

April 14, 2023

To,

<b>National Stock Exchange of India Limited</b> <b>Exchange Plaza, C-1, Block-G Bandra Kurla</b> <b>Complex, Bandra (E), Mumbai-400051</b> <b>Symbol- HIGHWAYS</b>	<b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers</b> <b>Dalal Street, Mumbai — 400 001</b> <b>Security Code-974227, 974228</b>
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**Subject: Intimation of Credit Rating of Highways Infrastructure Trust**

**Ref:**

1. Regulation 23 and any other applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time;
2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Dear Sir/Madam,

We wish to inform you that India Ratings and Research (Ind-Ra) has considered the proposed acquisition of 100% shareholding in Navayuga Udupi Tollway Private Limited (“NUTPL”) by Highways Infrastructure Trust (“HIT”) to be credit neutral and has continued the credit rating for HIT at ‘**IND AAA**’/Stable.

Please find enclosed herewith India Ratings and Research (Ind-Ra) publication on this for your reference.

You are requested to kindly take the same on record.

Thanking you,

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

Kunjai Shah  
Company Secretary and Compliance Officer

Place: Mumbai



# Proposed Acquisition of Navayuga Udupi Tollway Likely to be Credit Neutral for Highways Infrastructure Trust

Apr 14, 2023 | Infrastructure

India Ratings and Research (Ind-Ra) believes the proposed acquisition of Navayuga Udupi Tollway Private Limited (NUTPL) would be credit neutral for Highways Infrastructure Trust (HIT). Ind-Ra takes note of the execution of the share purchase agreement between HIT and Navayuga Road Projects Private Limited (NRPL) and Navayuga Engineering Company Limited (NECL) for the acquisition of 100% shareholding in NUTPL. The completion of acquisition would depend upon the receipt of relevant approvals and completion of contractual obligations.

Ind-Ra rates HIT at 'IND AAA/Stable'.

HIT proposes to acquire the asset at an enterprise value of around INR9,240 million, which is likely to be largely funded by raising incremental debt at the infrastructure investment trust (InvIT) level and internal accruals. The management expects the entire transaction to be completed over the next six months. The increase in debt at the InvIT level due to the proposed acquisition is unlikely to have any material impact on HIT's financial profile, considering its comfortable coverages and the likelihood of net debt to EBITDA levels being within 5.75x post the acquisition. Any future acquisition that could impact HIT's cashflows due to adverse funding patterns would remain a key rating monitorable. The finer details of the proposed acquisition will be received closer to the completion of the transaction.

NUTPL was incorporated in December 2009 to undertake the development and operations of a road project awarded by National Highways Authority of India (IND AAA/Stable). The project entails the four-laning of the project stretch of 90.08km in the state of Karnataka, covering two sections on National Highway 17 i.e. Kundapur – Surathkal (section I) and Mangalore – Kerala border (section II) on design, build, finance, operate and transfer toll basis. NUTPL commenced toll collections on the stretch post the receipt of provisional completion certificate with effect from 30 January 2017. The toll collection stood at INR824 million in FY22.

## Solicitation Disclosures

Additional information is available at [www.indiaratings.co.in](http://www.indiaratings.co.in).

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

## Contact

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