil Appeal and Contempt petition has been listed for hearing on 21/11/2024. Appellant directed to implead SRA

**Brief Background –**

In the case of Spenta Suncity Private Ltd., one Monivedda Consultant LLP, one of the stakeholder has filed Civil Appeal and Contempt Petition against ITSL & MD P.K. Malhotra for violations of order dated 16.12.2022 passed by the Supreme Court of India. The matter was driven by IIFL the Debenture Holder. The order was not to make further allotment of debentures and create further liabilities on the assets.

We have engaged our own advocate and filed suitable replies. The matter is listed for hearing on 21.11.2024.

**11** ARBITRATION NO. 186 OF 2024 (ARB186/24/BRP) IN THE MATTER OF AN ARBITRATION UNDER THE ARBITRATION RULES OF THE SINGAPORE INTERNATIONAL ARBITRATION CENTRE (6<sup>TH</sup> EDITION, 1 AUGUST 2016) BETWEEN:-  
CREDIT OPPORTUNITIES III PTE. LIMITED (“CLAIMANT”)

AND

- (1) IIFL MANAGEMENT SERVICES LIMITED;
- (2) IIFL FINANCE LIMITED;
- (3) IDBI TRUSTEESHIP SERVICES LIMITED;
- (4) 360 ONE INVESTMENT ADVISORS AND TRUSTEE SERVICES LIMITED (“RESPONDENTS”).

Notice of Arbitration dated 21<sup>st</sup> May, 2024 from Khatan & Co. received by us on 22<sup>nd</sup> May, 2024.

ITSL became the Trustee only on 07/11/2023. The following are the allegations levelled against the Respondents:-

1. *Failure to provide timely information & updates*
2. *Attempts to blatantly and unilaterally disregard the contractually agreed Distribution Waterfall*
3. *Unauthorized Return of Capital Contribution to Second Respondent*
4. *Disbursement of additional funds to certain Portfolio Companies*
5. *Unauthorised Change of Trustee w.e.f. November 7, 2023*

	<p>6. <i>Transfer of Class B units held by Second Respondent</i>  7. <i>Purported In-specie Distribution</i></p> <p>SAM, Law Firm is representing ITSL before the Arbitrator. Claimant’s Emergency application for interim relief has been rejected vide order dated 5<sup>th</sup> June, 2024 and the claimant has been directed to bear the cost of R3 and R4 subject to the final apportionment of liability and quantification by the arbitral tribunal. The matter has now been listed on 20/06/2024 for filing reply to main Arbitration. Emergency Application filed by the Claimant for urgent reliefs has been dismissed vide order dated 3<sup>rd</sup> June,2024. There was a meeting on 18<sup>th</sup> June,2024 for consultation.</p> <p>ITSL has filed its reply to the Notice of Arbitration on 22<sup>nd</sup> July, 2024. Under SIAC Rules the Selection of Arbitrator is under process.</p> <p>Credit Opportunities III Pte. Ltd. vide their letter dated the 11<sup>th</sup> September,2024 attached with email of same date has sought lot of information from IM and Trustee. We have forwarded the said email to IM for doing the needful.</p> <p>We through our Counsel vide their email dated 27<sup>th</sup> September,2024 have informed SIAC the following:-</p> <ul style="list-style-type: none"> <li>i) we shall not be contributing towards Arbitration cost &amp; we shall also not be participating in the Arbitration proceedings as the Online Dispute Resolution mechanism is available to the Claimant</li> <li>ii) Further, due to jurisdictional issue the entire Arbitration Proceedings is untenable in law. Hence further Proceedings need to abate.</li> <li>iii) Also, request SIAC to instruct Claimant to pay to ITSL the cost of prior Proceedings (Emergency Arbitration) immediately.</li> </ul> <p>Under SIAC Rules one Mr. Timothy Cooke has been appointed as an Arbitrator. Case Management conference is likely to schedule in 1st week of November, 2024.</p>
<p><u>12</u></p>	<p>Summary Suit No.806 of 2024 before City Civil Court at Dindoshi (Borivali Division), Goregaon, Mumbai.</p> <p>Francis Cassian Mendis Vs. Heida Aloysious Gomes &amp; 9 others including ITSL as Defendant No.6.</p> <p>Challenging the Conveyance Deed dated 18.05.1981 including all other Conveyances executed thereafter and Mortgage dated 09.09.2021 created in favour of ITSL by Spenta Suncity Private Ltd. and permanent order and injunction restraining the defendants from carrying out any constructions/development activity on the Suit property i.e. Land bearing CTS No.336,Survey No.23,Hissa No.13/7 admeasuring 1622.8 sq. mtrs., village Mogra, Taluka Andheri, Mumbai.</p> <p>The matter has now been listed on 25<sup>th</sup> July, 2024 for filing Reply to Notice of Motion and WS. The matter has been adjourned to 20/12/2024</p>
<p><u>13</u></p>	<p>Balaji Enterprises Vs. Essel Lucknow Raibareli Toll Road Ltd &amp; Ors , before the Court of District &amp; Sessions Judge, Rohini Commercial Court, North West Delhi.</p> <p>We have received Summons from the Court of District &amp; Sessions Judge, Rohini Commercial Court, North West Delhi on 11<sup>th</sup> July f2024 for the alleged unpaid amount of Rs. 80,35,732/- towards construction contracts executed by them. We have engaged Expletus Legal to represent us in the matter. We have prepared our Reply to the said Commercial Suit and sent to Expletus Legal on 29/07/2024 alongwith application for deletion of our name from array of the parties for filing with the Court of District &amp; Sessions Judge, Rohini Commercial Court, North West Delhi and to appear and represent us before the said court. The first hearing in</p>

	the case has been scheduled on 25 <sup>th</sup> November,2024
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RISK FACTORS

Risks Related to the Structure of the Trust

1. **We have limited operating history or financial information for the R3 Toll Roads acquired recently.**
2. **Project SPVs may not be able to claim depreciation in relation to toll collection rights acquired from the Sponsor.**

Under TOT projects, we believe that upfront concessional payment made by Project SPVs for acquisition of toll rights may be considered akin to acquisition of business or commercial rights and Project SPVs shall be eligible to claim depreciation under section 32 of the IT Act under the head of 'intangible assets'. However, tax authorities may disallow the tax treatment adopted by Project SPVs of charging depreciation in relation to the project assets, which may adversely affect our business and profitability.

3. **We must maintain certain investment ratios pursuant to SEBI InvIT Regulations.**

Failure to comply with these conditions may present additional risks to us, including divestment of certain assets, delisting and other penalties, which could have a material, adverse effect on our business, financial condition and results of operations.

4. **We may not be able to make distributions to Unitholders or the level of distributions may fall as the Trust's distributions will be based on the cash flows generated from the operations to be undertaken by the underlying Project SPV held by the Trust and not on whether the Trust makes an accounting profit or loss.**

The Trust will substantially rely on the receipt of interest, dividends, and principal repayments (net of applicable taxes and expenses) from the Project SPV in order to make distributions to Unitholders.

5. **The regulatory framework governing infrastructure investment trusts in India is evolving and the interpretation and enforcement thereof involve uncertainties, which may have a material, adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to Unitholders.**

Risks Relating to Our Business and the Concession Agreements

6. **Any payment by the Project SPV, including in the event of the termination of the Concession Agreements, is subject to a mandatory escrow arrangement that restricts its flexibility to utilize the available funds.**

The consent of NHAI, in its capacity as the concessioning authority (the "Authority"), and lenders, is required to amend the order of outflow of payments from such escrow account.

7. **The Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust, and under the InvIT Regulations, it has the ability to divest its holdings in the Units three years following the Offer.**

Given the influence that the Sponsor exerts on the Investment Manager, and consequently the operations and credibility of the Trust, any material divestiture by the Sponsor in the Units, or any conflict of interest that it has compared to that of other Unitholders, could have a material adverse impact on our business, financial condition and results of operations.

8. **The cost of implementing new technologies for collection of tolls and monitoring our projects in a cost-effective and timely manner could materially and adversely affect our business, financial condition and results of operations.**
9. **We may face limitations and risks associated with debt financing and refinancing as we are subject to regulatory restrictions in relation to our debt financing and refinancing.**
10. **Certain actions of the Project SPV require the prior approval of NHAI, and no assurance can be given that NHAI will approve such actions in a timely manner or at all.**
11. **The Project SPV's toll-road concessions may be terminated prematurely under certain circumstances.**

The Toll Roads concessions of the Project SPV are our principal assets. We will be unable to continue the operation of a particular road concession without a continuing concession right from the Sponsor, in its capacity as Authority. A concession may be terminated by the Sponsor for certain reasons set forth in the Concession Agreements.

12. **Toll collections and Toll Road traffic volumes may be affected by existing or new competing roads and bridges and other modes of transportation, and any improvements to, or construction of, such roads, bridges and other modes of transportation.**
13. **Our business will be subject to seasonal fluctuations that may affect our cash flows.**
14. **Toll rates and collections and Toll Road traffic volumes are dependent on factors beyond our control and are subject to significant fluctuations being traffic volume and toll rates.**
15. **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.**
16. **Leakage of the tolls through toll evasion, fraudulent acts on the part of road users or our toll collection operators, theft, technical faults in our toll collection systems, or unlawful roadway entries or exits by road users to avoid paying the required toll collected on the Toll Roads may adversely affect toll collections.**
17. **The termination payment due to us upon termination of the Concession Agreements may not adequately compensate us for the actual costs and investments associated with the Toll Roads in a timely manner or at all and thus may not provide us with sufficient funds to repay the Units.**
18. **Toll collections are affected by applicable toll rates and revisions to such rates and the number of road users subject to such rates.**
19. **Our revenues under the Transitional Support Agreement are dependent on successful continuation of underlying tolling contracts.**

20. The operation of the Toll Roads and the revenues generated from them may be impacted as a result of any capacity augmentation or other works required to be carried out in accordance with the terms of the Concession Agreements or any RFPs floated by the Sponsor.
21. Changes in the policies adopted by governmental entities or in the relationships of any member of the Trust with the Government or State Governments could materially and adversely affect our business, financial performance and results of operations.
22. The Valuation Report, and any underlying reports, are not opinions on the commercial merits of the Trust or the Project SPV, nor are they opinions, expressed or implied, as to the future trading price of the Units or the financial condition of the Trust upon listing, and the valuation contained therein may not be indicative of the true value of the Project SPV's assets.
23. We have referred to the data derived from (i) Technical Consultant Report commissioned from the Technical Consultant, (ii) Traffic Reports commissioned from the Traffic Consultants.
24. 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.
25. We may be subject to increases in costs, including operation and maintenance costs, which we cannot recover by increasing toll fees under the Concession Agreements.
26. Leakage of the toll fees on the Project SPV's roads may materially and adversely affect our revenues and financial condition.
27. We will depend on certain directors, executive officers and key employees of the Investment Manager, the Project Manager and the Project SPV, and such entities may be unable to appoint, retain such personnel or to replace them with similarly qualified personnel, which could have a material, adverse effect on the business, financial condition, results of operations and prospects of the Trust.
28. There can be no assurance that we will be able to successfully undertake future acquisitions of road assets or efficiently manage the infrastructure road assets we have acquired or may acquire in the future.
29. The Project SPV may not be able to comply with its maintenance obligations under the Concession Agreements, which may result in the termination of the Concession Agreements, the suspension of the Project SPV's rights to collect tolls or the requirement that the Project SPV pay compensation or damages to the Sponsor.
30. The insurance policies for the InvIT Assets are not currently in place for any protection against various risks associated with our Operations and any future insurance coverage obtained may be inadequate.
31. The Sponsor and the Trustee are involved in certain legal and other proceedings, which may not be decided in their favour.

32. We do not own the “NHAI” trademark and logo. Our license to use the “NHAI” trademark and logo may be terminated under certain circumstances and our ability to use the trademark and logo may be impaired.
33. We will depend on NHAI and various third parties to undertake certain activities in relation to the operation and maintenance of the InvIT Assets. Any delay, default or unsatisfactory performance by these third parties could materially and adversely affect our ability to effectively operate or maintain the InvIT Assets.
34. The Project SPV may be held liable for the payment of wages to the contract labourers engaged indirectly in our operations.
35. Significant differences exist between Indian GAAS used to prepare the Sponsor’s Audited Financial Information and other accounting principles, such as Ind-As and IFRS, with which investors may be more familiar.
36. We are subject to environmental, social and safety risks associated with the operation of the Toll Roads which could adversely affect our business, cashflows and our results of operations.
37. The completion certificate and provisional completion certificate in respect of one of the R1 Toll Roads are not traceable and accordingly, alternate documents have been relied upon in relation to certain disclosures made in this Preliminary Placement Document.
38. The Trust and the Project SPVs are subject to government regulation and if there is a failure to obtain, maintain or renew statutory and regulatory licenses, permits, and approvals required to operate the business, results of operations and cash flows may be adversely affected.

#### **Risks Related to the Trust’s Relationships with the Sponsor and the Investment Manager**

39. The Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust.
40. The Investment Manager may not be able to implement its investment or corporate strategies and the fees payable to the Project Manager are dependent on various factors.
41. While the Sponsor had communicated its intention of transferring around 1500 km of roads, the Trust may be unable to bid effectively for them.
42. Parties to the Trust are required to maintain the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. The Trust may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.

43. The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. There can be no assurance that the Investment Manager will be able to comply with such requirements.
44. Our Investment Manager is wholly-owned and controlled by the GoI, which makes us susceptible to changes to its policies.
45. The InvIT Regulations allow for sponsors of listed InvITs to be declassified from the status of sponsors subject to certain conditions. There can be no assurance that our Sponsor will not exercise its ability to be declassified as the Sponsor of the Trust.
46. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Investment Manager and the Trust.

#### Risks related to India

47. Changing laws, rules and regulations and legal uncertainties may materially and adversely affect our business, financial condition and results of operations.
48. Significant increases in the price or shortages in the supply of crude oil and products derived therefrom, including petrol and diesel fuel, could materially and adversely affect the volume of traffic at the projects operated by the Project SPV and the Indian economy in general, including the infrastructure sector.
49. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could materially and adversely affect our business.
50. Any downgrading of India's debt rating by rating agencies could have a negative impact on our business.
51. 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.

#### Risks Related to Ownership of the Units

52. The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
53. The reporting requirements and other obligations of infrastructure investment trusts post-listing are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to Unitholders may be more limited than those made to or available to the shareholders of a company that has listed its equity shares upon a recognized stock exchange in India.

**54. Unitholders may not be able to enforce a judgment of a foreign court against the Trust or the Investment Manager.**

**55. Any additional debt financing or issuance of additional Units may have a material, adverse effect on the Trust's distributions, and your ability to participate in future rights offerings may be limited.**

The Investment Manager may require additional debt financing or the issuance of additional Units in order to support the operating business or to make acquisitions and investments. If obtained, any such additional debt financing may decrease distributable income, and any issuance of additional Units may dilute existing Unitholders' entitlement to distributions.

We are not required to offer pre-emptive rights to existing Unitholders when issuing new Units. Compliance with securities laws or other regulatory provisions in some jurisdictions may prevent certain investors from participating in any future rights issuances and thereby result in dilution of their existing holdings in Units.

**56. The Trust may be unable to dispose of its non-performing assets in a timely manner.**

**57. Fluctuations in the exchange rate of the Indian Rupee with respect to the U.S. Dollar or other currencies will affect the foreign currency equivalent of the value of the Units and any distributions.**

**58. Unitholders are unable to require the redemption of their Units.**

**59. The Units have never been publicly traded and the listing of the Units on the Stock Exchanges may not result in an active or liquid market for the Units.**

**60. Any future issuance of Units by us or sales of Units by the Sponsor or any of other significant Unitholders may materially and adversely affect the trading price of the Units.**

**61. Our rights and the rights of the Unitholders to recover claims against the Investment Manager or the Trustee are limited.**

**62. Information and the other rights of Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.**

**63. The price of the Units may fluctuate with the market conditions and other factors.**

**64. There is no assurance that Units of NHIT will remain listed on the Stock Exchanges. There is a risk pertaining to low or no trading of Units on stock exchanges which directly affects any investor's ability to either sell their units entirely, or sell/exit in a timely manner.**



65. Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the NHIT's Units.

#### **Risks Related to Tax**

66. Unitholders should consider the impact of U.S. Foreign Account Tax Compliance Act withholding.
67. The Trust may be classified as a passive foreign investment company for U.S. federal income tax purposes, which could subject U.S. holders of Units to significant adverse tax consequences.
68. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations.
69. Changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect our business, prospects and results of operations.
70. The Ministry of Finance, GoI, has constituted a task force to draft new direct tax legislation, the provisions of which may have an unfavourable implication for us.
71. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units.
72. The Finance Act 2023, provides for tax on the unitholders for such portion of distribution received by them that is not covered under section 10(23FC) or 10(23FCA) of the IT Act and that which is not chargeable to tax under section 115UA(2) of the IT Act. Any distribution not covered under the aforementioned clauses will be taxed in the hands of the unitholders as 'income' under section 56(2)(xii) of the IT Act, provided the amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units were issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. The aforementioned amounts received by a unitholder being a specified person covered under section 10(23FE) of the IT Act shall not be subject to taxes upon the fulfilment of certain conditions set out in the IT Act. Further, any such distribution received by a unitholder to the extent not chargeable to tax under section 56(2)(xii) and not covered under sections 10(23FC), 10(23FCA) or 115UA(2) shall be reduced from the cost of units. There can be no assurance that there will be no adverse impact on the tax incidence to the unitholders pursuant to the Finance Act 2023.
73. The income of the Trust in relation to which pass through status is not granted under the IT Act may be chargeable to Indian taxes.

The SPV has issued corporate guarantees to the lenders of National Highways Infra Trust for the amount borrowed by NHIT. The amount borrowed has been on lent to NHIPPL for payment of concession fees to NHA and initial improvement works incurred by NHIPPL. Since the said transaction is between related parties, the same qualifies as "Supply" liable to GST even though without consideration. Prior to 26th October 2023 valuation of supply for such corporate guarantee was

required to be computed on open market basis . Post 26th October, 2023, there has been change in the GST legislation wherein value of such corporate guarantees has been deemed to be to one percent of the guarantees offered or actual consideration whichever is higher. For the Corporate Guarantee issued before 26th October, 2023, Company got the market valuation done wherein the market value for the corporate Guarantee provided has been arrived by the valuer as Nil. However, GST department may litigate with company to pay GST on this transaction, irrespective of the open market value derived to be Nil by the valuer. Having said so, the levy of GST on corporate guarantee is being challenged by assessee's in various High Courts.

**A. R. & Co.**  
Chartered Accountant



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**Independent Auditor's Review Report on the Unaudited Standalone Financial Information of the Trust for the quarter and Half Year ended on 30<sup>th</sup> September, 2024 pursuant to the Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended**

To,  
The Board of Directors  
National Highways Infra Investment Managers Private Limited  
(Investment Manager of National Highways Infra Trust)  
G-5 & 6, Sector-10,  
Dwarka, Delhi - 110075

1. We have reviewed the accompanying Statement of Unaudited Standalone Interim financial Information of National Highways Infra Trust (the 'Trust'), consisting of Unaudited Standalone Interim Balance Sheet, Unaudited Standalone Interim Statement of profit and loss (Including Other Comprehensive Income), Cash Flow Statement and other explanatory notes thereto including Net Distributable Cash Flows (NDCF's) and the additional disclosures as required in chapter 4 of the SEBI Circular No. SEBI/HO/DDHSPoD- 2/P/CIR/2024/44 dated May 15, 2024 ("SEBI Circular") for the quarter and Half Year ended September 30, 2024 (the 'Statement') attached herewith, being prepared by National Highways Infra Investment Managers Private Limited (the 'Investment Manager') pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended, read with the SEBI Circular.
2. The Statement, which is the responsibility of the Investment Manager and has been approved by the Board of Directors of the Investment Manager, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" (Ind AS 34) as prescribed 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 Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended, including any guidelines and circulars issued thereunder ("SEBI InvIT Regulations"). Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered



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Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of Investment manager personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable 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 has not disclosed the information required to be disclosed in terms of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended, read with the SEBI Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For A. R. & Co.**  
**Chartered Accountants**  
**FRN. 002744C**



CA Mohd Azam Ansari  
Partner

**Membership No: 511623**  
**UDIN: 24511623BKCSXV6138**  
Place: New Delhi  
Date: 12-11-2024



# NATIONAL HIGHWAYS INFRA TRUST

SEBI Registration Number :- IN/InvIT/20-21/0014

Unaudited Standalone Balance Sheet as at September 30, 2024

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at 30 September, 2024	As at 31 March 2024
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>1) Non - Current Assets</b>		
(a) Financial Assets		
(i) Investments	3,80,163.52	3,80,163.52
(ii) Loans	22,81,509.05	22,40,043.05
(iii) Other Financial Assets	30,631.08	10,174.48
(b) Other Non-Current Assets	85.70	95.43
<b>Total Non - Current Assets</b>	<b>26,92,389.35</b>	<b>26,30,476.48</b>
<b>2) Current Assets</b>		
(a) Financial Assets		
(i) Cash and Cash Equivalents	4,564.53	30,718.41
(ii) Other Financial Assets	1,54,765.45	87,534.15
(b) Current Tax Assets (Net)	47.20	7.04
(c) Other Current Assets	878.80	693.14
<b>Total Current Assets</b>	<b>1,60,255.98</b>	<b>1,18,952.74</b>
<b>TOTAL ASSETS</b>	<b>28,52,645.33</b>	<b>27,49,429.22</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
1) Unit Capital	14,66,947.80	14,67,093.46
2) Initial Settlement Amount	0.10	0.10
3) Other Equity	1,70,519.75	1,02,760.63
<b>Total Equity</b>	<b>16,37,467.65</b>	<b>15,69,854.19</b>
<b>LIABILITIES</b>		
<b>1) Non - Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	11,98,463.18	11,63,394.94
<b>Total Non - Current Liabilities</b>	<b>11,98,463.18</b>	<b>11,63,394.94</b>
<b>2) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	11,442.50	10,054.00
(ii) Trade Payables		
(a) Total Outstanding, dues of micro and small enterprises	14.70	36.17
(b) Total outstanding, dues of creditors other than micro and small enterprises	82.25	733.58
(iii) Other Financial Liabilities	5,145.81	5,162.05
(b) Current Tax Liabilities (Net)	-	-
(c) Other Current Liabilities	29.24	194.29
<b>Total Current Liabilities</b>	<b>16,714.50</b>	<b>16,180.09</b>
<b>Total Liabilities</b>	<b>12,15,177.68</b>	<b>11,79,575.03</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>28,52,645.33</b>	<b>27,49,429.22</b>



**NATIONAL HIGHWAYS INFRA TRUST**

SEBI Registration Number :- IN/InvIT/20-21/0014

**Unaudited Standalone Statement of Profit & Loss for the Quarter and Half year ended September 30, 2024**

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Quarter Ended			Half Year Ended		Year ended 31 March, 2024 (Audited)
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	31 March 2024 (Unaudited)	
<b><u>INCOME AND GAINS</u></b>						
Interest income on loan given to subsidiaries	75,932.53	73,337.53	30,136.71	1,49,270.06	63,476.98	1,23,103.51
Interest income on fixed deposits	516.20	210.76	191.71	726.96	343.66	786.74
Profit on sale of investments	84.77	362.88	106.16	447.65	693.33	840.99
Other Income	5.90	0.22	2.83	6.12	1.38	4.21
<b>Total Income</b>	<b>76,539.40</b>	<b>73,911.39</b>	<b>30,437.41</b>	<b>1,50,450.79</b>	<b>64,515.35</b>	<b>1,24,735.45</b>
<b><u>EXPENSES</u></b>						
Investment Manger Fees	495.00	495.00	453.70	990.00	897.53	1,800.00
Trustee Fees	2.40	2.40	2.42	4.80	4.79	9.60
Valuation expenses	14.73	19.71	2.16	34.44	7.83	11.07
Annual listing fees	13.52	13.45	13.56	26.97	26.83	53.80
Rating fees	1.71	1.09	0.05	2.81	7.63	7.73
Audit Fees						
- Statutory audit fees	0.84	0.84	1.64	1.68	2.87	5.75
- Other audit services (including certification)	0.84	0.12	0.36	0.96	1.32	1.72
Custodian Fees	2.08	0.74	0.79	2.82	1.57	3.15
Finance Charges	24,403.17	23,730.37	6,271.66	48,133.54	12,857.50	25,139.68
Other Expenses	40.03	56.91	9.13	96.94	116.99	188.64
<b>Total Expenses</b>	<b>24,974.32</b>	<b>24,320.63</b>	<b>6,755.47</b>	<b>49,294.96</b>	<b>13,924.86</b>	<b>27,221.14</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>	<b>51,565.08</b>	<b>49,590.76</b>	<b>23,681.94</b>	<b>1,01,155.83</b>	<b>50,590.49</b>	<b>97,514.31</b>
Exceptional Items (net)	-	-	-	-	-	-
<b>Profit / (Loss) for the period/year before Tax</b>	<b>51,565.08</b>	<b>49,590.76</b>	<b>23,681.94</b>	<b>1,01,155.83</b>	<b>50,590.49</b>	<b>97,514.31</b>
<b>Tax Expenses</b>						
Current Tax	215.20	245.29	127.32	460.49	445.05	697.56
Provision for Tax for Earlier Years	-	-	0.32	-	(2.84)	(2.52)
<b>Total Tax</b>	<b>215.20</b>	<b>245.29</b>	<b>127.64</b>	<b>460.49</b>	<b>442.21</b>	<b>695.04</b>
<b>Profit/ (loss) for the period/year after tax</b>	<b>51,349.89</b>	<b>49,345.47</b>	<b>23,554.30</b>	<b>1,00,695.35</b>	<b>50,148.28</b>	<b>96,819.27</b>
<b>Other Comprehensive Income</b>						
Items that will not be reclassified to Profit and Loss	-	-	-	-	-	-
Items that will be reclassified to Profit and Loss	-	-	-	-	-	-
<b>Total Comprehensive Income for the period/year</b>	<b>51,349.89</b>	<b>49,345.47</b>	<b>23,554.30</b>	<b>1,00,695.35</b>	<b>50,148.28</b>	<b>96,819.27</b>



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**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

**Unaudited Standalone Statement of Profit & Loss for the Quarter and Half year ended September 30, 2024**

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Quarter Ended			Half Year Ended		Year ended 31 March, 2024 (Audited)
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)	
<b>Earnings per Unit</b>						
- Basic	3.91	3.76	3.24	7.67	6.42	12.85
- Diluted	3.91	3.76	3.24	7.67	6.42	12.85
Debt-Equity Ratio	0.74	0.73	0.36	0.74	0.36	0.75
Debt Service coverage ratio	2.19	1.39	5.53	1.69	3.69	3.46
Interest Service coverage ratio	3.11	3.09	4.78	3.10	4.93	4.88
Security Cover ratio	2.03	2.04	3.27	2.03	3.27	2.01
Outstanding redeemable preference shares	-	-	-	-	-	-
Capital redemption reserve/debenture redemption reserve	-	-	-	-	-	-
Networth	16,37,467.65	16,09,806.68	8,24,308.16	16,37,467.65	15,69,854.19	15,69,854.19
Net Profit after tax	51,349.89	49,345.47	23,554.30	1,00,695.35	50,148.28	96,819.27
Current Ratio	9.59	9.73	11.19	9.59	11.19	7.35
Long term debt to working capital	7.81	9.04	3.84	7.81	10.40	10.40
Bad debts to Accounts receivable ratio	-	-	-	-	-	-
Current liability ratio	0.01	0.01	0.02	0.01	0.01	0.01
Total debts to total assets	0.42	0.42	0.26	0.42	0.43	0.43
Debtors turnover	N.A	N.A	N.A	N.A	N.A	N.A
Inventory turnover	N.A	N.A	N.A	N.A	N.A	N.A
Operating margin %	99.25%	99.20%	98.39%	99.22%	98.32%	98.31%
Net profit margin %	67.63%	67.29%	78.16%	67.46%	79.00%	78.65%



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**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

**Unaudited Standalone Statement of Cash Flows for the Half Year ended September 30, 2024**

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Half Year Ended 30 September 2024	Year ended 31 March 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b>A. Cash flows from operating activities</b>		
Net Profit/(Loss) Before Tax	1,01,155.83	97,514.31
<b>Adjustments:</b>		
Finance Cost (net)	48,133.54	25,015.90
Interest Income on Bank FDR	(726.96)	(786.74)
Interest Income on Long Term Loan given to SPV	(1,49,270.06)	(1,23,103.51)
Profit on redemption of Mutual Funds	(447.65)	(840.99)
<b>Operating cash flows before Working Capital Changes</b>	<b>(1,155.30)</b>	<b>(2,201.03)</b>
<b>Movements in Working Capital</b>		
Decrease / (Increase) in Other Non Current/Current Financial Assets	267.84	(293.04)
Decrease / (Increase) in Other Non Current/Current Assets	(175.92)	579.16
Increase / (Decrease) in Trade & Other Payables	(40.74)	(312.33)
Increase / (Decrease) in Other Financial Liabilities	-	-
Increase / (Decrease) in Other Current Liabilities	(165.05)	151.79
Increase / (Decrease) in Current Tax Liabilities	-	-
<b>Cash used in operating activities</b>	<b>(1,269.18)</b>	<b>(2,075.45)</b>
Income Tax paid	(500.65)	(711.06)
<b>Net Cash Flows used in operating activities - A</b>	<b>(1,769.83)</b>	<b>(2,786.51)</b>
<b>B. Cash flows from investing activities</b>		
Long Term Loans given	(41,466.00)	(13,49,436.40)
Purchase of Non Current Investments	-	(2,40,610.00)
Investment in FDR	(20,233.03)	(447.00)
Profit on redemption of Mutual Funds	447.65	840.99
Interest received on Long Term Loan given	81,770.46	82,549.94
Interest Received from Bank on FDR	503.87	734.73
<b>Net Cash Flows used in investing activities - B</b>	<b>21,022.95</b>	<b>(15,06,367.74)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from Issue of unit capital	-	7,27,206.41
Expense incurred towards institutional unit allotment	(399.53)	(1,471.46)
Processing Fee paid	(489.70)	(1,482.16)
Proceeds from Long Term Borrowings	41,466.00	8,84,700.00
Distribution paid to unit holders	(32,936.23)	(54,491.29)
Repayment of Long Term Borrowings	(5,021.82)	(3,759.73)
Finance Costs Paid	(48,025.72)	(24,909.51)
<b>Net Cash Flows from financing activities -C</b>	<b>(45,407.00)</b>	<b>15,25,792.27</b>
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	(26,153.88)	16,638.03
Cash and Cash Equivalents at the Beginning of the period/year	30,718.41	14,080.38
<b>Cash and Cash Equivalents at the end of the period/year</b>	<b>4,564.53</b>	<b>30,718.41</b>



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**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

**Statement of Net Distributable Cash Flow for the Half Year ended September 30, 2024**

Additional disclosures as required by paragraph 6 of chapter 4 to the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024

**a) Statement of Net Distributable Cash Flows (NDCF) at Trust Level (NHIT)**

(All amounts are in ₹ lakh unless otherwise stated)

S.No.	Particulars	Amount
1	<b>Cashflows from operating activities of the Trust</b>	(1,769.83)
2	(+) Cash flows received from SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework (Refer Notes Below)	1,06,788.73
3	(+) Treasury income / income from investing activities of the Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments)	951.51
4	(+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or shares of SPVs/ Holdcos or Investment Entity adjusted for the following	-
	• Applicable capital gains and other taxes	-
	• Related debts settled or due to be settled from sale proceeds	-
	• Directly attributable transaction costs	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations	-
5	(+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or sale of shares of SPVs/ Hold cos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently	-
6	(-) Finance cost on Borrowings, excluding amortisation of any transaction costs, recognized in Profit and Loss account of the Trust	(48,009.47)
7	(-) Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt in any form or equity raise)	(5,021.82)
8	(-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with lenders, or (ii). agreement pursuant to which the Trust operates or owns the infrastructure or real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (iii). statutory, judicial, regulatory, or governmental stipulations; or (iv). such mandatory terms or conditions, which if breached (or not complied with) would result in the Trust losing the right to own or operate the relevant infrastructure asset or real estate asset	(5,233.03)
9	(-) any capital expenditure to the extent not funded by debt / equity or from reserves created in the earlier years	-
10	<b>NDCF at Trust level as on 30th September 2024</b>	<b>47,706.09</b>
	<b>NDCF Distributed in June 2024 Quarter</b>	<b>23,685.22</b>
	<b>Balance NDCF for September 2024</b>	<b>24,020.87</b>

**Notes:**

- In accordance with the SEBI circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024, the framework for computation of Net Distributable cash flows ("NDCF") is revised with effect from April 01, 2024. Accordingly, NDCF for the period April 01, 2024, to September 30, 2024, has been calculated and presented in accordance with the revised framework. NDCF for the periods on or before March 31, 2024, has been calculated and presented as per the earlier framework and has been disclosed/reproduced in Annexure 1 to the unaudited standalone financial information.
- This NDCF includes cash flows received from SPV after 30th September 2024 but before the date of the Board Meeting of the InvIT i.e. 12th November 2024. Rs. 149.15 Crores received from NWPPL and Rs. 101.03 Crores received from NEPPL.





# NATIONAL HIGHWAYS INFRA TRUST

SEBI Registration Number :- IN/InvIT/20-21/0014

Disclosures pursuant to SEBI circulars (SEBI Master Circular No. SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 issued under the InvIT regulations)

## b. Investment manager fees

i) The Investment Management Agreement is revised and the fee with effect from 1st April 2023 has been agreed at Rs 1,800 Lakhs (Rupees Eighteen hundred lakhs) for the Financial Year 2023-24.

ii) The management fee set out in paragraph (i) above shall be subject to escalation on an annual basis at the rate of 10% of the management fee for the previous year.

iii) The Investment Management Agreement is revised and the fee with effect from 1st April 2024 has been agreed at Rs 1,980 Lakhs (Rupees Nineteen hundred and Eighty Lakhs) for the Financial Year 2024-25

iv) Any applicable taxes, cess or charges, as the case may be, shall be in addition to the management fee and shall be payable by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL).

Frequency of Payment: Payment of management fee shall be made by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL) in advance on a quarterly basis at the beginning of each quarter of a financial year.

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

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

(All amounts in ₹ lakh unless otherwise stated)

Particulars	For the Half Year ended September 30, 2024	For the Year ended March 31, 2024
	(Unaudited)	(Audited)
Profit for the period / year (₹ lakhs)	1,00,695.35	96,819.27
Weighted average number of units outstanding for computation of basic and diluted earning per unit.	1,31,22,00,600	75,36,14,276
<b>Earning per unit (basic and diluted) (₹)</b>	<b>7.67</b>	<b>12.85</b>

## d. Contingent Liabilities

Nil Nil

## e. Other funding commitments

Commitment for loan to Subsidiary Company (Project SPV- NWPPL)	81,628.00	1,21,594.00
Commitment for loan to Subsidiary Company (Project SPV- NEPPL)	33,158.61	34,658.61
<b>Total</b>	<b>1,14,786.61</b>	<b>1,56,252.61</b>



**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

Additional disclosures as required by paragraph 6 of chapter 4 to the SEBI Master Circular  
No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024

**Statement of Related Parties**

**A. List of Related Parties as per requirement of IND AS 24 – “Related Party Disclosures”**

Enterprises where Control / significant influence exists	NHIT Western Projects Private Limited ('NWPPPL') (Subsidiary Company)
	NHIT Eastern Projects Private Limited ('NEPPL') (Subsidiary Company)

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

**Parties to the Trust**

National Highways Infra Investment Managers Private Limited (NHIIMPL) - Investment Manager (IM) of the Trust  
IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust  
National Highways Authority of India (NHAI)- Sponsor  
National Highways InvIT Project Managers Private Limited (NHIPMPL)- Project Manager

**Promoters of the Parties to the Trust specified above**

Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHIIMPL  
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL  
Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHAI  
National Highways Authority of India (NHAI)- Promoter of NHIPMPL

**Directors of the parties to the Trust specified above**

**Directors of NHIIMPL**

Mr. Suresh Krishan Goyal  
Mr. Shailendra Narain Roy  
Mr. Mahavir Prasad Sharma  
Mr. Pradeep Singh Kharola  
Mr. N.R.V.V.M.K. Rajendra Kumar  
Mr. Sumit Bose  
Mr. Pushkar Vijay Kulkarni  
Mr. Debapratim Hajara  
Mr. Vinay Kumar  
Ms. Usha Monari (Appointed as Woman Independent Director w.e.f. 16.04.2024)

**Directors of ITSL**

Mr. Pradeep Kumar Jain  
Ms. Jayashree Vijay Ranade (Ceased to be Director w.e.f. 18.04.2024)  
Mr. Arun Kumar Agarwal (Appointed as Director w.e.f. 19.07.2024)  
Mr. Hare Krushna Dandapani Panda (Appointed as Director w.e.f. 19.07.2024)  
Mr. Pradeep Kumar Malhotra  
Ms. Baljinder Kaur Mandal  
Ms. Jayakumar Subramoniapillai  
Mr. Balkrishna Variar (Appointed as Director w.e.f. 24.06.2024)





**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

Additional disclosures as required by paragraph 6 of chapter 4 to the SEBI Master Circular  
No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024

Directors of NHIPMPL  
Mr. Akhil Khare  
Mr. Ashish Kumar Singh

**C. Transactions with Related Parties**

Particulars	(Amounts in ₹ lakh)	
	Half Year ended 30th September 2024	Year ended 31st March 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b><u>NHIT Western Projects Private Limited (NWPPL)</u></b>		
Advancement of Long Term Loans to NWPPL	39,966.00	18,900.00
Interest Income accrued on Long Term Loan given to NWPPL	64,355.47	1,20,885.95
Reimbursement of Expense paid by NHIT on behalf of NWPPL	-	9.01
Other Support Services Received from them	0.98	-
<b><u>National Highways Infra Investment Managers Private Limited (NHIIMPL)</u></b>		
Investment Manager Fee	990.00	1,800.00
Advance Investment Manager Fee Paid	-	4.93
Expense incurred by NHIIMPL on our behalf	0.37	15.35
Interest Cost Reimbursement	0.03	-
<b><u>National Highways Authority of India (NHAI)</u></b>		
Issue of units of Trust to NHAI	-	1,09,081.07
Interest and other income distribution	5,097.11	8,641.92
<b><u>IDBI Trusteeship Services Limited (ITSL)</u></b>		
Payment of Trustee Fee	4.80	9.60
Other fees related to Round 1&2 Assets	-	1.50
Other fees related to Round 3 Assets	-	17.58
Other Fees related to Proposed Bonds Issuance	1.77	-
<b><u>IDBI Bank Limited</u></b>		
Secured Loan given to NHIT	1,078.00	10,000.00
Interest Expense incurred on Loan given to NHIT	412.55	4.38
Repayment of Principal Amount	122.78	0.00
Loan Processing Fees Paid to them	-	41.30
<b><u>NHIT Eastern Projects Private Limited ('NEPPL')</u></b>		
Subscription of Share Capital of NEPPL by NHIT	-	2,40,610.00
Long Term Loans given to NEPPL	1,500.00	13,30,536.39
Interest Income Accrued on Long Term Loan given to NEPPL	84,914.58	2,217.56
Refund of Short Term Advance given to NEPPL	20.50	-
Short term Advance given to NEPPL	-	20.50
Other Support Services to NEPPL	9.70	-
Expense incurred by NEPPL on our behalf	-	0.48
Expenses incurred by NHIT on their behalf	-	262.72





**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

Additional disclosures as required by paragraph 6 of chapter 4 to the SEBI Master Circular  
No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024

**D. Closing Balances with Related Parties**

(Amounts in ₹ lakh)

Particulars	As at September 30, 2024	As at March 31, 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b><u>NHIT Western Projects Private Limited (NWPPL)</u></b>		
Investment in equity shares of NWPPL	1,29,410.00	1,29,410.00
Outstanding Long term Loans given to NWPPL	9,49,472.66	9,09,506.66
Interest receivable on Long Term Loan given to NWPPL	1,17,011.26	85,024.44
Amount Receivable for Expenses incurred on their behalf	9.01	9.01
<b><u>National Highways Authority of India (NHAI)</u></b>		
Issue of units of Trust to NHAI	2,27,003.91	2,27,003.91
<b><u>National Highways Infra Investment Managers Private Limited (NHIIMPL)</u></b>		
Advance IM Fee	-	4.93
Amount Payable for expenses incurred on our behalf	0.32	-
<b><u>IDBI Trusteeship Services Limited</u></b>		
Trustee Fee Payable	4.80	1.73
Other Fees related to Round 3 ("Project Leap")	-	2.68
Other Fees payable for Proposed Bonds Issuance	1.62	-
<b><u>IDBI Bank Limited</u></b>		
Outstanding Secured Loan Amount	10,955.22	9,999.99
<b><u>NHIT Eastern Projects Private Limited ('NEPPL')</u></b>		
Investment in equity shares of NEPPL	2,40,610.00	2,40,610.00
Amount Receivable for Expenses incurred on their behalf	3.11	262.64
Outstanding Advance Recoverable from NEPPL	-	20.50
Amount Receivable for Other Support Services	11.72	-
Amount Payable for Expenses incurred on our behalf	-	0.44
Outstanding Long term Loans given to NEPPL	13,32,036.39	13,30,536.39
Interest Receivable on long term Loans given to NEPPL	37,730.35	2,217.56



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**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :- IN/InvIT/20-21/0014**

**Notes to the Standalone Financial Results for the Quarter and Half Year ended September 30, 2024**

- 1 The investor can view the result of the National Highway Infra Trust (Trust) on the Trust's website (<https://www.nhit.co.in>) or on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://www.nseindia.com)).
- 2 The Standalone Financial results of National Highways Infra Trust ('Trust') for the Quarter and Half Year ended 30th September, 2024 have been reviewed by the Audit Committee of National Highways Infra Investment Managers Private Limited ('Investment Manager' of Trust) on 12th November, 2024 and thereafter approved by the Board of Directors of the Investment Manager on 12th November, 2024.
- 3 The Statutory Auditors of the Trust have carried out the review of Standalone Financial Results of Trust for the Quarter and Half Year ended 30th September 2024 and have issued an unmodified audit report on these Standalone Financial Results.
- 4 The Standalone Financial results comprise the Standalone Interim Balance Sheet as at 30th September, 2024, Standalone Interim Statement of Profit and Loss and explanatory notes thereto of the National Highways Infra Trust ('the Trust') for the quarter and half year ended 30th September, 2024 ('the Statement'). The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2 (1) (a) of the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India. The Statement has been prepared solely for submissions to be made by the Investment Manager with the Stock Exchanges (both BSE and NSE) and as additional information for stakeholders of the Trust and therefore it may not be suitable for another purpose.
- 5 National Highway Infra Trust ("Trust" or "InvIT") is registered as an Irrevocable Trust registered under the provisions of the Indian Trusts Act, 1882 on 19th October, 2020. It was registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 on 28th October, 2020 having registration number IN/InvIT/20-21/0014.
- 6 The Trust has outstanding secured non-convertible debentures (NCDs) amounting to Rs. 1,500 crores for STRPP A, STRPP B, and STRPP C which will mature from 8th anniversary to 13th anniversary, 13th anniversary to 18th anniversary, 18th anniversary to 25th anniversary of allotment respectively. The NCDs are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The security cover exceeds 100% of the principal and interest amount of NCD's as at 30th September 2024.
- 7 **Nature of Security for Non Convertible debentures:**  
The debenture holders are secured by :
  - a) a first ranking pari passu Security Interest over the Trust's immovable assets (if any), both present and future. The Trust does not own any immovable property at the present time. In the event, the Trust acquires any immovable property in future, the Trust shall mortgage said property within 180 (one hundred eighty) days from the date of acquisition of such immovable assets. The Debenture Trustee shall be authorised to do all acts, deeds, and enter into necessary documents, agreement, amendments and/or modifications, as may be required to give effect the same, including carrying out the due diligence as may be required by Debenture Trustee;
  - b) a first ranking pari passu Security Interest over the Hypothecated Assets (including Receivables), both present and future; and
  - c) Negative Lien Undertaking
- 8 The Board of Directors of the Investment Manager has declared distribution for quarter ended September 2024 of Rs.1.829 per unit which comprises of Rs. 1.806 per unit as interest and Rs. 0.023 per unit as other income on surplus funds at the Trust level in their meeting held on 12th November, 2024.



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**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :- IN/InvIT/20-21/0014**

**Notes to the Standalone Financial Results for the Quarter and Half Year ended September 30, 2024**

- 9 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 contains 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 No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 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.
- 10 The Unaudited Standalone Financial Information relating to the quarter ended September 30, 2024, are the balancing figures between the unaudited figures in respect of the Quarter ended June 30, 2024, and year-to-date figures up to six months ended September 30, 2024, which have been approved by the Board of Directors of Investment Manager and have been subjected to limited review by the Statutory Auditors.
- 11 As per Ind AS 36 'Impairment of assets', based on management review on expected future cash flows and economic conditions of the assets of the Trust, no indicators of impairment of assets exist as on the reporting date. Hence no provision for impairment has been recognized in the books on the reporting date.
- 12 During the half year ended 30th September 2024, the Trust has taken a further disbursement of amounting to Rs. 284.02 Crores from the Axis Bank Limited, Rs. 119.86 Crores from the Bank of Maharashtra and Rs. 10.78 Crores from the IDBI Bank in accordance with Facility agreement. The Trust has given Rs. 399.66 Crores to Project SPV NWPPL and Rs. 15 Crores to Project SPV NEPPL as Loan at the rate of 12.70% p.a. for initial Improvement works.
- 13 All values are rounded to nearest lakh, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.
- 14 The trust has followed the same accounting policies and methods in these interim financial statements. And these financial statements have been prepared on accrual basis under the historical cost convention as followed in the annual financial statements for financial year ended March 31, 2024.
- 15 Previous year figures have been reclassified/regrouped wherever necessary to confirm to current period classification.

**For and on behalf of National Highways Infra Trust**  
**(By National Highways Infra Investment Managers Private Limited)**

  
**Ganjan Singh**  
Compliance Officer

  
**Mathew George**  
Chief Financial Officer

  
**Suresh Krishan Goyal**  
Director  
DIN: 02721580



**Place:** New Delhi  
**Date:** 12th November 2024



**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

**Annexure 1: Statement of Net Distributable Cash Flows (NDFC) of the Trust as per the earlier framework paragraph 6 of chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023**

(All amounts in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended 31st March 2024
1	<b>Profit after tax as per Statement of profit and loss/income and expenditure (Standalone) (A)</b>	96,819.27
2	Add: Depreciation and amortization as per statement of profit and loss account. In case of Impairment reversal, same needs to be deducted from profit and loss.	-
3	Add/Less: Loss/gain on sale of infrastructure assets	-
4	Add: Proceeds from sale of infrastructure assets adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-
5	Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account	-
6	Add/ Less: Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.	(82,058.04)
7	Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements.	(4,206.73)
8	<b>Total Adjustment (B)</b>	<b>(86,264.77)</b>
9	<b>Net Surplus (C) = (A+B) (NDCF)</b>	<b>10,554.51</b>
10	Add: Income recognised in previous year and received in this year	46,688.43
11	Less :- Interest expenses recognised in previous year and paid in this year	(5,129.59)
12	<b>Distibutable Cash Flow</b>	<b>52,113.35</b>
13	Less: Amount already distributed to Unitholders (for the period from April 23 to Jan 24(PY for the period from April 22 to December 22))	42,843.37
14	<b>Balance Net Distributable Cash Flows for the year ended March 31, 2024</b>	<b>9,269.98</b>



*Handwritten initials/signature*





**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL INFORMATION OF THE TRUST FOR THE QUARTER AND HALF YEAR ENDED ON 30<sup>TH</sup> SEPTEMBER, 2024 PURSUANT TO THE REGULATION 23 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014 AS AMENDED**

To,  
The Board of Directors  
National Highways Infra Investment Managers Private Limited  
(Investment Manager of National Highways Infra Trust)  
G-5 & 6, Sector-10,  
Dwarka, Delhi - 110075

1. We have reviewed the accompanying Statement of Unaudited Consolidated Interim financial Information of National Highways Infra Trust (the 'Trust') and its subsidiaries (together referred to as "the Group") (consisting of Unaudited Consolidated Interim Balance Sheet, Unaudited Consolidated Interim Statement of profit and loss (Including Other Comprehensive Income), Cash Flow Statement and other explanatory notes thereto including Net Distributable Cash Flows (NDCFs) and the additional disclosures as required in chapter 4 of the SEBI Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 ("SEBI Circular" for the quarter and Half Year ended 30-09-2024 (hereinafter referred to as "the Statement") attached herewith, being prepared by National Highways Infra Investment Managers Private Limited (the 'Investment Manager') pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended, read with the SEBI Circular.
2. The Statement which is the responsibility of the Investment Manager and has been approved by the Board of Directors of the Investment Manager, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the SEBI Circular and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of



**Corporate and Correspondence Office**

C-1, II Floor, RDC, Raj Nagar Ghaziabad- 201001 Delhi-NCR






material misstatement. A review of interim financial information consists of making inquiries, primarily of Investment manager personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. The Statement includes the results of the National Highways Infra Trust and the following subsidiaries:
  - a. NHIT Western Projects Private Limited
  - b. NHIT Eastern Projects Private Limited
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, as amended, read with Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended, read with the SEBI Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For A. R. & Co.**  
**Chartered Accountants**  
**FRN. 002744C**

  
**CA Mohd Azam Ansari**  
**Partner**  
**Membership No: 511623**  
**UDIN: 24511623BKCSXW6080**  
**Place: New Delhi**  
**Date: 12-11-2024**





**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :-IN/InvIT/20-21/0014**  
**Unaudited Consolidated Balance Sheet as at September 30, 2024**

(All amounts in ₹ lakh unless otherwise stated)

Particulars	As at	As at
	30 September 2024	31 March 2024
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>1) Non - Current Assets</b>		
(a) Property, Plant and Equipment	382.15	219.29
(b) Capital work in Progress (CWIP)	24.32	19.76
(c) Goodwill	10,144.46	10,144.46
(d) Other Intangible Assets	26,52,182.61	10,88,670.84
(e) Right of Use Assets	609.95	-
(f) Financial Assets		
(i) Other Financial Assets	30,666.24	10,177.86
(g) Deferred Tax Assets (Net)	21,626.53	11,523.20
(h) Non - Current Tax Assets (Net)	48.64	22.38
(i) Other Non - Current Assets	212.12	15,70,649.18
<b>Total Non - Current Assets</b>	<b>27,15,897.02</b>	<b>26,91,426.97</b>
<b>2) Current Assets</b>		
(a) Financial Assets		
(i) Trade Receivables	4,696.79	385.20
(ii) Cash & Cash Equivalents	48,657.44	46,400.78
(iii) Bank Balances other than Cash & Cash Equivalents	535.78	512.98
(iv) Other Financial Assets	50.84	4.54
(b) Current Tax Assets (Net)	47.20	-
(c) Other Current Assets	1,721.06	2,303.89
<b>Total Current Assets</b>	<b>55,709.11</b>	<b>49,607.39</b>
<b>TOTAL ASSETS</b>	<b>27,71,606.13</b>	<b>27,41,034.36</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
1) Unit Capital	14,66,947.80	14,67,093.47
2) Initial Settlement Amount	0.10	0.10
3) Other Equity	(46,629.45)	(27,541.44)
<b>Total Equity</b>	<b>14,20,318.45</b>	<b>14,39,552.13</b>
<b>LIABILITIES</b>		
<b>1) Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	11,98,463.18	11,63,394.94
(ii) Lease Liabilities	538.32	-
(iii) Other Financial Liabilities	161.25	80.90
(b) Provisions	55,941.53	35,923.32
<b>Total Non - Current Liabilities</b>	<b>12,55,104.28</b>	<b>11,99,399.16</b>
<b>2) Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	11,442.50	10,054.00
(ii) Lease Liabilities	66.72	-
(iii) Trade Payables		
(a) Total Outstanding, dues of micro and small enterprises	216.53	275.99
(b) Total outstanding, dues of creditors other than micro and small enterprises	6,111.76	4,479.00
(iv) Other Financial Liabilities	6,900.09	7,224.53
(b) Provisions	71,121.24	79,404.66
(c) Current Tax Liabilities (Net)	-	181.66
(d) Other Current Liabilities	324.56	463.23
<b>Total Current Liabilities</b>	<b>96,183.40</b>	<b>1,02,083.07</b>
<b>Total Liabilities</b>	<b>13,51,287.68</b>	<b>13,01,482.23</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>27,71,606.13</b>	<b>27,41,034.36</b>





**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :- IN/InvIT/20-21/0014

**Unaudited Consolidated Statement of Profit & Loss for the Quarter and Half Year ended September 30, 2024**

(All amounts in ₹ lakh unless otherwise stated)

Particulars	Quarter ended			Half Year Ended		Year ended
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Audited)
<b>INCOME</b>						
Revenue from Operations	56,676.97	56,356.05	23,591.34	47,217.33	47,173.44	94,390.77
Interest Income	675.05	273.14	218.66	401.68	470.03	871.71
Profit on sale of investments	398.25	498.01	265.22	1,664.89	476.27	2,141.16
Other Income	33.09	2.95	6.49	36.04	14.27	59.53
<b>Total Income</b>	<b>57,783.35</b>	<b>57,130.15</b>	<b>24,081.71</b>	<b>49,329.16</b>	<b>48,134.01</b>	<b>97,463.17</b>
<b>EXPENSES</b>						
Investment Manger Fees	495.00	495.00	453.70	897.53	902.47	1,800.00
Trustee Fees	2.40	2.40	2.42	4.80	4.81	9.60
Valuation expenses	14.73	19.71	2.16	34.44	3.24	11.07
Annual listing fees	13.52	13.45	13.56	26.97	26.97	53.80
Rating fees	1.72	1.09	0.05	7.63	0.10	7.73
Insurance Expenses	474.69	461.21	197.71	344.83	393.08	737.91
Custodian Fees	2.08	0.74	0.79	1.57	1.58	3.15
Project Management Fees	354.00	354.00	247.80	672.60	495.60	1,168.20
Operating Expenses	8,055.58	8,215.44	4,154.21	5,857.22	7,808.38	13,665.60
Employee Benefit Expenses	650.34	391.14	268.77	692.69	463.91	1,156.60
Finance Cost	25,900.27	25,488.89	6,386.22	15,505.00	12,518.17	28,023.17
Depreciation & Amortization Expenses	18,147.11	19,533.07	5,810.27	13,307.01	11,464.03	24,771.04
Audit Fees						
- Statutory audit fees	4.26	3.51	5.33	7.77	9.19	18.49
- Other audit services (including certification)	0.84	0.12	0.36	1.32	0.40	1.72
Other Expenses	819.43	787.80	481.71	1,547.59	1,022.03	2,569.62
<b>Total Expenses</b>	<b>54,935.96</b>	<b>55,767.58</b>	<b>18,025.06</b>	<b>38,883.75</b>	<b>35,113.96</b>	<b>73,997.70</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>	<b>2,847.39</b>	<b>1,362.58</b>	<b>6,056.65</b>	<b>10,445.42</b>	<b>13,020.05</b>	<b>23,465.47</b>
Exceptional Items (net)	-	-	-	-	-	-
<b>Profit / (Loss) for the period/year before Tax</b>	<b>2,847.39</b>	<b>1,362.58</b>	<b>6,056.65</b>	<b>10,445.42</b>	<b>13,020.05</b>	<b>23,465.47</b>
<b>Tax Expenses</b>						
Current Tax	215.20	245.29	127.32	633.79	252.51	886.30
Provision for Tax for Earlier Years	-	-	0.32	(2.84)	0.32	(2.52)
Deferred Tax expense/(credit)	(4,817.49)	(5,285.83)	(1,462.40)	(3,952.55)	(2,885.33)	(6,837.88)
<b>Total Tax</b>	<b>(4,602.30)</b>	<b>(5,040.54)</b>	<b>(1,334.76)</b>	<b>(3,321.60)</b>	<b>(2,632.50)</b>	<b>(5,954.10)</b>
<b>Profit/(loss) for the period/year after tax</b>	<b>7,449.69</b>	<b>6,403.12</b>	<b>7,391.41</b>	<b>13,767.02</b>	<b>15,652.55</b>	<b>29,419.57</b>



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**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :-IN/InvIT/20-21/0014

**Unaudited Consolidated Statement of Profit & Loss for the Quarter and Half Year ended September 30, 2024**

(All amounts in ₹ lakh unless otherwise stated)

Particulars	Quarter ended			Half Year Ended		Year ended
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Audited)
<b>Other Comprehensive Income</b>						
Items that will not be reclassified to Profit and Loss	(5.44)	(0.25)	-	(5.69)	(1.79)	0.10
Income tax relating to items that will not be reclassified to profit or loss	1.18	(0.03)	-	1.15	0.03	0.03
<b>Total Other Comprehensive Income</b>	<b>(4.27)</b>	<b>(0.28)</b>	<b>-</b>	<b>(4.54)</b>	<b>(1.79)</b>	<b>0.13</b>
<b>Total Comprehensive Income for the period/year</b>	<b>7,445.42</b>	<b>6,402.84</b>	<b>7,391.41</b>	<b>13,848.26</b>	<b>15,650.76</b>	<b>29,419.70</b>
<b>Earnings per Unit</b>						
- Basic	0.57	0.49	1.02	1.06	1.76	3.90
- Diluted	0.57	0.49	1.02	1.06	1.76	3.90
Debt- Equity Ratio	0.85	0.82	0.41	0.85	0.82	0.82
Debt Service coverage ratio	2.31	2.12	5.74	2.11	4.06	3.54
Interest Service coverage ratio	1.11	1.05	1.95	1.08	1.67	1.84
Security Cover ratio*	2.03	2.04	3.27	2.03	2.01	2.01
Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
Capital redemption reserve/debenture redemption reserve	-	-	-	-	-	-
Networth	14,20,318.45	14,36,561.98	7,30,385.42	14,20,318.45	14,39,552.13	14,39,552.13
Net Profit after tax	7,445.42	6,402.84	7,391.41	13,848.26	15,650.76	29,419.70
Current Ratio	0.58	0.38	2.52	0.58	2.52	0.49
Long term debt to working capital	(41.68)	(18.45)	16.65	(41.68)	(27.66)	(27.66)
Bad debts to Accounts receivable ratio	-	-	-	-	-	-
Current liability ratio	0.07	0.09	0.04	0.07	0.08	0.08
Total debts to total assets	0.44	0.43	0.28	0.44	0.43	0.43
Debtors turnover	12.07	17.92	65.60	24.07	122.58	245.04
Inventory turnover	N.A	N.A	N.A	N.A	N.A	N.A
Operating margin %	80.79%	80.93%	75.29%	80.86%	76.40%	77.54%
Net profit margin %	13.14%	11.36%	31.33%	12.25%	29.16%	31.17%

\* The Security Cover Ratio is computed as per Standalone Financial Results of Trust which is as per the requirements of Debenture Trustee.



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**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :-IN/InvIT/20-21/0014

**Unaudited Consolidated Statement of Cash Flows for the Half Year ended September 30, 2024**

(All amounts in ₹ lakh unless otherwise stated)

Particulars	Half Year ended September 30, 2024	Year ended March 31, 2024
	(Unaudited)	(Audited)
<b>A. Cash flows from operating activities</b>		
Net Profit/(Loss) Before Tax	4,209.97	23,465.47
<b>Adjustments:</b>		
Depreciation and Amortization	37,680.18	24,771.04
Profit on redemption of Mutual Funds	(896.26)	(2,141.16)
Interest income from FDR	(948.19)	(871.71)
Finance Cost (net)	48,133.54	25,015.90
Provision for major maintenance expenses	10,330.53	8,444.05
Unwinding interest on major maintenance provision	3,240.59	2,867.62
Unwinding interest on lease Liability	7.46	-
Provision for Leave encashment and Gratuity	45.92	52.43
<b>Operating cash flows before Working Capital Changes</b>	<b>1,01,803.74</b>	<b>81,603.64</b>
<b>Movements in Working Capital</b>		
Decrease / (Increase) in Trade & Other Receivables	(4,311.68)	(34.34)
Decrease / (Increase) in Other Non Current/Current Assets	(17.44)	(516.99)
Decrease / (Increase) in Other Non Current/Current Financial Assets	189.74	(296.44)
Increase / (Decrease) in Trade & Other Payables	2,214.19	12.68
Increase / (Decrease) in Other Financial Liabilities	380.64	188.39
Increase / (Decrease) in Provisions	(1.01)	(3.57)
Increase / (Decrease) in Other Current Liabilities	(138.68)	229.27
<b>Cash used in operating activities</b>	<b>1,00,119.50</b>	<b>81,182.64</b>
Income Tax paid	(715.61)	(721.42)
<b>Net Cash Flows used in operating activities - A</b>	<b>99,403.89</b>	<b>80,461.22</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, Plant & Equipment, including CWIP, capital creditors and capital advances	(33,094.06)	(15,82,977.68)
(Investment)/Redemption in FDR	(20,247.10)	(951.26)
Interest received on maturity of FDR	716.35	810.99
Profit on redemption of mutual funds	896.26	2,141.16
<b>Net Cash Flows used in investing activities - B</b>	<b>(51,728.55)</b>	<b>(15,80,976.79)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from Issue of Unit Capital	-	7,27,206.41
Expense incurred towards institutional unit allotment	(399.53)	(1,471.46)
Processing Fee paid	(489.70)	(1,482.16)
Distribution to Unit Holders	(32,936.24)	(54,491.29)
Proceeds from Long Term Borrowings (net of processing fees)	41,466.00	8,84,700.00
Payment of rent	(11.61)	-
Financing charges paid	(48,025.77)	(24,909.51)
Repayment of Long Term Borrowings	(5,021.83)	(3,759.73)
<b>Net Cash Flows from financing activities - C</b>	<b>(45,418.68)</b>	<b>15,25,792.26</b>
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)	2,256.66	25,276.69
Cash and Cash Equivalents at the Beginning of the period/year	46,400.78	21,124.08
<b>Cash and Cash Equivalents at the end of the period/year</b>	<b>48,657.44</b>	<b>46,400.78</b>





**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :-IN/InvIT/20-21/0014

**Statement of Net Distributable Cash Flows for the Half Year ended September 30, 2024**

Additional disclosures as required by SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024

**a) Statement of Net Distributable Cash Flows (NDCF) at Trust Level (NHIT)**

(All amounts are in ₹ lakh unless otherwise stated)

S.No.	Particulars	Amount
1	<b>Cashflows from operating activities of the Trust</b>	(1,769.83)
2	(+) Cash flows received from SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework (Refer Notes Below)	1,06,788.73
3	(+) Treasury income / income from investing activities of the Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments)	951.51
4	(+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or shares of SPVs/ Holdcos or Investment Entity adjusted for the following	-
	• Applicable capital gains and other taxes	-
	• Related debts settled or due to be settled from sale proceeds	-
	• Directly attributable transaction costs	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations	-
5	(+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or sale of shares of SPVs/ Hold cos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently	-
6	(-) Finance cost on Borrowings, excluding amortisation of any transaction costs, recognized in Profit and Loss account of the Trust	(48,009.47)
7	(-) Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt in any form or equity raise)	(5,021.82)
8	(-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with lenders, or (ii). agreement pursuant to which the Trust operates or owns the infrastructure or real estate asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (iii). statutory, judicial, regulatory, or governmental stipulations; or (iv). such mandatory terms or conditions, which if breached (or not complied with) would result in the Trust losing the right to own or operate the relevant infrastructure asset or real estate asset	(5,233.03)
9	(-) any capital expenditure to the extent not funded by debt / equity or from reserves created in the earlier years	-
10	<b>NDCF at Trust level as on 30th September 2024</b>	<b>47,706.09</b>
	<b>NDCF Distributed in June 2024 Quarter</b>	<b>23,685.22</b>
	<b>Balance NDCF for September 2024</b>	<b>24,020.87</b>

**Notes:**

- In accordance with the SEBI circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024, the framework for computation of Net Distributable cash flows ("NDCF") is revised with effect from April 01, 2024. Accordingly, NDCF for the period April 01, 2024, to September 30, 2024, has been calculated and presented in accordance with the revised framework. NDCF for the periods on or before March 31, 2024, has been calculated and presented as per the earlier framework and has been disclosed/reproduced in Annexure 1 to the unaudited consolidated financial information.
- This NDCF includes cash flows received from SPV after 30th September 2024 but before the date of the Board Meeting of the InvIT i.e. 12th November 2024. Rs. 149.15 Crores received from NWPPL and Rs. 101.03 Crores received from NEPPL.





**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :-IN/InvIT/20-21/0014

Disclosures as required by SEBI Master Circular No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated  
May 15, 2024

b) Statement of Net Distributable Cash Flows (NDCF) at SPV Level (NWPPL) for the Half Year ended September 30, 2024.

(All amounts in ₹ lakh unless otherwise stated)

S. No.	Particulars	Amount
1	Cash flow from operating activities as per Cash Flow Statement	41,821.02
2	(+) Treasury income / income from investing activities (interest income received from FD, tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments)	427.92
3	(+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or shares of SPVs or Investment Entity adjusted for the following	-
	• Applicable capital gains and other taxes	-
	• Related debts settled or due to be settled from sale proceeds	-
	• Directly attributable transaction costs	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations	-
4	(+) Proceeds from sale of infrastructure/ real estate investments, infrastructure/ real estate assets or sale of shares of SPVs or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently	-
5	(-) Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss Account and any shareholder debt / loan from Trust	-
6	(-) Debt repayment (to include principal repayments as per scheduled EMI's and to exclude any debt refinanced through new debt or equity raise as well as repayment of any shareholder debt / loan from Trust )	-
7	(-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks / financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the infrastructure asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations; or	-
8	(-) any capital expenditure to the extent not funded by debt / equity or from reserves created in the earlier years	(126.90)
9	<b>Net Distributable Cash Flow for the period ended September 2024</b>	<b>42,122.04</b>

**Adjustment to Net Distributable Cash Flows**

S. No.	Particulars	Amount
1	<b>Net Distributable Cash flow for the year (From (9) Above)</b>	<b>42,122.04</b>
2	Less: NDCF Already Distributed during the period ended September 2024	(32,368.66)
3	Add: NDCF pertaining to March 2024 distributed during the period ended June 2024	5,162.05
4	<b>Balance Distributable Cash Flow for the period ended September 2024</b>	<b>14,915.43</b>





**NATIONAL HIGHWAYS INFRA TRUST**  
SEBI Registration Number :-IN/InvIT/20-21/0014

Disclosures as required by SEBI Master Circular No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated  
May 15, 2024

**e) Statement of Net Distributable Cash Flows (NDCF) at SPV Level (NEPPL) for the Half Year ended September 30, 20**

(All amounts in ₹ lakh unless otherwise stated)

S. No.	Particulars	Amount
1	Cash flow from operating activities as per Cash Flow Statement.	59,352.68
2	(+) Treasury income / income from investing activities (interest income received from FD, tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments)	233.18
3	(+) Proceeds from sale of infrastructure / real estate investments, infrastructure / real estate assets or shares of SPVs or Investment Entity adjusted for the following	-
	• Applicable capital gains and other taxes	-
	• Related debts settled or due to be settled from sale proceeds	-
	• Directly attributable transaction costs	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations	-
4	(+) Proceeds from sale of infrastructure/ real estate investments, infrastructure/ real estate assets or sale of shares of SPVs or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) of REIT Regulations or Regulation 18(7) of InvIT Regulations or any other relevant provisions of the REIT/InvIT Regulations, if such proceeds are not intended to be invested subsequently	-
5	(-) Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss Account and any shareholder debt / loan from Trust	-
6	(-) Debt repayment (to include principal repayments as per scheduled EMI's and to exclude any debt refinanced through new debt or equity raise as well as repayment of any shareholder debt / loan from Trust )	-
7	(-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks / financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the infrastructure asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations; or	-
8	(-) any capital expenditure to the extent not funded by debt / equity or from reserves created in the earlier years	(81.18)
9	<b>Net Distributable Cash Flow for the period ended September 2024</b>	<b>59,504.68</b>
10	<b>NDCF Already Distributed for the period ended September 2024</b>	<b>(49,401.85)</b>
11	<b>Balance Distributable Cash flow for the period ended September 2024</b>	<b>10,102.83</b>



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# NATIONAL HIGHWAYS INFRA TRUST

SEBI Registration Number :-IN/InvIT/20-21/0014

Disclosures pursuant to SEBI circulars (SEBI Master Circular No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 issued under the InvIT regulations)

## d. Project Management Fees :-

The project manager National Highways InVIT Project Managers Private Limited ('NHIPMPL') for NWPPL (R1 & R2 assets) and is entitled to fixed fees based on the Project Implementation and Management Agreement (PIMA) signed by both the parties dated 30th March 2021 as amended on 6th March 2024. NHIPMPL is also Project Manager for NEPPL (R3 assets) w.e.f 1st April 2024 as per deed of adherence signed on 7th March 2024. PM fee for NWPPL is Rs. 53.10 Lakhs per month including GST and for NEPPL is Rs. 64.90 Lakhs per month including GST w.e.f. 01.04.2024.

## e. Investment Manager fees

i) The Investment Management Agreement is revised and the fee with effect from 1st April 2023 has been agreed at Rs 1,800 Lakhs (Rupees Eighteen hundred lakhs) for the Financial Year 2023-24.

ii) The management fee set out in paragraph (i) above shall be subject to escalation on an annual basis at the rate of 10% of the management fee for the previous year.

iii) The Investment Management Agreement is revised and the fee with effect from 1st April 2024 has been agreed at Rs 1,980 Lakhs (Rupees Nineteen hundred and Eighty Lakhs) for the Financial Year 2024-25

iv) Any applicable taxes, cess or charges, as the case may be, shall be in addition to the management fee and shall be payable by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL).

Frequency of Payment: Payment of management fee shall be made by National Highways Infra Trust (NHIT) to the Investment Manager (NHIIMPL) in advance on a quarterly basis at the beginning of each quarter of a financial year.

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

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

Particulars	For the half year ended September 30, 2024	For the Year ended March 31, 2024
	(Unaudited)	(Audited)
Profit for the period / year (₹ lakhs)	13,848.26	29,419.70
Weighted average number of units outstanding for computation of basic and diluted earning per unit.	1,31,22,00,600	75,36,14,276
<b>Earning per unit (basic and diluted) (₹)</b>	<b>1.06</b>	<b>3.90</b>

## g. Statement of Contingent Liabilities/Contingent Assets

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	For the half year ended September 30, 2024	For the Year ended March 31, 2024
<b>i) Contingent Liabilities</b>		
Corporate Guarantee issued to senior lenders	-	2,87,700.00
Corporate Guarantee issued to Debenture Trustee on behalf of Non Convertible Debenture Holders	-	1,50,000.00
Stamp Duty on Concession agreement on Belgaum Kagal Project (refer note (a) below)	6,990.00	6,990.00
<b>ii) Contingent Assets</b>		
Stamp Duty on Concession agreement on Belgaum Kagal Project (refer note (b) below )	6,990.00	6,990.00





**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :-IN/InvIT/20-21/0014**

**Disclosures pursuant to SEBI circulars (SEBI Master Circular No.SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 issued under the InvIT regulations)**

**Note : a)** Stamp Duty on Concession agreement on Belgaum Kagal Project - The Group has received notice from Office of Deputy Registrar of Stamps, Government of Karnataka. As per this notice additional stamp duty of Rs 69.90 crore has been imposed on the company for the concession agreement entered into for Belgaum-Kagal road.

Stamp legislation in certain states (including Karnataka) also specifies that copy of the main document in respect of any property, or any business within the state also needs to be stamped with original amount of stamp duty, if the original document has not been stamped with full amount of the stamp duty applicable for place of business .

As regards to the applicability of stamp duty on Concession Agreement, it may please be noted that there is no specific entry in respect of the concession agreement. Such agreements are stamped under the residuary category of the agreements and a nominal amount was paid on such agreements. We are given to understand that the Karnataka State Govt. has given instructions to procure copies of licence /Agreement of toll collecting agencies in respect of roads passing through state of Karnataka. We have further been issued a notice for recovery of shortfall in stamp duty.

Various judicial pronouncements by various high courts have divergent views and the issue is debatable and there is no clarity on the same. The Group is contesting this imposition of deficit stamp duty on concession agreement notice with Government of Karnataka. We are also in receipt of copies of letters sent by NHAI to the Karnataka State Govt clarifying the issue. The Group is in the process of filing injunction with the Dharwad bench of Karnataka High Court.

**Note (b) Contingent Assets**

Stamp Duty on Concession agreement on Belgaum Kagal Project- In the event of the stamp duty becoming payable, it shall be reimbursed by NHAI as confirmed by them vide letter No. NHAI/F&A/InvIT/2021-22/CLFN\_GST&SD(E-106870) dated 28.09.2021. Since no provision has been recognised in the books with respect to stamp duty, the reimbursement has not been recognised as an asset considering the guidance in Ind AS 37.

**c) Corporate Guarantees**

30th September 2024  
31<sup>st</sup> March 2024

Nil  
Rs 4,37,700.00 Lakh

The Project SPV Company (NWPPL) issued corporate guarantees amounting Rs. 1500 crore on October 21, 2022, to secure obligations in favor of the Debenture Trustee for the benefit of NCD holders. Following approval from the SBI Trustee for the waiver and cancellation of these corporate guarantees, an application was submitted to the stock exchange on September 27, 2024, seeking approval for the waiver and cancellation. The corporate guarantees were officially waived and cancelled, as approved by both BSE and NSE on October 11, 2024. Additionally, the corporate guarantees provided to the banks were released after March 31, 2024.

**h. Capital Commitments as on 30.09.2024**

(All amounts are in ₹ lakh unless otherwise stated)

Particular	For the half year	For the Year
	ended September 30, 2024	ended March 31, 2024
The estimated value of contracts to be executed and not provided for	35,666.82	49,698.13
Other Commitments	Nil	Nil
<b>Total</b>	<b>35,666.82</b>	<b>49,698.13</b>



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# NATIONAL HIGHWAYS INFRA TRUST

SEBI Registration Number :- IN/InvIT/20-21/0014

Additional disclosures as required by SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024

## Statement of Related Parties

### A. List of Related Parties as per requirement of IND AS 24 – “Related Party Disclosures”

Enterprises where Control / significant influence exists	NHIT Western Projects Private Limited (NWPPL) (Subsidiary Company)
	NHIT Eastern Projects Private Limited (NEPPL) (Subsidiary Company)

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

#### Parties to the Trust

National Highways Infra Investment Managers Private Limited (NHIIMPL) - Investment Manager (IM) of the Trust

IDBI Trusteeship Services Limited (ITSL) - Trustee of the Trust

National Highways Authority of India (NHAI)- Sponsor

National Highways InvIT Project Managers Private Limited (NHIPMPL)- Project Manager

#### Promoters of the Parties to the Trust specified above

Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHIIMPL

IDBI Bank Limited (IDBI Bank) - Promoter of ITSL

Government of India (acting through Ministry of Road, Transport & Highways (MORTH)) - Promoter of NHAI

National Highways Authority of India (NHAI)- Promoter of NHIPMPL

#### Directors of the parties to the Trust specified above

##### **Directors of NHIIMPL**

Mr. Suresh Krishan Goyal

Mr. Shailendra Narain Roy

Mr. Mahavir Prasad Sharma

Mr. Pradeep Singh Kharola

Mr. N.R.V.V.M.K. Rajendra Kumar

Mr. Sumit Bose

Mr. Pushkar Vijay Kulkarni

Mr. Debapratim Hajara

Mr. Vinay Kumar

Ms. Usha Monari (Appointed as Woman Independent Director w.e.f. 16.04.2024)

##### **Directors of NWPPL**

Mr. Suresh Krishan Goyal

Mr. Shailendra Narain Roy

Mr. Mahavir Prasad Sharma

Mr. Muralidhara Rao Bugatha (Ceased to be Nominee Director w.e.f. 28.06.2024)

Mr. N.R.V.V.M.K. Rajendra Kumar

##### **Directors of NEPPL**

Mr. Suresh Krishan Goyal

Mr. Mathew George

Mr. Mahavir Prasad Sharma (Appointed as Director w.e.f. 15.04.2024)

Mr. Shailendra Narain Roy (Appointed as Director w.e.f. 15.04.2024)



# NATIONAL HIGHWAYS INFRA TRUST

SEBI Registration Number :- IN/InvIT/20-21/0014

Additional disclosures as required by SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated  
May 15, 2024

## Directors of ITSL

Mr. Pradeep Kumar Jain  
 Ms. Jayashree Vijay Ranade (Ceased to be Director w.e.f. 18.04.2024)  
 Mr. Arun Kumar Agarwal (Appointed as Director w.e.f. 19.07.2024)  
 Mr. Hare Krushna Dandapani Panda (Appointed as Director w.e.f. 19.07.2024)  
 Mr. Pradeep Kumar Malhotra  
 Ms. Baljinder Kaur Mandal  
 Ms. Jayakumar Subramoniapillai  
 Mr. Balkrishna Variar (Appointed as Director w.e.f. 24.06.2024)

## Directors of NHIPMPL

Mr. Akhil Khare  
 Mr. Ashish Kumar Singh

## C. Transactions with Related Parties

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	Half Year ended Sep 30, 2024	Year ended 31st March, 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b><u>National Highways Infra Investment Managers Private Limited (NHIIMPL)</u></b>		
Investment Manager Fee	990.00	1,800.00
Advance Investment Manager Fee Paid	-	4.93
Expense incurred by NHIIMPL on behalf of NHIT	0.37	15.35
Interest cost Reimbursement	0.03	-
Expenses incurred on behalf of NEPPL by NHIIMPL	9.97	25.00
Other Support Services to NWPPL	47.62	22.96
Expenses incurred by NWPPL for NHIIMPL Behalf	-	0.65
<b><u>National Highways Authority of India (NHAI)</u></b>		
Issue of units of Trust to NHAI	-	1,09,081.07
Interest and other income distribution	5,097.11	8,641.92
O & M Expenses	48.98	96.03
Double toll fees	306.72	528.00
Reimbursement for Initial Improvement Works	19,020.34	3,146.59
Independent engineers fees	175.86	228.56
<b><u>IDBI Trusteeship Services Limited (ITSL)</u></b>		
Trustee Fee	4.80	9.60
Other fees related to Round 1 & 2 Assets	-	1.50
Other Fees related to Round 3 Assets ("Project Leap")	-	17.58
Other Fees related to Proposed Bonds Issuance	1.77	-
<b><u>IDBI Bank Limited</u></b>		
Secured Loan given to NHIT	1,078.00	10,000.00
Interest Expense incurred on Loan given to NHIT	412.55	4.38
Repayment of Principal Amount	122.78	0.00
Loan Processing Fees Paid to them	-	41.30
<b><u>National Highways InVIT Project Managers Private Limited (NHIPMPL)</u></b>		
Project Manager Fees for NWPPL	318.60	1,168.20
Project Manager Fees for NEPPL	389.40	-





# NATIONAL HIGHWAYS INFRA TRUST

SEBI Registration Number :- IN/InvIT/20-21/0014

Additional disclosures as required by SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated  
May 15, 2024

## D. Summary of Transactions with Key Managerial Personnel (KMP)

(All amounts are in ₹ lakh unless otherwise stated)

Name of KMP and Nature of Transaction	Half Year ended September 30, 2024	Year ended 31st March 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
Mr. Suresh Krishan Goyal - Reimbursement of Expenses	-	0.79
Mr. M.P. Sharma - Director's Sitting Fees	6.61	8.00
Mr. Shailendra Narain Roy - Director's Sitting Fees	6.61	8.00
Mr. Arun Kumar Jha - Short Term Employment Benefits	50.88	69.35
Mr. Arun Kumar Jha - Reimbursement of Expenses	0.25	3.31
Mr. Bhanu Sharma (CS) - Short Term Employment Benefits	0.89	7.49
Mr. Bhanu Sharma (CS) - Long Term Employment Benefits	0.43	-
Mr. Bhanu Sharma (CS) - Reimbursement of Expenses	-	0.47
Ms. Aashima Agarwal (CS) - Short Term Employment Benefits	4.50	6.28
Ms. Aashima Agarwal (CS) - Reimbursement of Expenses	0.05	0.58

## E. Closing Balances with Related Parties

(All amounts are in ₹ lakh unless otherwise stated)

Particulars	As at Sep 30, 2024	As at March 31, 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
<b><u>National Highways Authority of India (NHAI)</u></b>		
Issue of units of Trust to NHAI	2,27,003.91	2,27,003.91
O & M Expenses payable	610.54	717.98
Double toll fees payable	13.26	10.19
Independent Engineers Fees payable	515.77	451.45
Amount Payable for Initial Improvement Works	-	829.65
<b><u>National Highways Infra Investment Managers Private Limited (NHIIMPL)</u></b>		
Advance IM Fee	-	4.93
Payable by NWPPL for Other Support Services	23.24	16.69
Amount Payable for expenses incurred on behalf of NHIT	0.32	-
Amount Payable by NEPPL for expenses incurred on their behalf by NHIIMPL	4.38	25.00
<b><u>IDBI Trusteeship Services Limited</u></b>		
Trustee Fee Payable	4.80	1.73
Other Fees related to Round 3 Assets ("Project Leap")	-	2.68
Other Fees payable for Proposed Bonds Issuance	1.62	-
<b><u>IDBI Bank Limited</u></b>		
Outstanding Secured Loan Amount	10,955.22	9,999.99
<b><u>National Highways InVIT Project Managers Private Limited (NHIPMPL)</u></b>		
Project Manager Fees Payable for NWPPL	321.30	540.00
Project Manager Fees Payable for NEPPL	194.70	-



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**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :-IN/InvIT/20-21/0014**

**Notes to the consolidated financial results for the Quarter and Half Year ended September 30, 2024**

- 1 The investor can view the result of the National Highway Infra Trust (Trust) on the Trust's website (<https://www.nhit.co.in>) or on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://www.nseindia.com)).
- 2 The consolidated Financial results of National Highways Infra Trust ('Trust') for the quarter and half year ended 30th September, 2024 have been reviewed by the Audit Committee of National Highways Infra Investment Managers Private Limited ('Investment Manager' of Trust) on 12th November, 2024 and thereafter approved by the Board of Directors of the Investment Manager on 12th November, 2024.
- 3 The Statutory Auditors of the Trust have carried out the audit of Consolidated Financial Results of Trust for the quarter and half year ended 30th September 2024 and have issued an unmodified audit report on these Consolidated Financial Results.
- 4 The Consolidated Financial results comprise the Consolidated Balance Sheet as at 30th September, 2024, Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows and explanatory notes thereto of the National Highways Infra Trust ('the Trust') for the quarter and half year ended 30th September, 2024 ('the Statement'). The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2 (1) (a) of the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India. The Statement has been prepared solely for submissions to be made by the Investment Manager with the Stock Exchanges (both BSE and NSE) and as additional information for stakeholders of the Trust and therefore it may not be suitable for another purpose.
- 5 The Consolidated Financial Results incorporate the Financial Results of the Trust and its subsidiaries (Project SPV- NWPL and NEPLL). The Consolidated Financial Results combine the financial statements of the Trust and its subsidiaries on a line-by-line basis by adding together the like items of assets, liabilities, income, and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation unless the transaction provides evidence of an impairment of transferred asset. The carrying amount of the Group's investment in each subsidiary and the Group's portion of equity in each subsidiary are offset with each other in the Consolidated Financial Results.
- 6 National Highway Infra Trust ("Trust" or "InvIT") is registered as an Irrevocable Trust registered under the provisions of the Indian Trusts Act, 1882 on 19th October, 2020. It was registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 on 28th October, 2020 having registration number IN/InvIT/20-21/0014.
- 7 The Group has outstanding secured non-convertible debentures (NCDs) amounting to Rs. 1,500 crores for STRPP A, STRPP B, and STRPP C which will mature from 8th anniversary to 13th anniversary, 13th anniversary to 18th anniversary, 18th anniversary to 25th anniversary of allotment respectively. The NCDs are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The security cover exceeds 100% of the principal and interest amount of NCD's as at 30th September 2024.
- 8 Nature of Security for Non Convertible debentures:  
The debenture holders are secured by :
  - a) a first ranking pari passu Security Interest over the Trust's immovable assets (if any), both present and future. The Trust does not own any immovable property at the present time. In the event, the Trust acquires any immovable property in future, the Trust shall mortgage said property within 180 (one hundred eighty) days from the date of acquisition of such immovable assets. The Debenture Trustee shall be authorised to do all acts, deeds, and enter into necessary documents, agreement, amendments and/or modifications, as may be required to give effect the same, including carrying out the due diligence as may be required by Debenture Trustee;
  - b) a first ranking pari passu Security Interest over the Hypothecated Assets (including Receivables), both present and future; and
  - c) Negative Lien Undertaking
- 9 The Board of Directors of the Investment Manager has declared distribution for quarter ended September 2024 of Rs.1.829 per unit which comprises of Rs. 1.806 per unit as interest and Rs. 0.023 per unit as other income on surplus funds at the Trust level in their meeting held on 12th November, 2024.

**10 Provision for Major Maintenance**

The group has a contractual obligation to maintain the performance standards of the Project Highways in respect of riding quality and allied measures as per the performance parameters stipulated under the respective Concession Agreements. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and recognised over the period at the end of which the overlay is estimated to be carried out using Discounted Cash Flows method with the discount rate taken as the risk-free interest rate i.e. the discounting rate used for arriving at the present value for MMR provisions is government bond rate of 30 years for projects acquired in first phase and 20 years for projects acquired in second phase. The group has recognised finance cost on major maintenance provision for the period ended September 30, 2024 amounting to Rs.763.90 Lakhs (PY Rs 470.79 lakhs). The provision for Major Maintenance Obligation as at September 30, 2024 has been recognised in the financial statements at Rs. 10,330.53 Lakhs (P.Y. Rs. 8,444.05 lakhs).





**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :-IN/InvIT/20-21/0014**

**Notes to the consolidated financial results for the Quarter and Half Year ended September 30, 2024**

**11 Initial Improvement Works**

As per the concession agreement between SPVs' and NHAI, the concessionaire is obligated to undertake initial improvement works as specified in Schedule B including certain improvement works required initially and then to extend required repairs maintenance, regular upkeep of the Project Highway. These obligations will require outflow of economic resources and will be fulfilled over the period of time. Therefore, a provision shall be recognised and measured as per Ind AS 37 for contractual obligations toward the Fair Value of future upgrade services and correspondingly the group has capitalized the present value of provision for upgrade services to the intangible asset at the time of acquisition.

Based on the concession agreement, capitalised the initial improvement works amounting to Rs. 34,207.88 lakhs (undiscounted value) on appointed date ie. 01-04-2024.

Further the group has recognised in the statement of Profit & Loss amounting Rs. 2173.94 Lakhs and Rs. 2476.69 Lakhs on account of amortization of initial improvement work and unwinding of interest on provision of initial improvement respectively.

Actual initial improvement work done during the period ended September 2024 is Rs. 33,037.84 Lakhs.

- 12 The name of one of the SPV has been changed from National Highways Infra Projects Private Limited to NHIT Western Projects Private Limited w.e.f. 13th May 2024.
- 13 The Unaudited Consolidated Financial Information relating to the quarter ended September 30, 2024, are the balancing figures between the unaudited figures in respect of the Quarter ended June 30, 2024, and year-to-date figures up to six months ended September 30, 2024, which have been approved by the Board of Directors of Investment Manager and have been subjected to limited review by the Statutory Auditors.
- 14 As per Ind AS 36 'Impairment of assets', based on management review on expected future cash flows and economic conditions of the assets of the Trust, no indicators of impairment of assets exist as on the reporting date. Hence no provision for impairment has been recognized in the books on the reporting date.
- 15 The Group has not recognised Deferred Tax Assets on major maintainance obligation and business losses for the period, as carried forward business losses will not be available for utilisation within the time limit allowable as per the Income Tax Act based on the future projections of the profitability of the entity in accordance with provision of Ind AS 12 "Income Taxes".
- 16 During the half year ended 30th September 2024, the Group has taken a further disbursement of amounting to Rs. 284.02 Crores from the Axis Bank Limited, Rs. 119.86 Crores from the Bank of Maharashtra and Rs. 10.78 Crores from the IDBI Bank in accordance with Facility agreement. The Group has given Rs. 399.66 Crores to Project SPV NWPPL and Rs. 15.00 Crores to Project SPV NEPPL as Loan at the rate of 12.70% p.a. for initial Improvement works.
- 17 The Group has followed the same accounting policies and methods in these interim financial statements. And these financial statements have been prepared on accrual basis under the historical cost convention as followed in the annual financial statements for financial year ended March 31,2024.
- 18 All values are rounded to nearest lakh, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding off are expressed as 0.00.
- 19 Previous period/year figures have been reclassified/regrouped wherever necessary to confirm to current period classification.

**For and on behalf of National Highways Infra Trust  
(By National Highways Infra Investment Managers  
Private Limited)**

  
**Gunjan Singh**  
Compliance Officer

  
**Mathew George**  
Chief Financial Officer

  
**Suresh Krishan Goyal**  
Director

DIN: 02721580

Place: New Delhi

Date: 12th November, 2024





**NATIONAL HIGHWAYS INFRA TRUST**  
**SEBI Registration Number :- IN/InvIT/20-21/0014**

Annexure 1: Statement of Net Distributable Cash Flows (NDFC) of the Trust as per the earlier framework paragraph 6 of chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023

(All amounts in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended 31st March 2024
1	Profit after tax as per Statement of profit and loss/income and expenditure (Standalone) (A)	96,819.27
2	Add: Depreciation and amortization as per statement of profit and loss account. In case of Impairment reversal, same needs to be deducted from profit and loss.	-
3	Add/Less: Loss/gain on sale of infrastructure assets	-
4	Add: Proceeds from sale of infrastructure assets adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-
5	Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account	-
6	Add/ Less: Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.	(82,058.04)
7	Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements.	(4,206.73)
8	<b>Total Adjustment (B)</b>	-
9	<b>Net Surplus (C) = (A+B) (NDCF)</b>	<b>(86,264.77)</b>
10	Add: Income recognised in previous year and received in this year	<b>10,554.51</b>
11	Less :- Interest expenses recognised in previous year and paid in this year	46,688.43
12	<b>Distibutable Cash Flow</b>	<b>(5,129.59)</b>
13	Less: Amount already distributed to Unitholders (for the period from April 23 to Jan 24(PY for the period from April 22 to December 22))	<b>52,113.35</b> 42,843.37
14	<b>Balance Net Distributable Cash Flows for the year ended March 31, 2024</b>	<b>9,269.98</b>



*gr*



# NHIT Western Projects Private Limited

CIN: U45201DL2020PTC366737

Annexure 2(i): Statement of Net Distributable Cash Flows (NDFC) of the SPV as per the earlier framework paragraph 6 of chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023

(All amounts in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024
1	<b>Profit/ (Loss) after tax as per Statement of profit and loss/income and expenditure (standalone) (A)</b>	(65,433.38)
2	<b>Add:</b> Depreciation and amortization as per statement of profit and loss account. In case of Impairment reversal, same needs to be deducted from profit and loss.	24,770.91
3	<b>Add/Less:</b> Loss/gain on sale of infrastructure assets	-
4	<b>Add:</b> Proceeds from sale of infrastructure assets adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-
5	<b>Add:</b> Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account. *	(142.72)
6	<b>Add/ Less:</b> Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.	1,25,403.04
7	<b>Less:</b> Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements. **	(504.26)
8	<b>Total Adjustments (B)</b>	<b>1,49,526.96</b>
9	<b>Net Distributable Cash Flows (C) = (A+B)</b>	<b>84,093.58</b>

\* This includes amount utilized for purchase of Property, Plant and Equipment's and Intangible Assets

\*\* As at 31-03-2024 this includes Fixed Deposit of Rs. 504.26 Lakhs lien marked in favor of Bank of Maharashtra against Performance Bank Guarantee issued in favour of NHAI.

### Adjustment to Net Distributable Cash Flows

S. No.	Particulars	For the year ended March 31, 2024
1	<b>Net Distributable Cash flow for the year (From (C) Above)</b>	<b>84,093.58</b>
2	Less: Actual Distribution during the year	(82,549.93)
	<b>Balance</b>	<b>1,543.65</b>
3	Add: Opening Surplus ( Opening Cash adjusted with Net working Capital as on 31-03-2023)	3,896.22
4	Less: Cash Set Aside For movemnet in net working capital as on 31-03-2024	(254.95)
	<b>Balance Distributable Cash Flow***</b>	<b>5,184.93</b>

\*\*\* Rs. 5,162.05 lakhs of Cash out of Balance Distributable cash as on 31st March 2024 has been distributed to Trust in April 2024.





# NHIT EASTERN PROJECTS PRIVATE LIMITED

CIN: U42101DL2023PTC412707

Annexure 2(ii): Statement of Net Distributable Cash Flows (NDFC) of the SPV as per the earlier framework paragraph 6 of chapter 4 to the Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023

(All amounts in ₹ lakh unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2024
1	<b>Profit/ (Loss) after tax as per Statement of profit and loss/income and expenditure (standalone) (A)</b>	(1,693.38)
2	<b>Add:</b> Depreciation and amortization as per statement of profit and loss account. Incase of Impairment reversal, same needs to be deducted from profit and loss.	0.13
3	<b>Add/Less:</b> Loss/gain on sale of infrastructure assets	-
4	<b>Add:</b> Proceeds from sale of infrastructure assests adjusted for the following: related debts settled or due to be settled from sale proceeds; directly attributable transaction costs; proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT regulations	-
5	<b>Add:</b> Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re invest, if such proceeds are not intended to be invested subsequently, net of any profit/ (loss) recognised in profit and loss account. *	(0.50)
6	<b>Add/ Less:</b> Any other item of non- cash expense/ non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager. For example, any decrease/ increase in carrying amount of an asset or a liability recognised in profit and loss /income and expenditure on measurement of the asset or the liability at fair value; Interest cost as per effective interest rate method, deferred tax lease rents recognised on a straight line basis, etc.**	2,217.93
7	<b>Less:</b> Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements. ***	
8	<b>Total Adjustments (B)</b>	2,217.57
9	<b>Net Distributable Cash Flows (C) = (A+B)**</b>	<b>524.19</b>

\* This includes amount utilized for purchase of Property, Plant and Equipment's and Intangible Assets

\*\* The distributable cash flows are retained for working capital requirements of the Company.



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