

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

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

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

Fair Enterprise Valuation

Valuation Date: 30th September 2024

Report Date: 30th October 2024

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

RV/SSR/R/2025/20

Date: 30th October 2024**Highways Infrastructure Trust**

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

Highway Concessions One Private Limited

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

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

Dear Sir(s)/ Madam(s),

I, Mr. S. Sundararaman (“**Registered Valuer**” or “**RV**” or “**I**” or “**My**” or “**Me**”) bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 20th September 2024 as an independent valuer, as defined as per SEBI InvIT Regulations, by **Highway Concessions One Private Limited** (“**HC One**” or “**the Investment Manager**”) acting as the Investment manager for **Highways Infrastructure Trust** (“**the Trust**” or “**Highways InvIT**”), an infrastructure investment trust, registered with the **Securities Exchange Board of India** (“**SEBI**”) with effect from 23rd December 2021, bearing registration number IN/InvIT/21-22/0019 and **Axis Trustee Services Limited** (“**the Trustee**”) acting on behalf of the Trust. For the purpose of determination of the financial valuation of the special purpose vehicles (defined below and hereinafter together referred as “**the SPVs**”) of InvIT Asset held by Highways Infrastructure Trust as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**SEBI InvIT Regulations**”). The SPVs are to be valued as per SEBI (Infrastructure Investment Trust) Regulations 2014 (“**SEBI InvIT Regulations**”) as amended from time to time, where HC One is acting as the Investment Manager.

I am enclosing the independent valuation Report providing opinion on the fair enterprise value of the SPVs as defined hereinafter on a going concern basis as at 30th September 2024 (“**Valuation Date**”).

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

I was further requested by the Investment Manager to provide the adjusted enterprise value of the SPVs as at 30th September 2024, where the adjusted enterprise value (“**Adjusted EV**”) is derived as EV as defined above plus cash and cash like items (which includes cash and cash equivalent and current investment) of the SPVs as at 30th September 2024.

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

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

Following Special Purpose Vehicles are held under the Trust:

Sr. No.	Name of the SPVs	Term	COD/PCOD	Project Type
1	Dewas Bhopal Corridor Private Limited	DBCPL	10 th February 2009	Toll SPVs
2	Godhra Expressways Private Limited	GEPL	31 st October 2013	
3	Jodhpur Pali Expressway Private Limited	JPEPL	31 st October 2014	
4	Ulundurpet Expressways Private Limited	UEPL	23 rd July 2009	
5	Nirmal BOT Private Limited	NBPL	22 nd July 2009	Annuity SPVs
6	Shillong Expressway Private Limited	SEPL	28 th February 2013	
7	Udupi Tollway Private Limited	UTPL	29 th March, 2023	Toll SPVs
8	Gujarat Road & Infrastructure Company Limited – Vadodara Halol Section	GRICL *	24 th October 2000	
	Gujarat Road & Infrastructure Company Limited – Ahmedabad Mehsana Section	GRICL *	20 th February 2003	
9	Swarna Tollway Private Limited – Nandigama Ibrahimpatnam Section	STPL	12 th July 2005	
	Swarna Tollway Private Limited – Tada Nellore Section	STPL	31 st October 2005	
10	Bangalore Elevated Tollway Private Limited	BETPL	6 th April 2010	HAM SPVs
11	Ateli Narnaul Highway Private Limited	ANHPL	11 th March, 2022	
12	Gurgaon Sohna Highway Private Limited	GSHPL	25 th February, 2022	
13	Rewari Ateli Highway Private Limited	RAHPL	15 th November, 2021	

(Hereinafter referred to as "**the SPVs**")

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

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

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

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

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

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

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

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

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

Yours faithfully,



S. Sundararaman

Registered Valuer

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

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN: 24028423BKGABO5201

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Definition, abbreviation & glossary of terms

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

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

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1. Executive Summary

1.1. Background

The Trust

- 1.1.1. Highways Infrastructure Trust ("the **Trust**" or "**InvIT**") was established on 3rd December 2021 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882. The Trust is registered as an Indian infrastructure investment trust with the Securities and Exchange Board of India ("SEBI") with effect from 23rd December 2021, bearing registration number IN/InvIT/21-22/0019, pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the SEBI InvIT Regulations").
- 1.1.2. The units of the Trust were listed on NSE in August 2022 by way of an initial offer of units consisting of a private placement. The object and purpose of the Trust, as described in the Trust Deed, is to carry on the activity of an infrastructure investment trust as permissible under the InvIT Regulations to raise funds through the Trust, to make investments in accordance with the InvIT Regulations and the investment strategy and to carry on the activities as may be required for operating the Trust, including incidental and ancillary matters thereto.
- 1.1.3. The InvIT currently involved in owning, operating and maintaining a portfolio of 13 road projects in the Indian states of Gujarat, Madhya Pradesh, Telangana, Meghalaya, Haryana, Karnataka, Tamil Nadu, Andhra Pradesh and Rajasthan pursuant to the concessions granted by the National Highways Authority of India ("NHAI"), Ministry of Road Transport and Highways ("MoRTH"), Madhya Pradesh Road Development Corporation Limited ("MPRDC") and Government of Gujarat.
- 1.1.4. The unitholding of the Trust as on the 30th September 2024 is as under :

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

Source: Investment Manager

The Sponsor

- 1.1.5. Galaxy Investments II Pte. Ltd., Singapore ("the Sponsor" or "Galaxy") has sponsored an infrastructure investment trust under the SEBI InvIT Regulations called "Highways Infrastructure Trust" ("Highways InvIT" or "the Trust"). Galaxy was incorporated on 11th June 2021 in Singapore. Galaxy is involved in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the "infrastructure" sector.
- 1.1.6. Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd ("KKR"). Galaxy is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR.
- 1.1.7. Founded in 1976, KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions with approximately US\$ 624 billion of assets under management as of 30th September 2024 that offers alternative asset management as well as capital markets and insurance solutions.
- 1.1.8. Axis Trustee Services Limited ("the Trustee") has been appointed as the Trustee of the Highways InvIT. Highway Concessions One Private Limited ("HC One" or "the Investment Manager") has been appointed as the Investment Manager of the Trust by the Trustee and will be responsible to carry out the duties of such person as mentioned under the SEBI InvIT Regulations

The Investment Manager and the Project Manager

1.1.9. Highway Concessions One Private Limited is the current Investment Manager of the Trust. Simultaneously, the Trustee appointed as the project manager of the Trust.

1.1.10. Shareholding Pattern of the Investment Manager as at 30th September 2024 is as follows:

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

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

Source: Investment Manager

1.1.11. Shareholding Pattern of the Project Manager as at 30th September 2024 is as follows:

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

* as a nominee of Highway Concessions One Private Limited

Source: Investment Manager

1.1.12. I understand that the management of the Trust is desirous of undertaking financial valuation of 13 SPVs for their internal purpose. In this regards, I have been mandated to determine the fair enterprise value of 13 SPVs as defined in the Letter in accordance with the SEBI InvIT Regulations and in this context would like me to carry out valuation of SPVs as on 30th September 2024.

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Scope and Purpose of Valuation

1.2. Financial Asset to be Valued

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

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

(Hereinafter referred to as “the SPVs”)

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

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

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

1.3. Nature of the Asset to be Valued

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

1.4. Valuation Base

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

Fair Value

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

1.5. Valuation Date

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

The Valuation Date considered for the fair enterprise valuation of the SPVs is 30th September 2024 ("**Valuation Date**"). The attached Report is drawn up by reference to accounting and financial information as on 30th September 2024. The RV is not aware of any other events having occurred since 30th September 2024 till date of this Report which he deems to be significant for his valuation analysis.

1.6. Premise of Value

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

Going Concern Value

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

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1.7. Summary of Valuation

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

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

Under the DCF Method, the Free Cash Flow to Firm ("FCFF") has been used for the purpose of valuation of the SPVs. In order to arrive at the fair EV of the SPVs under the DCF Method, I have relied on Provisional Financial Statements for the period ended 30th September 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the SPVs provided to me by the Investment Manager as at the Valuation Date on their best judgement.

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

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

INR Mn				
Sr. No.	SPVs	WACC	Enterprise Value	Adjusted Enterprise Value
1	DBCPL	10.3%	16,972	17,254
2	GEPL	10.5%	23,347	23,482
3	JPEPL	10.5%	5,607	5,736
4	UEPL	9.9%	3,493	4,453
5	NBPL	8.2%	1,026	1,136
6	SEPL	8.8%	66	556
7	UTPL	10.4%	9,238	9,454
8	GRICL	10.1%	12,873	14,671
9	STPL	10.2%	15,155	16,283
10	ANHPL	7.5%	4,160	4,650
11	GSHPL	7.5%	2,747	2,927
12	RAHPL	7.5%	2,529	2,543
13	BETPL	9.9%	2,276	2,766
Total			99,489	1,05,912

*The trust holds 56.8% equity stake in GRICL

(Refer Appendix 1 & 2 for the detailed workings)

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

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

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

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

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

Sensitivity Analysis of Enterprise Value

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

INR Mn

Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	DBCPL	11.02%	16,448	10.27%	16,972	10.02%	17,152
2	GEPL	10.97%	22,405	10.47%	23,347	9.97%	24,349
3	JPEPL	10.99%	5,380	10.49%	5,607	9.99%	5,849
4	UEPL	10.37%	3,471	9.87%	3,493	9.37%	3,512
5	NBPL	8.73%	1,017	8.23%	1,026	7.73%	1,035
6	SEPL	8.59%	189	8.83%	66	7.59%	189
7	UTPL	10.87%	8,991	10.37%	9,238	9.87%	9,495
8	GRICL*	10.58%	12,652	10.08%	12,873	9.58%	13,101
9	STPL	10.65%	14,934	10.15%	15,155	9.65%	15,374
10	ANHPL	8.05%	4,071	7.55%	4,160	7.05%	4,253
11	GSHPL	8.03%	2,688	7.53%	2,747	7.03%	2,809
12	RAHPL	8.04%	2,476	7.54%	2,529	7.04%	2,583
13	BETPL	10.37%	2,264	9.87%	2,276	9.37%	2,288
Total			96,984		99,489		1,01,988

*The trust holds 56.8% equity stake in GRICL

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

INR Mn

Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	DBCPL	11.52%	16,112	10.27%	16,972	9.52%	17,522
2	GEPL	11.47%	21,516	10.47%	23,347	9.47%	25,413
3	JPEPL	11.49%	5,166	10.49%	5,607	9.49%	6,106
4	UEPL	10.87%	3,450	9.87%	3,493	8.87%	3,533
5	NBPL	9.23%	1,009	8.23%	1,026	7.23%	1,043
6	SEPL	9.83%	67	8.83%	66	7.83%	65
7	UTPL	11.37%	8,753	10.37%	9,238	9.37%	9,762
8	GRICL*	11.08%	12,436	10.08%	12,873	9.08%	13,336
9	STPL	11.15%	14,721	10.15%	15,155	9.15%	15,603
10	ANHPL	8.55%	3,985	7.55%	4,160	6.55%	4,349
11	GSHPL	8.53%	2,630	7.53%	2,747	6.53%	2,873
12	RAHPL	8.54%	2,425	7.54%	2,529	6.54%	2,640
13	BETPL	10.87%	2,253	9.87%	2,276	8.87%	2,300
Total			94,524		99,489		1,04,544

*The trust holds 56.8% equity stake in GRICL

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

Sr. No.	SPVs	INR Mn		
		EV at Expenses -20%	EV at Base Expenses	EV at Expenses +20%
1	DBCPL	17,449	16,972	16,504
2	GEPL	23,742	23,347	22,953
3	JPEPL	5,995	5,607	5,193
4	UEPL	3,576	3,493	3,405
5	NBPL	1,073	1,026	979
6	SEPL	86	66	43
7	UTPL	9,687	9,238	8,795
8	GRICL	13,278	12,873	12,433
9	STPL	15,649	15,155	14,652
10	ANHPL	4,447	4,160	4,016
11	GSHPL	2,952	2,747	2,577
12	RAHPL	2,746	2,529	2,413
13	BETPL	2,378	2,276	2,095
Total		1,03,057	99,489	96,057

*The trust holds 56.8% equity stake in GRICL

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

Sr. No.	SPVs	INR Mn		
		EV at Revenue -10%	EV at Base Revenue	EV at Revenue +10%
1	DBCPL	14,850	16,972	18,972
2	GEPL	20,746	23,347	25,949
3	JPEPL	4,686	5,607	6,519
4	UEPL	3,019	3,493	3,963
5	UTPL	7,899	9,238	10,578
6	GRICL	11,058	12,873	14,689
7	STPL	13,127	15,155	17,175
8	BETPL	1,928	2,276	2,739
Total		77,312	88,961	1,00,585

*The trust holds 56.8% equity stake in GRICL

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

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2. Procedures adopted for current valuation exercise

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

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3. Overview of InvIT and SPVs

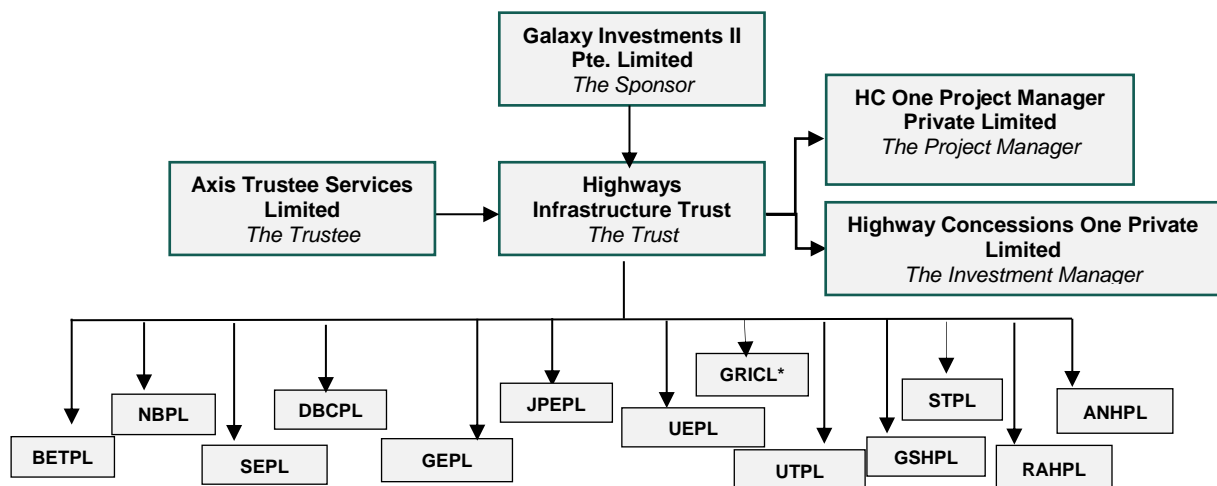
3.1. The Trust

- 3.1.1. Galaxy Investments II Pte. Ltd. is the Sponsor of the Trust. The Sponsor was incorporated on 11th June 2021 in Singapore. Galaxy is involved in investment activities primarily with an objective of earning long term capital appreciation. Galaxy seeks to invest in companies incorporated in India that operate in the “infrastructure” sector.
- 3.1.2. Galaxy is a 100% subsidiary of Galaxy Investments Pte. Ltd., which is majority owned and controlled by KKR Asia Pacific Infrastructure Holdings Pte. Ltd. Galaxy (“KKR”) is affiliated with funds, vehicles and/or entities managed and/or advised by affiliates of KKR.
- 3.1.3. Founded in 1976, KKR is a leading global investment firm, with US\$601 billion in assets under management as of 30th June 2024 that offers alternative asset management as well as capital markets and insurance solutions.
- 3.1.4. Following is the summary of SPVs, held under the trust including the date and cost of acquisition :

Sr. No.	SPV	Name	Acquisition Date	Acquisition Cost (INR Mn)
1	DBCPL	Dewas Bhopal Corridor Private Limited	23 rd Aug, 2022	12,969
2	GEPL	Godhra Expressways Private Limited	23 rd Aug, 2022	11,167
3	JPEPL	Jodhpur Pali Expressway Private Limited	23 rd Aug, 2022	3,863
4	UEPL	Ulundurpet Expressways Private Limited	23 rd Aug, 2022	3,005
5	NBPL	Nirmal BOT Private Limited	23 rd Aug, 2022	354
6	SEPL	Shillong Expressway Private Limited	23 rd Aug, 2022	356
7	UTPL	Udupi Tollway Private Limited	02 nd Nov, 2023	196
8	GRICL	Gujarat Road Infrastructure Company Limited	24 th Jan, 2024	5,657*
9	STPL	Swarna Tollway Private Limited	24 th Jan, 2024	20,745
10	BETPL	Bangalore Elevated Tollways Private Limited	11 th Jun, 2024	119
11	ANHPL	Ateli Narnaul Highway Private Limited	21 st Nov, 2023	1,511
12	GSHPL	Gurgaon Sohna Highway Private Limited	21 st Nov, 2023	844
13	RAHPL	Rewari Ateli Highway Private Limited	21 st Nov, 2023	758

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

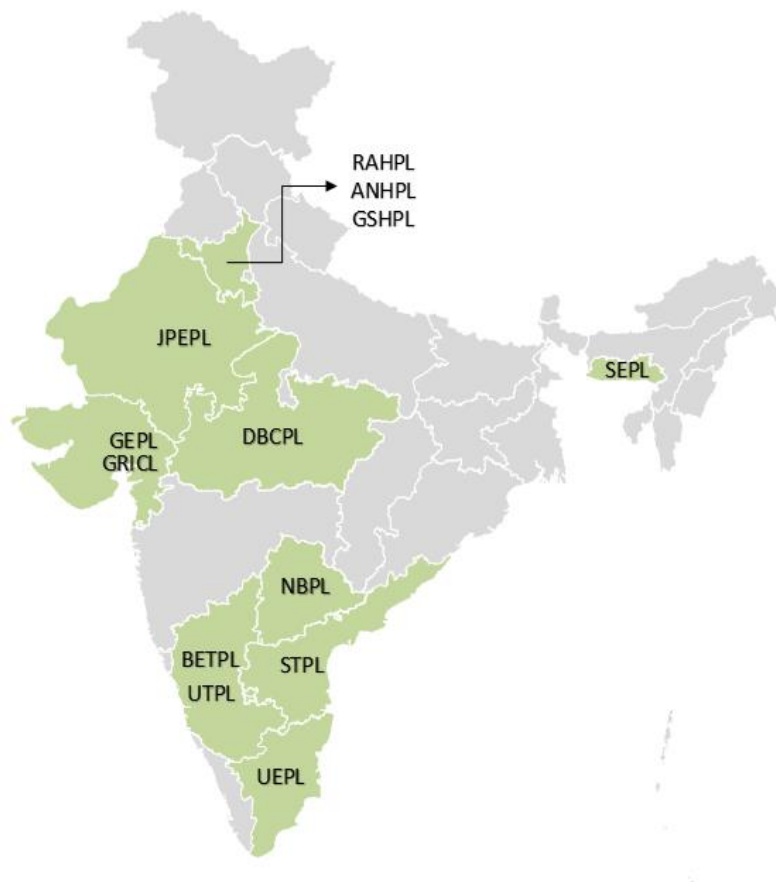
- 3.1.5. Following is the Structure of the Trust as at 30th September 2024:



*The Trust holds 56.8% equity stake in GRICL

Source: Investment Manager

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



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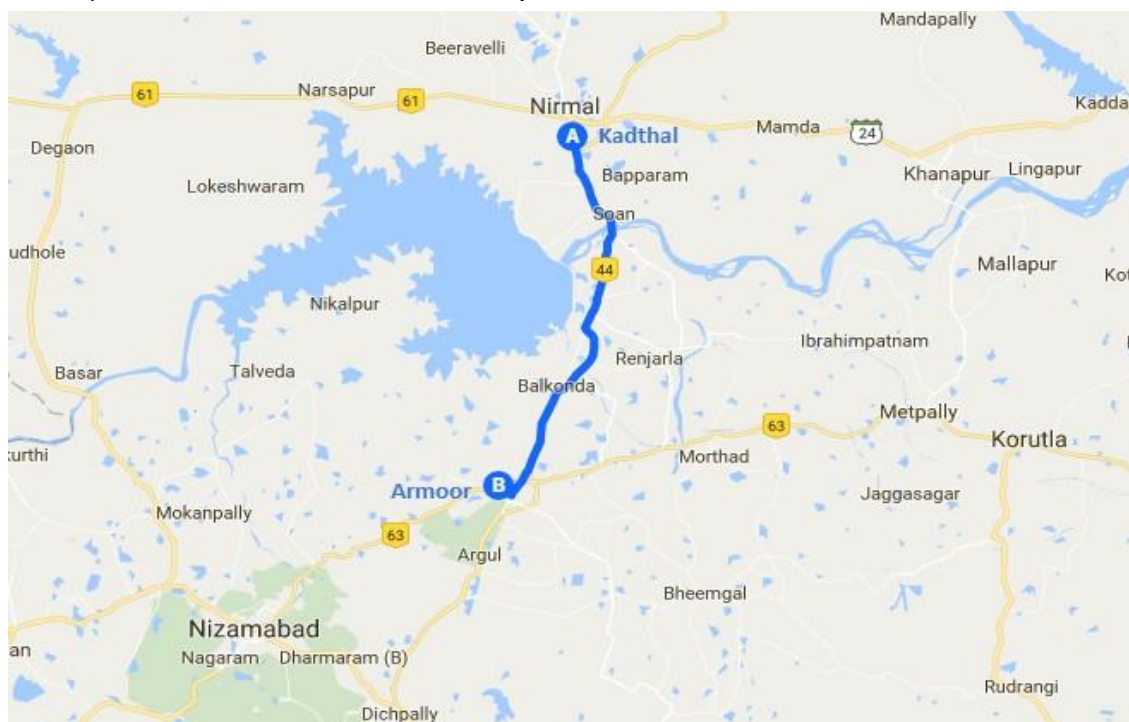
Background of the SPVs

3.2. Nirmal BOT Private Limited (“NBPL”)

- 3.2.1. The Project Road is a Section of NH-44 which starts from Kadhtal in Nirmal District (New Ch. 282+617) and ends at Armur in Nizamabad District (New Ch. 313+507). The Project Road crosses the Godavari River at the major bridge Ch. 289 + 834 (36x20.9m) and has a length of 30.89 km.

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

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



Source: Investment Manager

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

Parameters	Details
Total Length	123.56 Lane Kms
Nos. of Lanes	4
NH / SH	NH-7 (Now NH-44)
State Covered	Telangana
Area (Start and End)	Kadhtal – Armur
Bid Project Cost	INR 3,150 Mn
PPP Model	BOT
Project Type	Annuity
Concession Granted by	NHAI
COD Date	22 nd July 2009
Nos. of Annuities	36 (Semi-annual)
Annuity Amount	INR 8,568 Mn
Concession Period (CP)	20 years from commencement date

Source: Investment Manager

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

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

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Rigid Pavement	0
2	Total Length of Main Carriageway 4 Lane with Flexible Pavement	30.89 Kms
3	Total length of Service Roads	14.68 Kms
4	No of Toll Plazas	1
5	No of Bus Bays with Bus Shelters	26
6	Number of Truck Lay Bays	4
7	No of Rest Areas	0
8	No of Major Junctions	3
9	No of Minor Junctions	8
10	No of Vehicular underpasses	4
11	No of Pedestrian underpasses	12
12	No of Major Bridges	2
13	No of Minor Bridges	6
14	No of Hume Pipe Culverts	55
15	No of Box / Slab Culverts	28

Source: Investment Manager

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

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

*Includes Shares held by nominees of HIT

Source: Investment Manager

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

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

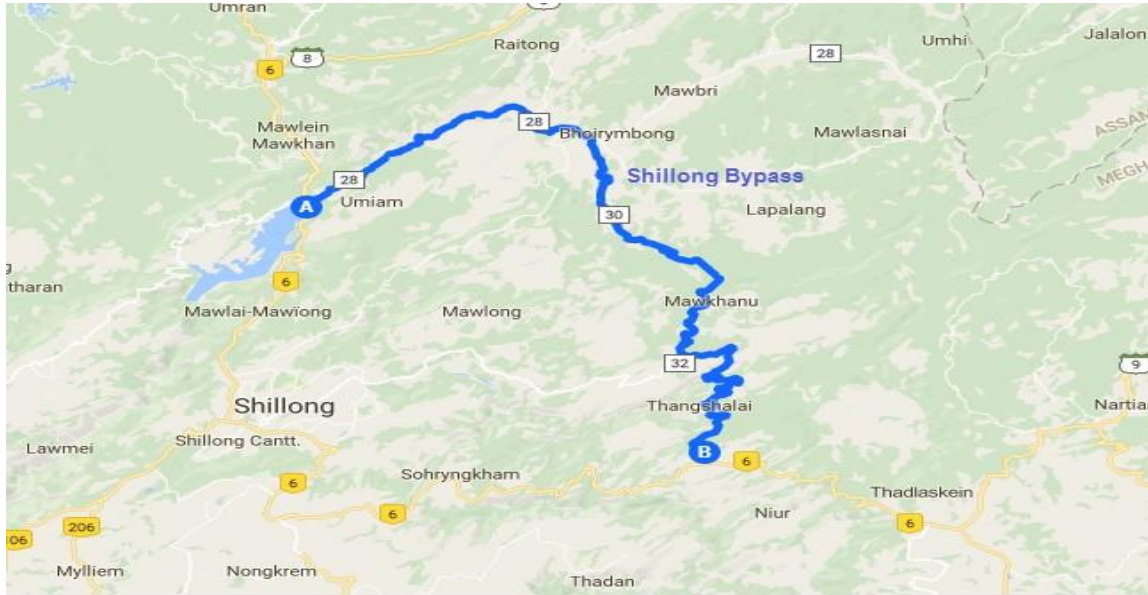


3.3. Shillong Expressway Private Limited (“SEPL”)

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

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

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



Source: Investment Manager

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

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

Source: Investment Manager

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

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

Source: Investment Manager

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

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

*Includes Shares held by nominees of HIT

Source: Investment Manager

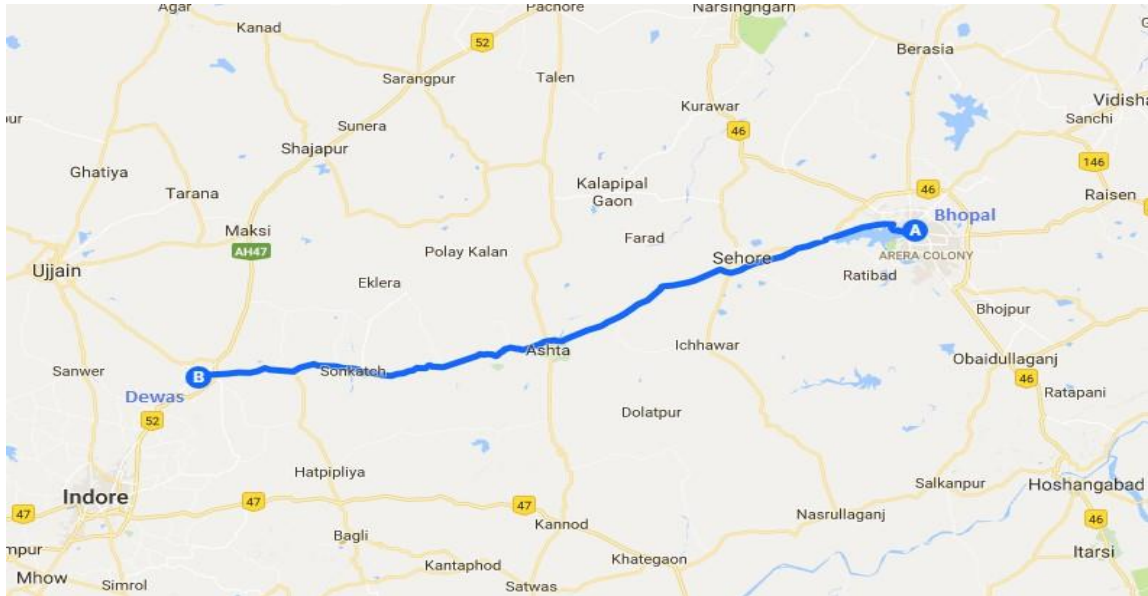
3.3.5. My team had conducted physical site visit of the road stretch of SEPL on 5th April 2024. Refer below for the pictures of the road stretch:



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

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

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



Source: Investment Manager

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

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

Source: Investment Manager

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

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

Source: Investment Manager

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

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

*Includes Shares held by nominees of HIT

Source: Investment Manager

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

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

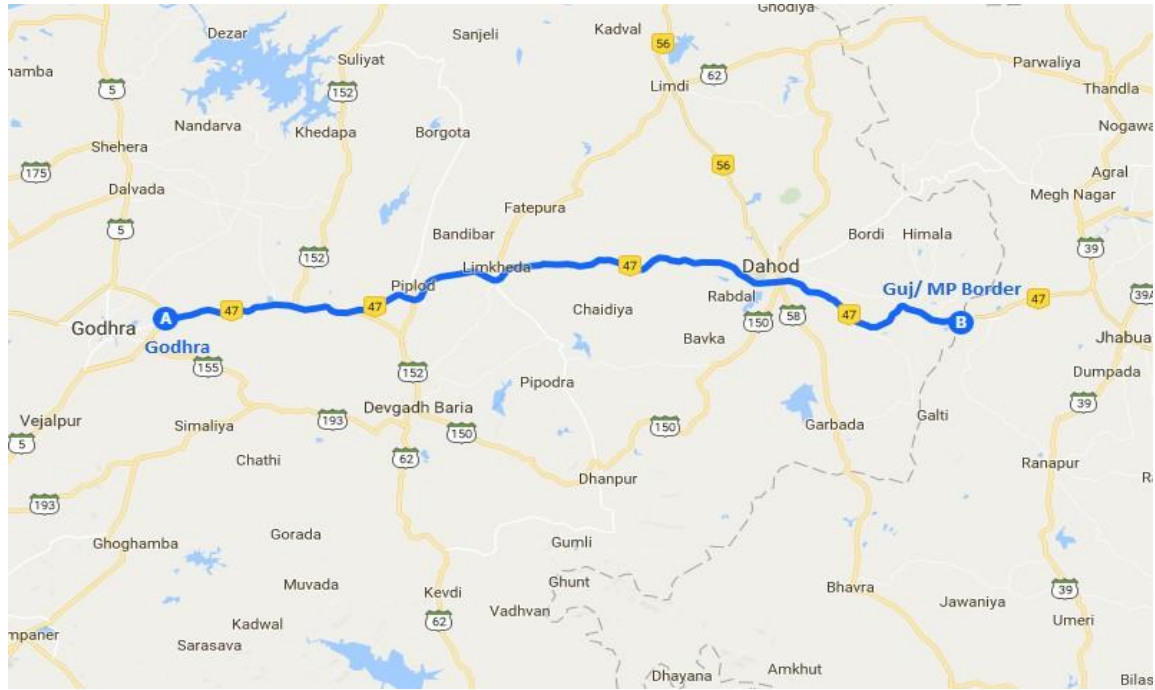
3.4.6. My team had conducted physical site visit of the road stretch of DBCPL on 5th April 2024. Refer below for the pictures of the road stretch:



3.5. Godhra Expressways Private Limited (“GEPL”)

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

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



Source: Investment Manager

- 3.5.2. Summary of project details of GEPL are as follow

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

Source: Investment Manager

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

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

Source: Investment Manager

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

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

*Includes Shares held by nominees of HIT

Source: Investment Manager

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

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

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

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

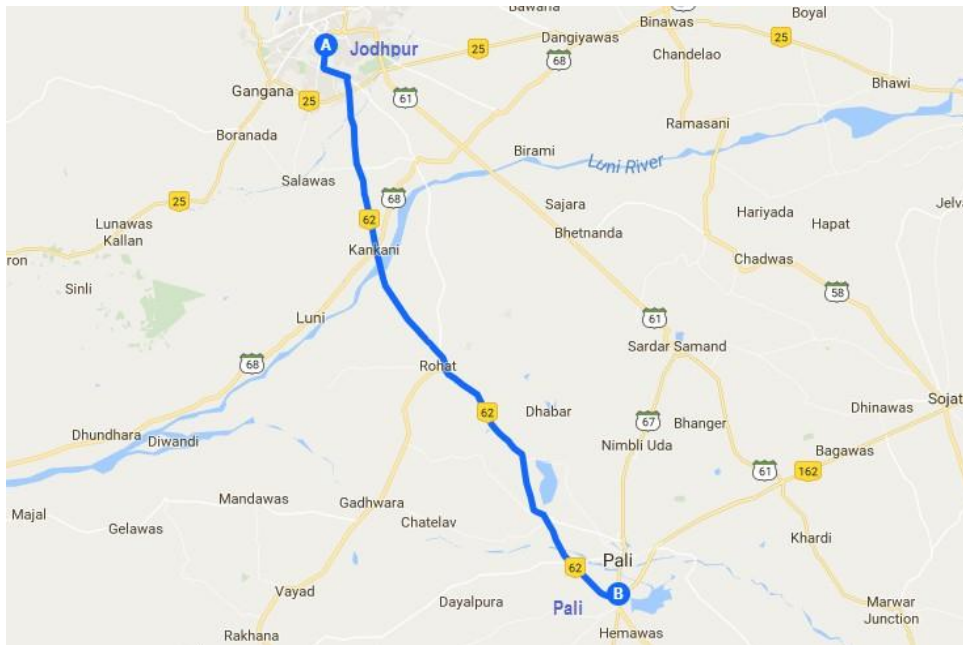


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3.6. Jodhpur Pali Expressway Private Limited (“JPEPL”)

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

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



Source: Investment Manager

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

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

Source: Investment Manager

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

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

Source: Investment Manager

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

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

*Includes Shares held by nominees of HIT

Source: Investment Manager

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

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

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

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

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

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



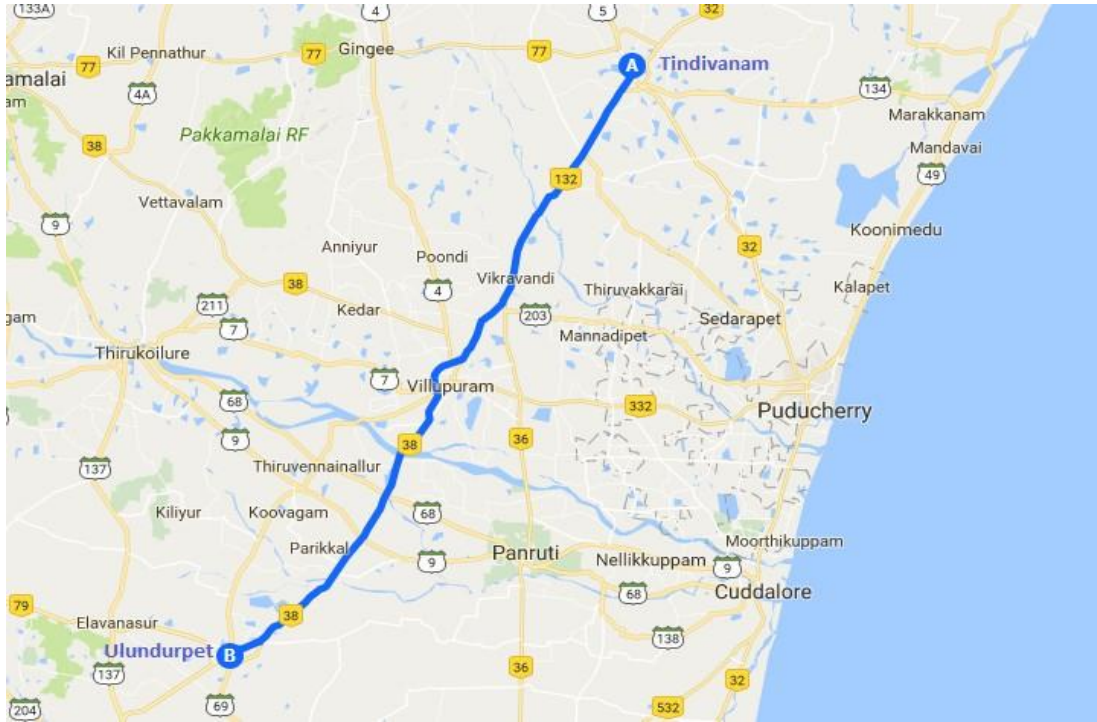
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3.7. Ulundurpet Expressways Private Limited (“UEPL”)

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

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

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



Source: Investment Manager

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

Parameters	Details
Total Length	291.6 Lane Kms
Nos. of Lanes	4
NH / SH	NH-45
State Covered	Tamil Nadu
Area (Start and End)	Tindivanam to Ulundurpet
Completed Project Cost	INR 10,151 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	NHAI
COD Date	23 rd July 2009
Appointed Date	16 th October 2006
Original Concession Period (CP)	20 years
Extension (If any)	136 days + 24 days (pending with authority)
Likely End of CP	28-February 2027

Source: Investment Manager

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

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

Source: Investment Manager

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

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

*Includes Shares held by nominees of HIT

Source: Investment Manager

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

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

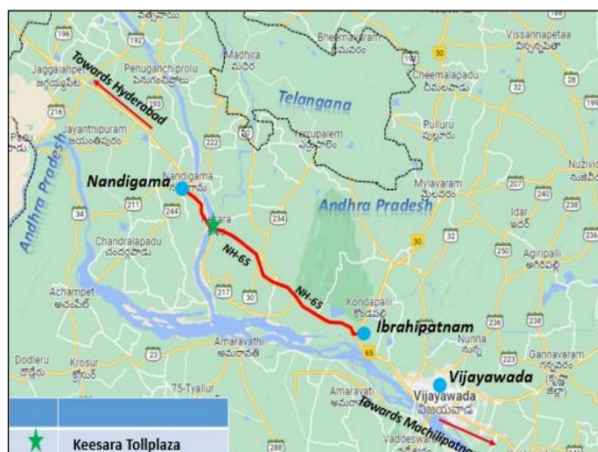
3.7.6. My team had conducted physical site visit of the road stretch of UEPL on 10th April 2024. Refer below for the pictures of the road stretch:



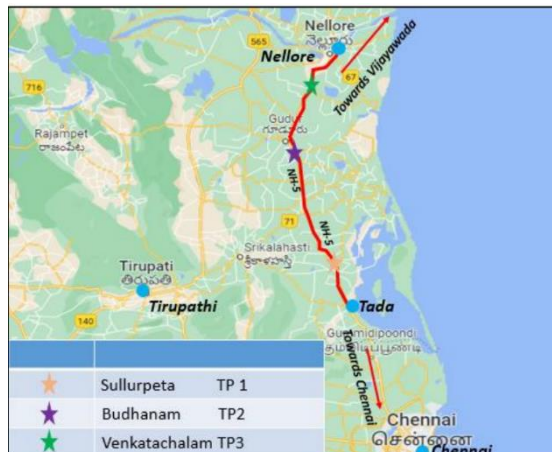
3.8. Swarna Tollway Private Limited (“STPL”)

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

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



NH- 65 Nandigama Ibrahimpatnam Section (NIV)



NH- 16 Tada Nellore Section (TN)

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

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

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

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

Source: Investment Manager

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

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

Source: Investment Manager

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

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

A. Nandigama Ibrahimpatnam Section (NIV)



B. Tada Nellore Section (TN)

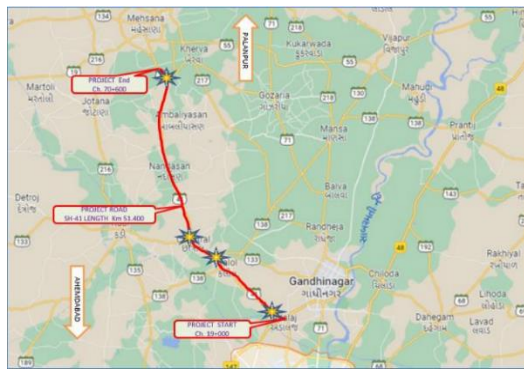


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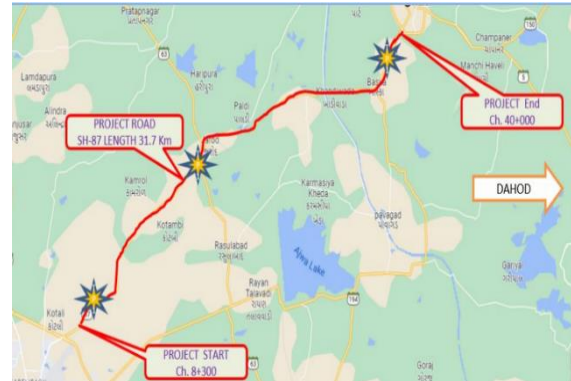
3.9. Gujarat Road and Infrastructure Company Limited (“GRICL”)

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

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



Ahmedabad Mehsana Section of SH-41 (AMRP)



Vadodara Halol Section of SH-87 (VHRP)

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

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

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

S.No	Particulars	Units	AMRP	VHRP
1	Service road	Km	90.746 Km	57.694 Km
2	No of flyovers	No's	1	
3	RUB	No's	3	
4	ROB	No's	3	
5	No of major bridges	No's		1
6	No of minor bridges	No's	5	8
7	No of underpasses	No's		7
8	No of Subways	No's		1
9	Box culvert		6	14
10	Hume pipe culvert		63	27
11	Foot over bridges		3	
12	Slab Culvert	No's		13
13	No of VUP/CUP	No's	5/6	
14	No of Major intersection/junctions	No's	5	2
15	No of Minor intersection/ Junctions	No's	82	31
16	No of truck lay byes	No's		
17	No. of bus shelters/bus bay	No's	17	15
18	Lined drain	Km	3.6	6.274
19	Median drain	Km	0	
20	Median Transverse drain	Km		5.4
21	Median Opening	No's	26	29
22	Median Plantation	Km	37.8	30.403
23	Avenue plantation	Km		18.532
24	Metal Beam crash barrier	Km	5.2	1.135
25	Pedestrian Guard rails	Km	0.9	8.602
26	Solar Blinkers	No's	26	26
27	Pipe Delineators	No's		288
28	3 arm lighting		1	3
29	High Mast Lighting	No's	4	1
30	Single Arm Lighting's	No's	23	68
31	Double Arm Lighting's	No's	319	90

Source: Investment Manager

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

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

Source: Investment Manager

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

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

Ahmedabad – Mehsana Section :



Vadodara – Halol Section :



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3.10. Udupi Tollway Private Limited (“UTPL”)

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



Source: Investment Manager

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

Parameters	Details
Total Length	361.14 Lane Kms
Nos. of Lanes	4
NH / SH	NH 66
State Covered	Karnataka
Area (Start and End)	Kundapur to Surathkal & Nanthor to Talapady.
Project Cost	INR 11,341 Mn
PPP Model	DBFOT
Project Type	Toll
Concession Granted by	NHAI
PCOD Date	30 th January 2017 for 81.955 Km 29 th March 2023 for 8.33 Km
Original Concession Period	25 years from Appointed Date
Extension (If any)	130
Likely End of Concession Period	4 th September 2035

Source: Investment Manager

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

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

Source: Investment Manager

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

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

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

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

Source: Investment Manager

*Includes Shares held by nominees of HIT

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

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



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

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

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



Source: Investment Manager

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

Parameters	Details
Total Length	12.854 Km
Nos. of Lanes	6 lanes
NH / SH	NH- 248A
State Covered	Haryana
Area (Start and End)	Bhondsi to Sohna, Gurugram
Bid Project Cost	6060 INR Mn
PPP Model	HAM
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	25 th February, 2022
Nos. of Annuities	30
Balance Completion Cost	4,104.44 INR MN
Construction Period	1122 days
Operational Period	15 years

Source: Investment Manager

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

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	12.854 Km
2	Total length of Service Roads	25.708 Km
3	Widening	Ex. Str. LHS 6.44, RHS 7.983
4	Flexible Pavement for Main carriageway	LHS– 51MSA & RH – 133MSA
5	Toll Plaza	01 no. (24 lanes)
6	Bus Bays / Bus Shelters	06 nos.
7	Truck Lay Bays	02 nos.
8	No of Rest Areas	02 nos.
9	Major Junction	10 no.
10	Minor Junctions	1 nos.
11	No of Vehicular underpasses	03 nos
12	No of Flyovers	01 nos.
13	Minor Bridges	02 nos.
14	Box/Slab Culverts	12 nos.
15	Elevated Corridor	02 nos.
16	Pipe Culverts	0 no.

Source: Investment Manager

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

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

*Includes shares held by nominee of Highways Infrastructure Trust.

Source: Investment Manager

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

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



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

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

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



Source: Investment Manager

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

Parameters	Details
Total Length	30.450 km
Nos. of Lanes	4 lane
NH / SH	NH- 11
State Covered	Haryana
Area (Start and End)	Maha Kharia, Rewari to Ateli Mandi, Ateli
Bid Project Cost	5800 INR Mn (Revised 5750 INR Mn)
PPP Model	HAM
Project Type	HAM
Concession Granted by	NHAI
PCOD Date	15 th November, 2021
Nos. of Annuities	30
Balance Completion Cost	3,755 INR Mn
Construction Period	730 days
Operational Period	15 years

Source: Investment Manager

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

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	30.450 km
2	Total length of Service Roads	39.140 km
3	No of Bypass Roads	0 no.
4	Flexible Pavement for Main carriageway	LHS 60 MSA RHS 164 MSA
5	Toll Plaza	01 no.
6	Bus Bays / Bus Shelters	14 nos.
7	Truck Lay Bays	02 nos.
8	No of Rest Areas	02 nos.
9	Major Junction	07 nos.
10	Minor Junctions	24 nos.
11	No of Vehicular underpasses	09 nos.
12	No of Subways	03 no.
13	Pedestrian/Cattle Underpass	11 nos.
14	Minor Bridges	01 no.(de-scoped)
15	Box/Slab Culverts	72 nos.
16	Pipe Culverts	01 no.

Source: Investment Manager

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

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

*Includes shares held by nominee of Highways Infrastructure Trust.

Source: Investment Manager

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

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



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

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

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



Source: Investment Manager

3.13.3 Summary of project details of ANHPL are as follows:

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

Source: Investment Manager

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

Sr. No.	Salient Features	Units
1	Total Length of the Project Highway	40.81 Km (6 Lane – 14Km & 4Lane – 28.81 Km)
2	Total length of Service Roads	58.75 Km
3	Widening	0.00 Km
4	New Alignment including bypass	26.46 Km
5	Approaches to underpasses	16.96 Km
6	No of Bypass Roads	3 Nos.
7	Flexible Pavement for Main carriageway	40.81 Km
8	Toll Plaza	NIL
9	Bus Bays / Bus Shelters	13 Nos.
10	Truck Lay Bays	2 Nos.
11	No of Rest Areas	NIL
12	Major Junction	3 Nos.
13	Minor Junctions	27 Nos.
14	No of Vehicular underpasses	16 Nos.
15	Vehicle overpass	1 Nos.
16	No of Subways	1 Nos.
17	No of Flyovers	3 Nos.
18	Pedestrian/Cattle Underpass	19 Nos.
19	Railway Over Bridge	1 Nos.
20	Major Bridges	1 Nos.
21	Minor Bridges	8 Nos.
22	Box/Slab Culverts	77 Nos.
23	Pipe Culverts	0 Nos.

Source: Investment Manager

3.13.5 The shareholding of ANHPL as on Valuation Date is as follows:

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

Source: Investment Manager

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

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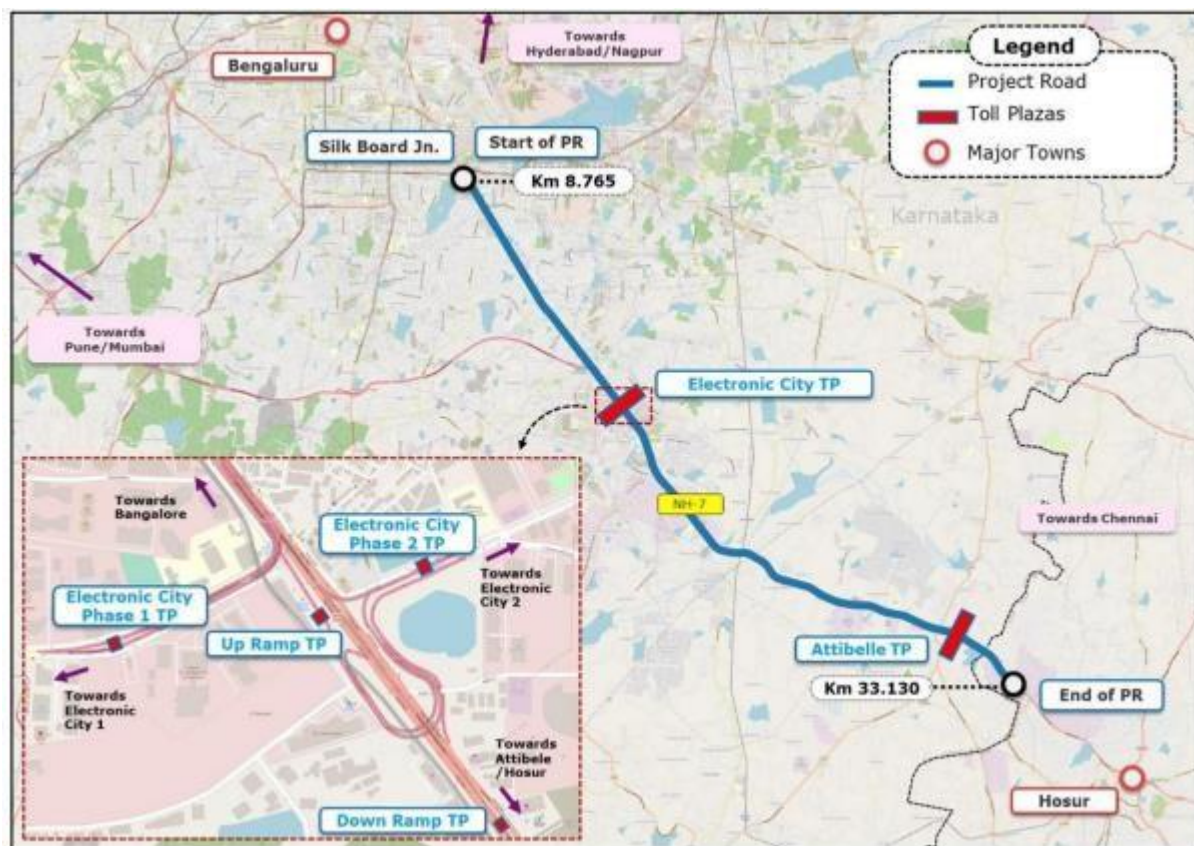
3.13.6 My team had conducted physical site visit for ANHPL on 20th March 2024. Following are the pictures of the plant site:



3.14. Bangalore Elevated Tollway Private Limited (“BETPL”)

3.14.1. Bangalore Elevated Tollway Private Limited (BETPL) was incorporated on 26th December 2005. The SPV entered into the concession agreement dated 25th January, 2006 with NHAI. The project was awarded to the consortium comprising of Soma Enterprise Limited, Nagarjuna Construction Company Limited and Maytas infra Private Limited by NHAI for 20 years of operation & maintenance period from the Appointed Date i.e. 24th July, 2006. The project has successfully achieved its COD on 1st April, 2011.

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



Source: Investment Manager

3.14.3. Summary of Project details of BETPL are as follows:

Parameters	Details
Total Length	33.615 Kms (24.36 Kms + 9.25 Kms)
Nos. of Lanes	4
NH / SH	NH-7
State Covered	Karnataka
Area (Start and End)	Silk Board Junction to Hosur
Project Cost	INR 9,747 Mn
PPP Model	BOT
Project Type	Toll
Concession Granted by	NHAI
COD Date	6 st April 2010
Original Concession Period	20 years from Appointed Date
Extension (If any)	48 days (23 days on account of demonetization and 25 days inlieu of toll suspension due to COVID-19)
Likely End of Concession Period	09 th September 2026

Source: Investment Manager

- 3.14.4. Project Road includes (i) construction of Elevated Highway Project of Bangalore-Hosur section of NH-7 from Silk Board Junction to Electronic City between 9/5 km and 18/750 km, (ii) improvement of the grade section between 8/765 km and 18/750, (iii) expansion of section between 18/750 km and 33/130 km to six lanes. The Project Road has a length of 33.31 km

Sr. No.	Salient Features	Units
1	Total Length of Main Carriageway 4 Lane with Flexible Pavement	9.25
2	Total Length of Main Carriageway 6 Lane with Flexible Pavement	24.365
3	Total length of Service Roads	46.796
4	Toll Plaza	1 at Attibelle and 4 Loop plazas at Electronic city
5	Bus Shelters	32
6	Bus Bays with Shelters	32
7	Truck Lay Bays	2
8	No of Rest Areas	-
9	Major Junction	6
10	Minor Junctions	7
11	No of Vehicular underpasses	3
12	No of Vehicular overpasses	-
13	No of Flyovers	-
14	Pedestrian/Cattle Underpass	8
15	Railway Over Bridge	1
16	Major Bridges	-
17	Minor Bridges	1
18	Box/Slab Culverts	27
19	Pipe Culverts	13

Source: Investment Manager

- 3.14.5. The shareholding of BETPL as on Valuation Date is as follows:

Sr. No.	Particulars	No. of Shares	%
1	Highways Infrastructure Trust	2,15,91,279	100.00%
	Total	2,15,91,279	

Source: Investment Manager

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

- 3.14.6. My team had conducted physical site visit for BETPL on 08th May 2024. Following are the pictures of the plant site :



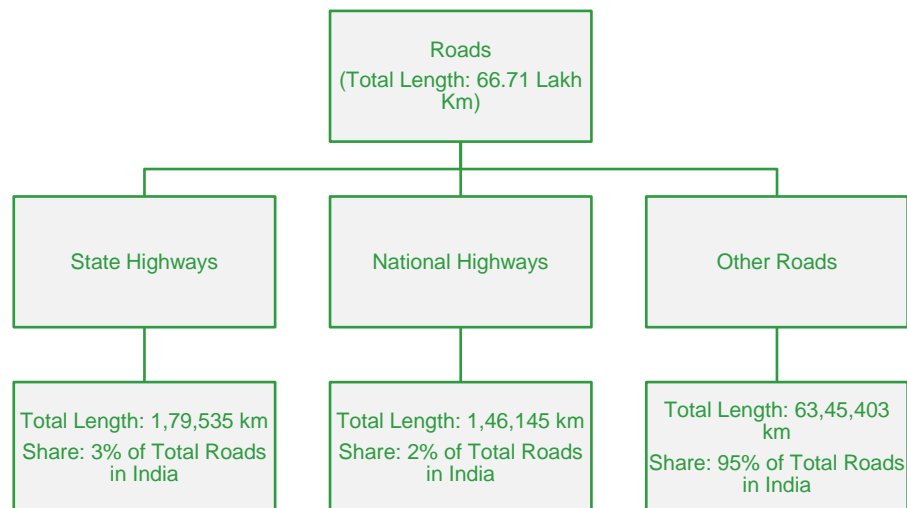
4. Overview of the Industry

4.1 Introduction

- 4.1.1 In the context of India's ambitious journey towards a 50,00,000 million dollar economy, the transport sector emerges as a pivotal player.
- 4.1.2 Creation and operation of quality road infrastructure continue to be major requirements for enabling overall growth and development of India in a sustained manner.
- 4.1.3 Bridging of existing infrastructure gaps and creating additional facilities to cater to the increasing population are equally important. Apart from providing connectivity in terms of enabling movement of passengers and freight, roads act as force multipliers in the economy.
- 4.1.4 Further, roads play a significant role in times of natural calamities, wars and other such events in terms of timely evacuation of the impacted population, carriage of relief material and other associated movements. Government takes cognisance of this requirement and road infrastructure remains to be a focus area.

4.2 Road Network in India

- 4.2.1 India has the second largest road network in the world, spanning over 6.67 million kms. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute.



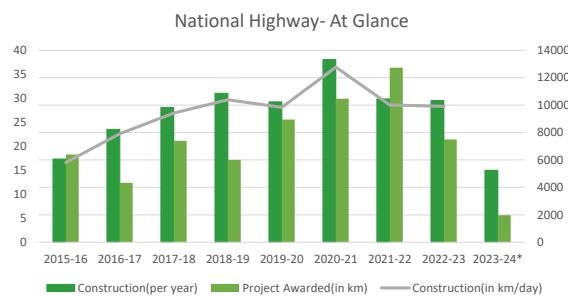
Source: MoRTH, Government of India (January 2024)

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

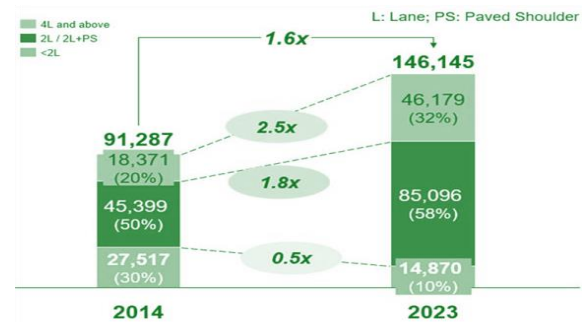
4.2.3 National Highway (NH) network increased by ~60% from 91,287 km in 2014 to 1,46,145 km in year 2023.

Year	Construction (per year)	Project Awarded (in km)	Construction (in km/day)
2015-16	6061	6397	16.6
2016-17	8231	4335	22.6
2017-18	9829	7400	26.9
2018-19	10855	6000	29.7
2019-20	10237	8948	28.1
2020-21	13327	10467	36.5
2021-22	10457	12731	28.6
2022-23	10331	7497	28.3
2023-24*	5248	1975	-

Source: MoRTH, Government of India (January 2024)



Source: MoRTH, Government of India (January 2024)



4.3 Government Agencies for Road Development

- 4.3.1 The Ministry of Road Transport & Highway ("MoRTH") is responsible for development of Road Transport and Highways in general and construction & maintenance of National Highways.
- 4.3.2 The National Highways Authority of India ("NHAI") is an autonomous agency of the Government of India, set up in 1988 and is responsible for implementation of National Highways Development Project ("NHDP").
- 4.3.3 The NHDP in the context of NHs is nearing completion- in seven phases. Later, the other highway development programmes like Special Accelerated Road Development Programme for Development of Road Network in North Eastern States (SARDP- NE) and National Highways Interconnectivity Improvement Project (NHIIP) were also taken up by MoRTH. Further, Bharatmala Pariyojana is ongoing. For majority of the projects under NHDP and Bharatmala Pariyojana, NHAI is the implementation agency. Other NH related programmes/works are being implemented through agencies like National Highways Infrastructure Development Corporation Limited (NHIDCL), State Public Works Departments (PWDs), State Road Development Corporations and the Border Road Organization.
- 4.3.4 In August 2023, the National Highways Authority of India (NHAI) made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.
- 4.3.5 In June 2023, National Highways Authority of India (NHAI) introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.

- 4.3.6 NHAI will come out with the third and fourth rounds of Infrastructure Investment Trusts (InvITs) to raise over Rs. 20,000 crore (US\$ 2.41 billion) in FY24. NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT).
- 4.3.7 In December 2022, NHAI raised Rs. 10,200 crore (US\$ 1.23 billion) from foreign and Indian institutional investors to meet ever-growing budgetary support. Indian Government and Asian Development Bank signed US\$ 500 million loan agreement to build the longest bridge across river Ganga, in Bihar. The bridge is expected to be ready by December 2021.
- 4.3.8 NHAI is planning to award 1,000-1,500 km of projects under the BOT model in 2023-24. As of November 2023, there were 352 PPP projects worth US\$ 76.95 billion in India
- 4.3.9 A total of 261 road projects under different Schemes of MoRTH with a total sanctioned cost of Rs. 1,02,594 crore (US\$ 12.33 billion) are under implementation through the National Highways Authority of India (NHAI), National Highways & Infrastructure Development Corporation Ltd. (NHIDCL), and State Public Works Departments (PWDs) in the North-Eastern States. The Ministry of Development of the North-Eastern Region, under the erstwhile North-East Road Sector Development Scheme (NERSDS) and the present North-East Special Infrastructure Development Scheme (NESIDS), has sanctioned a total of 77 road projects amounting to Rs. 3,372.58 crore (US\$ 405.5 million).
- 4.3.10 As of November 2023, there were 352 PPP projects worth US\$ 76.95 billion in India.
- 4.3.11 In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.
- 4.3.12 Roads in the jurisdiction of state governments are under different categories like State Highways ("SHs") and Major District Roads. They are being developed/ upgraded through State PWDs and State Road Development Corporations. Pradhan Mantri Gram Sadak Yojana is being implemented for rural roads through the Ministry of Rural Affairs with active participation by state governments. Further, roads within urban areas are maintained/ developed mostly with PWDs and Urban Local Bodies.
- 4.3.13 State Governments have a significant role to play in developing the SHs, Major District Roads, Other District Roads to ensure the last mile connectivity. States have varying levels of maturity in terms of road infrastructure development due to issues such as inadequate identification and prioritization of projects, funding shortfall, limited institutional capacity to implement projects, etc

4.4 Trend of Road and Highways Construction

- 4.4.1 The length of National Highways awarded has almost doubled in the years FY15 to FY18 compared to FY11 to FY14. NHAI plans to construct 25,000 kilometres of national highways in 2022-23 at a pace of 50 km per day.
- 4.4.2 The current rate of road construction is almost three times that in 2007-08.
- 4.4.3 The launch of the Bharatmala Pariyojana in 2017 provided a big fillip to construction activity, with the pace of construction doubling from 12 km per day in 2014-15 to 30 km per day in 2022-23, and peaking at 37 km per day in 2020-21.
- 4.4.4 The government aims to take this up to 100 km per day in the next few years.
- 4.4.5 National Highway (NH) network increased by 60% from 91,287 km in 2014 to 1,46,145 km in year 2023
- 4.4.6 Length of 4 lanes and above NH increased by 2.5 times – 18,387 km (2014) to 46,179 km (Nov'23)
- 4.4.7 Length of less than 2 lane NH decreased from 30% (2014) to 10% (Nov'23)
- 4.4.8 Average pace of NH construction increased by 143% to 28.3 km/day from 2014
- 4.4.9 Expenditure is expected to increase by 9.4 times to Rs 3.17 lakh Crore from 2014
- 4.4.10 Out of 108 (3700 km) port connectivity road projects, 8 (294 km) are completed, 28 (1808 km) are awarded and DPR under-progress for 72 (1595 km) projects
- 4.4.11 Under the Union Budget 2023-24, the Government of India has allocated Rs. 2.7 lakh crore (US\$ 33 billion) to the Ministry of Road Transport and Highways.

- 4.4.12 With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth. Cumulative FDI inflows in construction development stood at US\$ 26.42 billion between April 2000-September 2023.
- 4.4.13 The GST on construction equipment has been reduced to 18% from 28%, which is expected to give a boost to infrastructure development in the country.
- 4.4.14 The Indian construction equipment industry, which aspires to become the world's second-largest by 2030, is believed to have grown by 25% year-on-year in FY23, surpassing 100,000-unit sales for the second year in a row.
- 4.4.15 In FY23, a total of 107,779 units of construction equipment were sold, registering an increase of 26%.
- 4.4.16 The NHDP is a program to upgrade, rehabilitate and widen major highways in India to a higher standard. The project was started in 1998 to be implemented in 7 phases.
- 4.4.17 With the launch of Bharatmala project, 10,000 km of highway construction left under NHDP was merged with Phase I of the Bharatmala project.
- 4.4.18 The Indian government launched Gati Shakti-National Master Plan, which has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres).
- 4.4.19 The main aim of this program is a faster approval process by digitizing the process through a dedicated Gati shakti portal.
- 4.4.20 In December 2021, the government set a highway monetization target of Rs. 2 trillion (US\$ 26.20 billion) for the next 3 years.
- 4.4.21 The Government of India has allocated Rs. 111 lakh crore (US\$ 13.14 billion) under the National Infrastructure Pipeline for FY 2019-25. The Roads sector is expected to account for 18% capital expenditure over FY 2019-25.
- 4.4.22 NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT). The InvIT of NHAI, National Highways Infra Trust, has raised more than Rs 8,000 crore from foreign and Indian institutional investors till October 2022.
- 4.4.23 The development of market for roads and highways is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country.
- 4.4.24 In August 2023, the National Highways Authority of India (NHAI) made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.
- 4.4.25 In June 2023, National Highways Authority of India (NHAI) introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.

4.5 Implementation of important projects and expressways:

4.5.1 Bharatmala Pariyojna

4.5.2 Bharatmala Pariyojna

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

The Bharatmala Pariyojana envisages development of about 26,000 km length of Economic Corridors, which along with Golden Quadrilateral (GQ) and North-South and East-West (NS-EW) Corridors are expected to carry majority of the Freight Traffic on roads.

A total length of 34,800 km in road projects have been proposed to be constructed with an estimated outlay of Rs 53,50,000 million (US\$ 74,150 million) under Bharatmala Pariyojana Phase-I over a five year period (2017-18 to 2021-22). In Bharatmala Pariyojana, 60% projects on Hybrid Annuity Mode, 10% projects on BOT (Toll) Mode and 30% projects on EPC mode have been envisaged respectively.

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

Component	Length (Km)	Cost (INR Mn)
Economic corridors development	9,000	1,20,00,000
Inter-corridor & feeder roads	6,000	8,00,000
National Corridors Efficiency	5,000	10,00,000
Border & International connectivity	2,000	2,50,000
Coastal & port connectivity roads	2,000	2,00,000
Expressways	800	4,00,000
Sub Total	24,800	38,50,000
Other works - under NHDP	10,000	15,00,000
Total	34,800	53,50,000

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

The completion cost of Phase-I is now estimated 1,06,30,000 million (US\$ 130,000 million) after factoring in cost escalations up to December 2021 and is 99% higher than the initial estimates owing to substantial rise in land acquisition cost, and steep increase in input costs. It is expected to be completed in FY2028, a delay of six years from the initial envisaged completion date of FY2022. During the last seven years, around 60% (20,632 km vs 34,800 km) of highway length has been awarded as of December 2021, and ~23% of the total length completed till March 2022

4.5.3 Char Dham Vikas Mahamarg Pariyojna:

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

4.5.4 Eastern peripheral and western peripheral expressway

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

4.5.5 NH-544G Bengaluru–Vijayawada Economic Corridor

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

4.5.6 Setu Bharatam:

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

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

- In July 2023, Prime Minister Mr. Narendra Modi dedicated a six-lane greenfield motorway part of the Amritsar-Jamnagar Economic Corridor and the first phase of the Inter-State Transmission Line for Green Energy Corridor.
- 1,100 km of National Highway works in the State of Kerala at an investment of INR 65,000 Crores including 600 km section of Mumbai Kanyakumari corridor in Kerala.
- 675 km of highway works in the state of West Bengal at a cost of INR 25,000 Crores including upgradation of existing road-Kolkata –Siliguri.
- National Highway works of around INR 19,000 Crores are currently in progress in the State of Assam. Further works of more than INR 34,000 Crores covering more than 1300 kms of National Highways will be undertaken in the State in the coming three years.

- e. In the Union Budget of 2022-23, the increase in Budget was a whopping 68% compared to the last year and the government plans to complete 25,000 kilometres of National highways.
- f. Up to October 2023 of FY24, the Ministry of Road Transport and National Highways awarded a total length of 2,595 kms.

4.6 Opportunities in road development & maintenance in India

- a. India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies
- b. The Government aims to construct 65,000 kms of national highways at a cost of Rs. 53.5 lakh Mn (US\$ 741.51 billion).
- c. The government also aims to construct 23 new national highways by 2025.
- d. Road building in India is second least expensive in Asia.
- e. Andhra Pradesh will spend US\$ 296.05 million to build 8,970 kms of roads.
- f. In February 2022, NHAI rolled out a plan to construct 5,795 kilometres of highways that will connect 117 districts. The plan was worth Rs. 10,00,000 million (US\$ 13,090 million).

4.7 Asset Monetisation

- 4.7.1 **TOT Model** – Under this model, the right of collection of user fee (toll) in respect of selected operational highways constructed through public funding are assigned through a concession agreement as a result of bidding. For a specified period of 15-30 years to the Concessionaire against upfront payment of a lump-sum amount quoted to the Government/NHAI. During the concession period, the responsibility for operations and maintenance of the road assets rests with the Concessionaire. Since its launch in 2018, NHAI has successfully completed 6 rounds of the Road Asset (bundle of roads) of monetization through TOT mode and raised Rs. 2,63,660 Mn. LoAs are issued under ToT bundles 11, 12, 13 & 14 and realization of Rs 1,59,680 Mn concession fee is expected in FY 2023-24. It is also pertinent to mention here that LoAs for these 4 TOT Bundles were issued by NHAI within one day of opening of the respective Financial bids. Total asset monetization under this model is expected to be Rs 42,33,400 Mn by the end of FY 2023-24.
- 4.7.2 **InVIT Model** – NHAI has set up an InvIT under the SEBI InvIT Regulations, 2014 which is a pooled investment vehicle that issues units to investors, while having three entities for management of the Trust – Trustee, Investment Manager and Project Manager. The three entities have defined roles and responsibilities under the SEBI Regulations.
- 4.7.3 **Securitization through SPV Model** – A SPV/DME (100% owned by NHAI), has been created by bundling road assets under consideration and securitizing the future user fee from the road assets. NHAI will collect tolls, maintain the road assets and periodically transfer payments to the SPV sufficient for servicing debt obligations at the SPV level. About Rs.3,70,000 Mn has already been raised through this method (DME- Delhi Mumbai Expressway) by NHAI so far. Another, Rs.6,00,000 Mn is expected to be raised under this model in FY 2023-24.

4.8 Utility Corridors

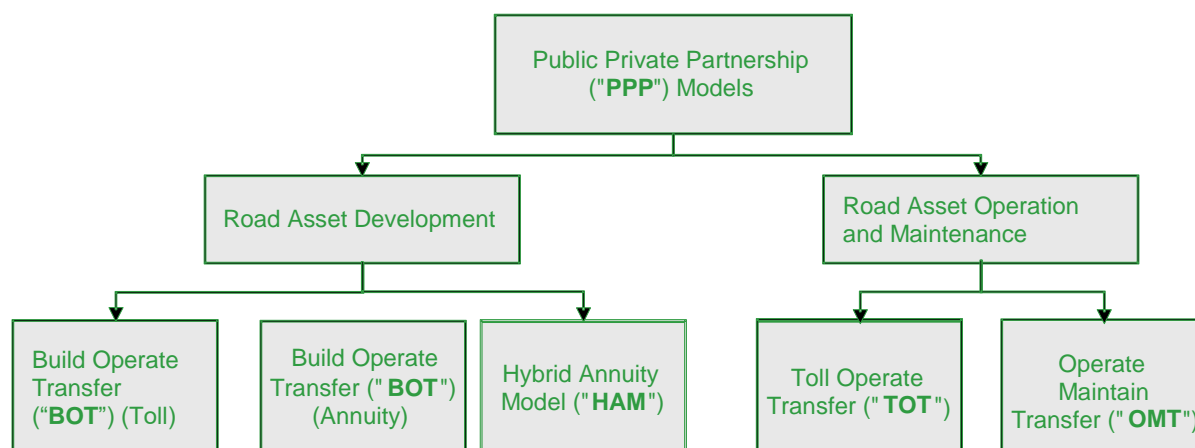
Working towards development of around 10,000 km of Optic Fibre Cables (OFC) infrastructure across the country by FY2024-25, National Highways Logistics Management Limited (NHLML), a fully owned Company of NHAI, is implementing the network of Digital Highways by developing integrated utility corridors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

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

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

NHAI is planning to award 500 km of the 6,500 km target for FY23 through BOT mode. It may give minimum toll revenue guarantee to make it easier for contractors to bid for BOT projects.

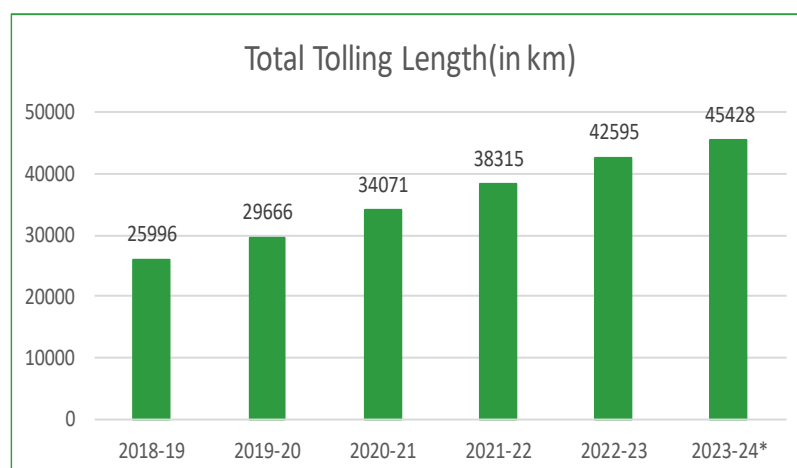
4.1.1 In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires. According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.



4.10 Road Asset Development Models

- **BOT Toll**

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



- **BOT Annuity**

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

- **HAM**

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

4.11 Major Events of 2023

- 4.11.1 Delhi-Vadodara Expressway: The Hon'ble Prime Minister dedicated to the nation 244.50 km long stretch of Delhi-Vadodara Expressway developed at a cost of about Rs. 1,18,950 Mn on 2nd October 2023.
- 4.11.2 The Hon'ble Prime Minister dedicated to the nation a road project 'four laning of 59 km long Suryapet to Khammam section of NH-365BB' built at a cost of about Rs.24,600 Mn.
- 4.11.3 The Hon'ble Prime Minister laid the foundation stone of key road projects that are part of Nagpur -Vijayawada Economic Corridor.
- 4.11.4 Foundation Stone laying for Karnataka Section of Six Lane Surat – Chennai Expressway (1270 Km)
- 4.11.5 Hon'ble Prime Minister dedicated 118 km long Bengaluru-Mysuru Expressway to the nation and laid the foundation stone for the 92 km Mysuru-Kushalnagar 4-lane highway in Mandya, Karnataka
- 4.11.6 Hon'ble Prime Minister inaugurated and laid the foundation stone of road projects worth about Rs.37,000 Mn at Chennai, Tamil Nadu.
- 4.11.7 Hon'ble Prime Minister inaugurated and laid the foundation stones for upgradation of two lanes roads in Rajsamand and Udaipur.
- 4.11.8 Foundation stones of five National Highway projects worth Rs. 64,000 Mn were laid in Raipur on 07th July 2023.

4.12 Government Investment in the Sector

- 4.1.1 A sum of ₹7,83,490 Mn has been set aside for road works, which includes six landing of crowded sections of the Golden Quadrilateral, road development in Naxal-hit areas and provisioning of last-mile connectivity through State government's Public Works Department.

4.13 Growth Drivers

4.1.1 Robust Demand :

Growing domestic trade flows have led to rise in commercial vehicles and freight movement; supported by rise in production of commercial vehicles to 752,022 in FY20 which commands stronger road network in India. Higher individual discretionary spending has led to increased spending on two and four wheelers. Domestic sales of passenger vehicles, three-wheelers and two-wheelers, reached 3,069,499, 260,995, and 13,466,412 units, respectively, in FY22. Road's traffic share of the total traffic in India has grown from 13.8% to 65% in freight traffic and from 32% to 90% in passenger traffic over 1951–2019.

4.1.2 Increasing Investment :

Huge investment have been made in the sector with total investment increasing more than three times from 2014-15 to 2018- 19. Between FY16 and FY21, budget outlay for road transport and highways increased at a robust CAGR of 13.10%. NHAI has earmarked 46 projects, spanning more than 2,612 km for monetization in FY24. Plans are in place to raise up to INR 45,00,000 Mn in FY24 through monetization, of which INR3,00,000 Mn will be raised through ToT mode and INR1,50,000 Mn through InvITs. NHAI will bid out nearly 75% of new highway projects on PPP, FY24 onwards. Projects worth over INR 5000 Mn will preferably be executed through PPP mode.

4.1.3 Policy Support :

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

4.14 **Challenges & Issues in the Sector**

4.14.1 Land Acquisition Delays & Cost :

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

4.14.2 Regulatory Approvals & Disputes :

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

4.14.3 Operational Issues :

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

4.14.4 Financing road construction projects :

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

4.14.5 Climate Change :

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

4.14.6 Economy and cost effectiveness :

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

4.15 Recent Initiatives by Government

4.15.1 Bhoomi Rashi – Land Acquisition Portal

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

4.15.2 Central Road and Infrastructure Fund (CRIF)

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

4.15.3 National Investment Fund (NIF)

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

4.15.4 FASTag – Electronic Toll Collection

National Electronic Toll Collection (NETC) system, has been implemented on pan India basis in order to remove bottlenecks and ensure seamless movement of traffic and collection of user fee as per the notified rates, using passive Radio Frequency Identification (RFID) technology.

4.15.5 Revival of languishing projects

Projects which were languishing for a number of years have been attempted to be revived, with the help of a number of policy measures taken by the government. Some of the policy measures like Premium deferment in stressed projects, extension of concession period for languishing projects to the extent of delay not attributable to concessionaires, One Time Capital Support for physical completion of languishing projects that have achieved at least 50 per cent physical progress, through one time fund infusion by NHAI, subject to adequate due diligence on a case to case basis.

4.15.6 Rural development

The Central government launched the Pradhan Mantri Gram Sadak Yojana on December 25, 2000, to provide all-weather road connectivity to the eligible unconnected habitations in rural areas. Over 7 lakh kilometres of roads have been constructed under the first and second phases of the scheme, which is currently in its third phase. Under the Union Budget 2024-25, the Government of India allocated Rs. 1,90,000 Mn (US\$ 2,370 million) for Pradhan Mantri Gram Sadak Yojana (PMGSY).

4.15.7 Improve safety standards

In October 2021, the government announced rules to improve road safety, such as fixed driving hours for commercial truck drivers and a mandate to install sleep detection sensors in commercial vehicles. In October 2020, a memorandum of understanding (MoU) has been signed with the National Highways Authority of India (NHAI) by Guru Nanak Dev University (GNDU) to conduct advanced research on various aspects, including highway architecture, protection and revitalisation. The GNDU will undertake studies on ~137 km length of the National Highways passing through Pathankot, Gurdaspur and Amritsar districts.

4.15.8 Portfolios in roads & highways sector

In October 2020, the National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infra-projects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field.

4.15.9 International Tie-ups

In December 2020, the Ministry of Road Transport and Highways signed a MoU with the Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology of the Republic of Austria on technology cooperation in the road infrastructure sector.

4.15.10 Encourage private funding to reduce finance constraints

- From April 2000 to September 2022, the construction sector in India attracted 26 billion U.S. dollars in foreign direct investments (FDI) for construction development. Another 28 billion U.S. dollars went into construction activities. Maif 2 Investments India Pvt. Ltd. became the first-largest foreign investment in Indian roads sector under toll-operate-transfer (TOT) mode worth Rs. 9,6815 Mn (US\$ 1,500 million).
- In October 2020, the Asian Development Bank (ADB) and the Government of India signed a US\$ 177 million loan to upgrade 450 kms of state highways and major district roads in Maharashtra.
- In January 2021, the Government of India and New Development Bank (NDB) signed two loan agreements for US\$ 646 million for upgrading the state highway and district road networks in Andhra Pradesh.
- In August 2020, the Government of India revised the Model Concession Agreement for BOT projects to plug delays by imposing a deadline on the NHAI and incentivising timely work by concessionaires.
- According to revised norms, the NHAI will have to hand over 90% of the project land (vacant and ready to build) to private developers, thus creating a more market-friendly sector and attracting more private players.

4.16 **Outlook**

- 4.9.1. Highway construction in India increased at 17.00% CAGR between FY16-FY21. Despite pandemic and lockdown, India has constructed 10,457 km of highways in FY22. Under the Union Budget 2023-24, the Government of India has allocated Rs. 2.7 lakh crore (US\$ 33 billion) to the Ministry of Road Transport and Highways. In FY23 (until December), the Ministry of Road Transport and Highways constructed national highways extending 6,318 kms.
- 4.9.2. Development and maintenance of road infrastructure is a key Government priority, the sector has received strong budgetary support over the years. During the past years, the standardized processes for Public Private Partnership & public funded projects and a clear policy framework relating to bidding and tolling have also been developed.
- 4.9.3. The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth and sustainable development.
- 4.9.4. The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometres by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector.
- 4.9.5. The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector.
- 4.9.6. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY25. The roads sector is likely to account for 18% capital expenditure over FY25.

Sources: IBEF Roads Report, Nember 2022; KPMG Report - Roads and Highway Sector; ICRA reports, website of Ministry of Road Transport and Highways, Government of India.

5. Valuation Methodology and Approach

- 5.1. The present valuation exercise is being undertaken in order to derive the fair EV and Adjusted EV of the SPVs.
- 5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 5.3. There are three generally accepted approaches to valuation:
 - (a) "Cost" approach
 - (b) "Market" approach
 - (c) "Income" approach

Cost Approach

- 5.4. The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, cost value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

Net Asset Value ("NAV") Method

- 5.5. The NAV Method under Cost Approach considers the assets and liabilities, including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the preference shareholders, if any, represent the value of a company.

The NAV Method is appropriate in a case where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. This valuation approach is also used in cases where the firm is to be liquidated, i.e. it does not meet the "Going Concern" criteria.

As an indicator of the total value of the entity, the NAV method has the disadvantage of only considering the status of the business at one point in time.

Additionally, NAV does not properly take into account the earning capacity of the business or any intangible assets that have no historical cost. In many aspects, NAV represents the minimum benchmark value of an operating business.

Market Approach

- 5.6. Under the Market approach, the valuation is based on the market value of the company in case of listed companies, and comparable companies' trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

Comparable Companies Multiples ("CCM") Method

- 5.7. The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Comparable Transactions Multiples ("CTM") Method

- 5.8. Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/Earnings before Interest, Taxes, Depreciation & Amortization ("EBITDA") multiple and EV/Revenue multiple.

Market Price Method

- 5.9. Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

Income Approach

- 5.10. The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

5.11. DCF Method

5.11.1. Under DCF Method value of a company can be assessed using the Free Cash Flow to Firm Method (“**FCFF**”) or Free Cash Flow to Equity Method (“**FCFE**”). Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the WACC. The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

5.11.2. The perpetuity (terminal) value is calculated based on the business’ potential for further growth beyond the explicit forecast period. The “Constant Growth Model” is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business’ future operations. The EV (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

5.12. Conclusion on Cost Approach

5.12.1 The existing book value of EV of the SPVs comprising of the value of its Net fixed assets, Net intangible assets and working capital based on the Provisional Financial statements as at 30th September 2024 prepared as per Indian Accounting Standards (Ind AS) are as under :

INR Mn	30 TH September 2024	
	Book EV	Adjusted Book EV
DBCPL	338	564
GEPL	5,306	5,384
JPEPL	3,124	3,225
UEPL	2,204	2,845
NBPL	842	1,026
SEPL	138	491
UTPL	4,887	5,168
GRICL	3,115	7,903
STPL	-158	4,935
ANHPL	3,963	4,858
GSHPL	2,762	3,138
RAHPL	2,521	2,570
Total	29,043	42,107

*The trust holds 56.8% equity stake in GRICL

5.12.2 In the present case, the SPVs operate and maintain the project facilities in accordance with the terms and conditions under the relevant concession agreement. During the concession period, the SPVs operate and maintain the road asset and earns revenue through Charges and collection of user fee in the form of Toll revenue. The charges, fees or tolls that may be collected are notified by relevant government authority, which are usually revised annually as specified in the relevant concessions and toll notifications. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the cost of the project. Accordingly, I have not considered the cost approach for the current valuation exercise.

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5.13. Conclusion on Market Approach

- 5.13.1. The present valuation exercise is to undertake fair EV of the SPVs engaged in the road infrastructure projects for a predetermined tenure. Further, the tariff revenue and expenses are very specific to the SPVs depending on the nature of their geographical location, stage of project, terms of profitability. In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPVs, I have not considered CCM method in the present case. In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method. Currently, the equity shares of the SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

5.14. Conclusion on Income Approach

- 5.14.1. Each of the SPVs operates under a BOT or DBFOT based concession agreement with the relevant regulatory authorities. Government authorities in India typically award highway infrastructure development projects under BOT concessions, which are characterized by three distinct phases:
- a. Build: upon successfully securing a project concession through a competitive bid, a concessionaire secures financing for, and completes construction, of a road;
 - b. Operate: during the agreed concession period, the concessionaire operates, manages and maintains the road at its own expense and earns revenues by collecting tolls from vehicles using the road or annuity payments from the Concessioneing Authority; and
 - c. Transfer: at the end of the agreed concession period, the ownership of the road (rights over the road under the concession), the obligation to maintain the road and the right to collect tolls from the vehicles using the road revert to the government entity that granted the concession.
 - d. A DBFOT project involves, in addition to the activities required under a BOT project, the provision of engineering and design for such project.
- 5.14.2. Currently, each of the SPVs are completed and are revenue generating.
The revenue of the Toll SPVs is based on tenure, tariff rates, traffic volumes, operations, macro-economic factors like GDP growth, WPI, and other factors that are unique to each of the Toll SPVs. The Toll SPVs derive almost all of their revenue from their toll-road operations (toll collections) over the operation period. Traffic plying through the toll roads is primarily dependent on sustained economic development in the regions that they operate in and government policies relating to infrastructure development. The Toll SPVs are substantially dependent on the accuracy of their respective traffic volume forecasts. The rights in relation to the underlying assets of all the SPVs shall be transferred after the expiry of the Concession Period.
- 5.14.3. The revenue of the Annuity SPVs is mainly derived from the annuity payments (annuity fees).
- 5.14.4. The annuity fees are typically pre-determined with the relevant government authority (NHAI in this case) and cannot be modified to reflect prevailing circumstances. Interest on balance annuity payments are linked to bank rate, which is changed by RBI based on prevailing market conditions. The rights in relation to the underlying assets of the SPVs shall be transferred after the expiry of the Concession Period. Accordingly, since the SPVs are generating income based on pre-determined agreements / mechanism and since the Investment Manager has provided me with the financial projections of the SPVs for the balance tenor of the concession agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise

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6. Valuation of the SPVs

- 6.1. In the present exercise, my objective is to determine the Fair Enterprise Value of the SPVs as per the DCF Method. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. Accordingly, in the present case, I have considered it appropriate to consider cash flows at FCFF (Free Cash Flow to Firm) level i.e., cash flows that are available to all the providers of capital (equity shareholders, preference shareholders and lenders). Therefore, cash flows required to service lenders and preference shareholders such as interest, dividend, repayment of principal amount and even additional fund raising are not considered in the calculation of FCFF.
- 6.2. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPVs as provided by the Investment Manager. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.
- 6.3. Following are the major steps I have considered in order to arrive at the EV of the SPVs as per the DCF Method:
- Determination of Free Cash Flows to Firm which included:
 - a. Obtaining the financial projections to determine the cash flows expected to be generated by the SPVs from the Investment Manager;
 - b. Analyzed the projections and its underlying assumptions to assess the reasonableness of the cash flows;
 - Determination of the discount rate for the explicit forecast period; and
- Applying the discount rate to arrive at the present value of the explicit period cash flows and for arriving at the terminal value.
- 6.4. The key assumptions of the projections provided to me by the Investment Manager are:

Key Assumptions:

6.4.1. Revenue cash flows for Annuity Model SPVs (Annuity SPVs)

Under this model, concessionaire is responsible for designing, building, financing, operating, maintaining and transferring the project to the authority at the end of the concession period. Under this model, post completion of the road project, the right and responsibility of tolling is with the government. Accordingly, only one mode of revenue is earned by these SPVs that is explained below:

Annuity Payments: The concessionaire earns revenue primarily in the form of pre - determined biannual annuity payments which are made by NHAI to the concessionaire based on the respective concession agreements.

6.4.2. Revenue cash flows for the Toll SPVs:

Under this model, the Toll SPVs are responsible for designing, building, financing, operating, maintaining and transferring the project to the authority at the end of the concession period. The right and responsibility for tolling is with the Toll SPVs. The concessionaire earns revenue primarily in the form of toll revenue.

Toll Revenue: As per the concession agreements for the respective Toll SPVs, the Concessionaire is allowed to levy, demand, collect and appropriate the fees (called as toll fees) from vehicles and persons liable to payment of fees for using their road stretch or any part thereof and refuse entry of any vehicle to the road asset if the due fee is not paid. Toll revenues depend on toll receipts, which in turn depend on traffic volumes and toll fees on the toll roads.

Concession Period

The Concession Period refers to the period where the Concessionaire has the responsibility to construct the road asset and post-construction is granted with the exclusive rights, license and authority to demand, collect and appropriate fee, operate, manage and maintain the project highway subject to the terms and conditions mention in their respective concession agreement. The cash flow projections are prepared by the Investment Manager for the balance concession period remaining from the Valuation Date as summarized below:

SPV	Concession Period End Date		Extension Period	
	Original	Revised	For Traffic Variance	For Other Reasons
DBCPL	19-Mar-33	02-Dec-33	Nil	258
GEPL	28-Feb-38	03-Sep-43	1,973*	40**
JPEPL	16-Sep-38	13-Nov-43	1,825***	59**
UEPL	16-Oct-26	25-Mar-27	Nil	25**
UTPL	04-Sep-35	12-Jan-36	Nil	130

*Subject to NHAI approval

** COVID-19 Extension

***Subject to Public Works Department, Government of Rajasthan approval

I understand, as per the extant provisions of the Concession Agreements for the respective Toll SPVs in relation to the traffic variation, the concession period could be modified to take into the account shortfall or excess in actual average traffic vis-à-vis the target traffic ranging beyond 2.5% and such concession extension or truncation shall be subject to a cap of 20% extension for shortfall and 10% for truncation for excess.

Accordingly, the Investment Manager has considered an extension period based on its calculation which is subject to the approval from the respective Authorities in case of GEPL and JPEPL. I have relied on the information provided by the Investment Manager.

Extension for Other Reasons: Respective authorities vide their various orders have extended the concession period of the BOT Toll Projects for reasons including natural calamities, lockdowns on account of COVID-19, etc.

I have considered the projection period for the current valuation exercise based on the balance concession period as represented by the Investment Manager, wherein expected COVID-19 related extensions are considered for the Toll SPVs, as final approval from authorities has not been received.

Traffic Volumes

Traffic volumes are directly or indirectly affected by a number of factors, many of which are outside of the control of the Toll SPVs, including: toll fees; fuel prices in India; the frequency of traveler use; the quality, convenience and travel efficiency of alternative routes outside the Toll SPV's network of toll roads; the convenience and extent of a toll road's connections with other parts of the local, state and national highway networks; the availability and cost of alternative means of transportation, including rail networks and air transport; the level of commercial, industrial and residential development in areas served by the Toll SPVs' projects; adverse weather conditions; and seasonal holidays.

Toll Rates

During the concession period, the Toll SPVs operate and maintain the road asset and earn revenues through charges, fees or tolls generated from the asset. The amount of charges, fees or tolls that they may collect are notified by the relevant government authorities, which are usually revised annually as specified in the relevant concessions and toll notifications.

The toll rates for the projected period have been derived in the manner stipulated in the individual concession agreements of the Toll SPVs.

In the present case, the Investment Manager has appointed independent third-party research agencies to forecast the traffic volumes and toll revenues for the Toll SPVs. As confirmed by the Investment Manager, the traffic volumes and toll revenues for Toll SPVs have been estimated by the traffic consultant after considering overall structure and condition of the projects including analysis of demand and supply and strategic geographical locations of the individual road projects. This was one of the most important input in projecting the toll revenues.

6.4.3. Revenue cash flows for the HAM SPVs:

The Cash flow for the SPVs can be divided into two segments:

Payment from NHAI during the Construction Period:

The SPVs are eligible to receive 40% of the Bid Project Cost (BPC), adjusted for the price index multiple, in 5 installments of 8% each during the construction period. I have been represented by the Investment Manager that SPVs have received the agreed portion of the inflation adjusted bid project cost (of 40%) as per the respective concession agreements.

Payment by NHAI during the Operation Period: Accordingly, the revenue of the SPVs would mainly consist of the following receipts:

- a. **Annuity payments:** The Bid Project Cost remaining, adjusted for the price index multiple, to be paid in pursuance of the respective concession agreements (i.e. the Balance Completion Cost) is eligible to be received by the respective SPVs by way of specified biannual installments as mentioned in their respective concession agreement for the balance period of operations.
- b. **Interest:** As per the concession agreements, the SPVs is entitled to receive interest on reducing Balance Completion Cost equal to applicable Bank Rate (as decided by the Monetary Policy Committee and published by the Reserve Bank of India) + 3.00% spread. Such interest is due and payable along with each of the biannual installments as mentioned above; and
- c. **Operation and Maintenance Revenue:** In lieu of O&M expenses to be incurred by SPVs, SPVs is eligible for certain O&M income (as defined in the respective concession agreement) at each biannual installment date, duly adjusted for an appropriate inflation rate.

6.4.4. Operating and Maintenance Expenses:

Since all the SPVs are operational on the Valuation Date, following are the major costs incurred by the SPV:

Operation and Maintenance Costs (Routine) ("O&M Costs")

These are routine costs incurred every year. These costs are related to the normal wear and tear of the road and hence involve repairing the patches damaged mainly due to heavy traffic movement. O&M Costs also includes staff salaries, consumables, security expenses, electricity, etc. The primary purpose of these expenses is to maintain the road as per the specifications mentioned in the respective concession agreement. SPV is generally responsible for carrying out operation and maintenance activities at its toll road during its concession period. Within the scope of such operation and maintenance obligations, the SPV may be required to undertake routine maintenance of project roads, maintain and comply with safety standards to ensure smooth and safe traffic movement, deploy adequate human resources for incident management, maintain proper medical and sanitary arrangements for personnel deployed at the site, prevent any unauthorized entry to and exit from the project as may be required.

Major Maintenance and Repairs Costs ("MMR Costs")

Estimating the MMR Costs

Period maintenance expenses will be incurred on periodic basis say every 5 years or more. These are the costs incurred to bring the road assets back to its earlier condition or keep the road assets in its present condition. These expenses are primarily related to the construction or re-laying of the top layer of the road. Accordingly such costs include considerable amounts of materials and labour.

We have relied on projections as provided to us by the Investment Manager for estimating major maintenance expenses and O&M Costs for the projected period.

Provisions for MMR Costs and Cash Flow Adjustments

As per the financial requirements, provision is required for appropriate major maintenance expense over a period until the actual expenditure is incurred. These are non-cash expenses. Hence, for my DCF analysis, such provisions are added back in their respective years and the actual expenditure expected to be incurred during the particular interval (of 5 years or more) is deducted in those respective years in order to arrive at net cash flows.

The Investment Manager has provided me the estimated Major Maintenance Expenses.

6.4.5. Depreciation and Amortization:

In case of Toll SPVs, the toll collection rights or the financial rights (intangible assets) of the SPVs are being amortized over the period of concession using the revenue based amortization method prescribed under Schedule II to the Companies Act, 2013.

- 6.4.6. **Revenue Share/ Premium payment:** The revenues collected from the toll would be shared with NHAI (in case of GEPL) and Public Works Department, Government of Rajasthan (in case of JPEPL) in the form of a concession fee. The percentage of revenue that the SPV has to share with their respective appointing authority is defined in the Concession Agreement. This is applicable in case of GEPL and JPEPL only. Such Premium payment is reduced from the revenue of the respective SPV to arrive at FCFF for calculation of Enterprise Value.
- 6.4.7. **Capital Expenditure (“Capex”):** As represented by the Investment Manager, the maintenance Capex has already been factored in the Operations & Maintenance expenditure and Major maintenance expenditure for the projected period.
- 6.4.8. **Taxes and Tax Incentive:**
There have been changes in tax regime pursuant to introduction of Taxation Laws (Amendment) Ordinance 2019 made on 20th September 2019 which was enacted to make certain amendments in the Income Tax Act, 1961 and the Finance (No. 2) Act, 2019. As per the discussions with the Investment Manager, the old provisions of Income Tax Act have been considered for the projected period of all SPVs for the current valuation exercise, which inter alia provide benefits of additional depreciation, section 115JB and section 80-IA. New provision of Income Tax Act (with base corporate tax rate of 22%) have been considered for all SPVs after utilization/ lapse of such 80-IA/ MAT benefits for the current valuation exercise.
- 6.4.9. **Working Capital:**
The Investment Manager has provided projected Working Capital information for all the SPVs. We have relied on the same.
- 6.5. **Impact of Ongoing Material Litigation on Valuation**
As on 30th September 2024, there are ongoing litigations as shown in Appendix 4. Further, Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations, hence no impact has been factored on the valuation of the SPVs.
- 6.6. **GST Claim:** The Investment Manager has informed us that due to the changes in extant provision of the Goods & Services Tax (“GST”) laws, the SPVs are eligible to receive GST claim from NHAI which are as follows:
- i. On Annuity: As per the Annexure IV of the Policy circular of Ministry of Road Transport & Highways as on 23rd December 2022, SPVs are eligible to claim reimbursement of GST on annuity, considering change in law, after adjusting GST input credit lying with the SPVs.
 - ii. On Interest on Annuity: As per the Ministry of Finance circular dated 17th June 2021, GST will be applicable on annuity (deferred payments) paid for construction of roads i.e. annuity plus interest, additionally Ministry of Road Transport & Highways issued clarification dated 17th June 2021 that the SPVs will be eligible to claim reimbursement of GST on interest.
 - iii. Change in GST rates: Ministry of Finance vide notification no. 03/2022 dated 13th July 2022, increased the GST rates applicable on road construction services from 12% to 18%. As per the Policy circular of Ministry of Road Transport & Highways as on 23rd December 2022, the above increase in GST rates are eligible for reimbursement from NHAI as it is considered as change in law (i.e. change of rate).

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6.7. Calculation of Weighted Average Cost of Capital for the SPV

6.7.1. Cost of Equity:

Cost of Equity (CoE) is a discounting factor to calculate the returns expected by the equity holders depending on the perceived level of risk associated with the business and the industry in which the business operates.

For this purpose, I have used the Capital Asset Pricing Model (CAPM), which is a commonly used model to determine the appropriate cost of equity for the SPVs.

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

Wherein:

K(e) = cost of equity

R_f = risk free rate

ERP = Equity Risk Premium

Beta = a measure of the sensitivity of assets to returns of the overall market

CSRP = Company Specific Risk Premium (In general, an additional company-specific risk premium will be added to the cost of equity calculated pursuant to CAPM).

For valuation exercise, I have arrived at adjusted cost of equity of the SPVs based on the above calculation (Refer Appendix 2).

6.7.2. Risk Free Rate:

I have applied a risk free rate of return of 6.69% on the basis of the zero coupon yield curve as on 30th September 2024 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited.

6.7.3. Equity Risk Premium ("ERP"):

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. Based on the aforementioned, a 7% equity risk premium for India is considered appropriate.

6.7.4. Beta:

Beta is a measure of the sensitivity of a company's stock price to the movements of the overall market index. In the present case, I find it appropriate to consider the beta of companies in similar business/ industry to that of the SPVs for an appropriate period.

For the valuation of the Annuity and HAM SPVs, I find it appropriate to consider the beta of Powergrid Infrastructure Investment Trust, and IRB InvIT Fund for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPVs like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty, etc. to arrive at the adjusted unlevered beta appropriate to the SPV.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio of annuity based road DBFOT/BOT projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of Annuity SPVs. (Refer Appendix 2)

For the valuation of the Toll SPVs, I find it appropriate to consider the beta of IRB Infrastructure Developers Limited, G R Infraprojects Limited, Dilip Buildcon Limited and IRB InvIT Fund for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPVs like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty, etc. to arrive at the adjusted unlevered beta appropriate to the SPV.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 50:50 based on the industry Debt: Equity ratio of a road toll based BOT/DBFOT projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the Toll SPVs. (Refer Appendix 2)

For the valuation of the HAM SPVs, I find it appropriate to consider the beta of Powergrid Infrastructure Investment Trust, and IRB InvIT Fund for an appropriate period. The beta so arrived, is further adjusted based on the factors of mentioned SPVs like completion of projects, revenue certainty, past collection trend, lack of execution uncertainty, etc. to arrive at the adjusted unlevered beta appropriate to the SPV.

I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 70:30 based on the industry Debt: Equity ratio of HAM based projects using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the SPVs. (Refer Appendix 2)

6.7.5. Company Specific Risk Premium (“CSRP”):

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, considering the counter-party risk for the SPVs, considering the length of the explicit period for the SPVs, and basis my discussion with Investment Manager, I found it appropriate to consider following CSRP for the SPVs:

Sr. No.	SPVs	CSRP	Sr. No.	SPVs	CSRP
1	DBCPL	1.00%	8	GRICL	1.00%
2	GEPL	1.50%	9	STPL	1.00%
3	JPEPL	1.50%	10	BETPL	0.00%
4	UEPL	0.00%	11	ANHPL	0.00%
5	NBPL	0.50%	12	GSHPL	0.00%
6	SEPL	0.50%	13	RAHPL	0.00%
7	UTPL	1.00%			

6.7.6. Cost of Debt:

The calculation of Cost of Debt post-tax can be defined as follows:

$$K(d) = K(d) \text{ pre-tax} * (1 - T)$$

Wherein:

K(d) = Cost of debt

T = tax rate as applicable

For valuation exercise, pre-tax cost of debt has been considered as 8.25% for all the SPVs.

Weighted Average Cost of Capital (WACC):

The discount rate, or the WACC, is the weighted average of the expected return on equity and the cost of debt. The weight of each factor is determined based on the company’s optimal capital structure.

Formula for calculation of WACC:

$$\text{WACC} = [K(d) * \text{Debt} / (\text{Debt} + \text{Equity})] + [K(e) * (1 - \text{Debt} / (\text{Debt} + \text{Equity}))]$$

Accordingly, as per above, I have arrived the WACC for the explicit period of the SPVs.

(Refer Appendix 2 for detailed workings).

6.7.7. Cash Accrual Factor (CAF):

Discounted cash flow require to forecast cash flows in future and discount them to the present in order to arrive at present value of the asset as on Valuation Date. To discount back the projections we use the Cash Accrual Factor (“CAF”). The Cash Accrual Factor refers to the duration between the Valuation date and the point at which each cash flow is expected to accrue.

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

In case of Toll Projects, since the cash inflows and outflows occur continuously year-round, it is assumed that the Cash Flows are received in the middle of the annual period ,i.e., Mid-point factor. Accordingly, the cash flows during each year of the projected period are discounted back from the mid year to Valuation Date.

In case of Annuity Projects, it is assumed that the Cash Flows are received in the middle of the annual period ,i.e., Mid-point factor. Accordingly, the cash flows during each year of the projected period are discounted back from the mid year to Valuation Date.

6.7.8. Discounting Factor

Discounted cash flow is equal to sum of the cash flow in each period divided by present value factor, where the present value factor is determined by raising one plus discount rate (WACC) raised to the power of the CAF.

$$DCF = [CF1 / (1+r)^{CAF1}] + [CF2 / (1+r)^{CAF2}] + \dots + [CFn / (1+r)^{CAFn}]$$

Where,

CF = Cash Flows,

CAF = Cash accrual factor for particular period

R = Discount Rate (i.e. WACC)

- 6.8. At the end of the agreed concession period, the rights in relation to the underlying assets, its operations, the obligation to maintain the road reverts to the government authority that granted the concession. Hence, the SPVs is not expected to generate cash flow after the expiry of their respective concession agreements. Accordingly, I found it appropriate not to consider terminal period value, which represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life, in this valuation exercise

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7. Valuation Conclusion

- 7.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 7.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at fair EV of the SPVs.
- 7.3. Based on the above analysis, the fair EV as on the Valuation Date of the SPVs are as mentioned below:

INR Mn				
Sr. No.	SPVs	WACC	Enterprise Value	Adjusted Enterprise Value
1	DBCPL	10.3%	16,972	17,254
2	GEPL	10.5%	23,347	23,482
3	JPEPL	10.5%	5,607	5,736
4	UEPL	9.9%	3,493	4,453
5	NBPL	8.2%	1,026	1,136
6	SEPL	8.8%	66	556
7	UTPL	10.4%	9,238	9,454
8	GRICL	10.1%	12,873	14,671
9	STPL	10.2%	15,155	16,283
10	ANHPL	7.5%	4,160	4,650
11	GSHPL	7.5%	2,747	2,927
12	RAHPL	7.5%	2,529	2,543
13	BETPL	9.9%	2,276	2,766
Total			99,489	1,05,912

*The trust holds 56.8% equity stake in GRICL
(Refer Appendix 1 for detailed workings)

- 7.5. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.
- 7.6. Adjusted Enterprise Value is described as the Enterprise Value plus any closing cash or cash equivalents as at the date of valuation.
- 7.7. Adjusted Enterprise Value ("Adj. EV") is described as the Enterprise Value plus any closing cash or cash equivalents as at the date of valuation.
- 7.8. The fair EV of the SPVs are estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 7.9. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 7.10. Accordingly, I have conducted sensitivity analysis on certain model inputs, the results of which are as indicated below:
1. WACC by increasing / decreasing it by 0.5%
 2. WACC by increasing / decreasing it by 1.0%
 3. Expenses by increasing / decreasing it by 20%
 4. Revenue of Toll SPVs by increasing / decreasing it by 10%

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

INR Mn

Sr. No.	SPVs	WACC +0.50%	EV	Base WACC	EV	WACC -0.50%	EV
1	DBCPL	11.02%	16,448	10.27%	16,972	10.02%	17,152
2	GEPL	10.97%	22,405	10.47%	23,347	9.97%	24,349
3	JPEPL	10.99%	5,380	10.49%	5,607	9.99%	5,849
4	UEPL	10.37%	3,471	9.87%	3,493	9.37%	3,512
5	NBPL	8.73%	1,017	8.23%	1,026	7.73%	1,035
6	SEPL	8.59%	189	8.83%	66	7.59%	189
7	UTPL	10.87%	8,991	10.37%	9,238	9.87%	9,495
8	GRICL*	10.58%	12,652	10.08%	12,873	9.58%	13,101
9	STPL	10.65%	14,934	10.15%	15,155	9.65%	15,374
10	ANHPL	8.05%	4,071	7.55%	4,160	7.05%	4,253
11	GSHPL	8.03%	2,688	7.53%	2,747	7.03%	2,809
12	RAHPL	8.04%	2,476	7.54%	2,529	7.04%	2,583
13	BETPL	10.37%	2,264	9.87%	2,276	9.37%	2,288
Total			96,984		99,489		1,01,988

*The trust holds 56.8% equity stake in GRICL

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

INR Mn

Sr. No.	SPVs	WACC +1.00%	EV	Base WACC	EV	WACC -1.00%	EV
1	DBCPL	11.52%	16,112	10.27%	16,972	9.52%	17,522
2	GEPL	11.47%	21,516	10.47%	23,347	9.47%	25,413
3	JPEPL	11.49%	5,166	10.49%	5,607	9.49%	6,106
4	UEPL	10.87%	3,450	9.87%	3,493	8.87%	3,533
5	NBPL	9.23%	1,009	8.23%	1,026	7.23%	1,043
6	SEPL	9.83%	67	8.83%	66	7.83%	65
7	UTPL	11.37%	8,753	10.37%	9,238	9.37%	9,762
8	GRICL*	11.08%	12,436	10.08%	12,873	9.08%	13,336
9	STPL	11.15%	14,721	10.15%	15,155	9.15%	15,603
10	ANHPL	8.55%	3,985	7.55%	4,160	6.55%	4,349
11	GSHPL	8.53%	2,630	7.53%	2,747	6.53%	2,873
12	RAHPL	8.54%	2,425	7.54%	2,529	6.54%	2,640
13	BETPL	10.87%	2,253	9.87%	2,276	8.87%	2,300
Total			94,524		99,489		1,04,544

*The trust holds 56.8% equity stake in GRICL

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

INR Mn				
Sr. No.	SPVs	EV at Expenses -20%	EV at Base Expenses	EV at Expenses +20%
1	DBCPL	17,449	16,972	16,504
2	GEPL	23,742	23,347	22,953
3	JPEPL	5,995	5,607	5,193
4	UEPL	3,576	3,493	3,405
5	NBPL	1,073	1,026	979
6	SEPL	86	66	43
7	UTPL	9,687	9,238	8,795
8	GRICL	13,278	12,873	12,433
9	STPL	15,649	15,155	14,652
10	ANHPL	4,447	4,160	4,016
11	GSHPL	2,952	2,747	2,577
12	RAHPL	2,746	2,529	2,413
13	BETPL	2,378	2,276	2,095
Total		1,03,057	99,489	96,057

*The trust holds 56.8% equity stake in GRICL

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

INR Mn				
Sr. No.	SPVs	EV at Revenue -10%	EV at Base Revenue	EV at Revenue +10%
1	DBCPL	14,850	16,972	18,972
2	GEPL	20,746	23,347	25,949
3	JPEPL	4,686	5,607	6,519
4	UEPL	3,019	3,493	3,963
5	UTPL	7,899	9,238	10,578
6	GRICL	11,058	12,873	14,689
7	STPL	13,127	15,155	17,175
8	BETPL	1,928	2,276	2,739
Total		77,312	88,961	1,00,585

*The trust holds 56.8% equity stake in GRICL

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

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8. Additional Procedures to be complied with in accordance with InvIT regulations

8.1. Scope of Work

The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT.

The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of the SPVs are as follows:

- List of one-time sanctions/approvals which are obtained or pending;
- List of up to date/overdue periodic clearances;
- Statement of assets;
- Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
- Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
- On-going material litigations including tax disputes in relation to the assets, if any;
- Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

8.2. Limitations

This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.

I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.

I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.

I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

Analysis of Additional Set of Disclosures for the SPVs

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

The list of sanctions/ approvals obtained by the SPVs till the date of this Report is provided in Appendix 3. As informed by the Investment Manager, there are no applications for government sanctions/ licenses by the SPVs for which approval is pending as on 30th September 2024.

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

The Investment Manager has confirmed that the SPVs are not required to take any periodic clearances and hence there are no up to date/ overdue periodic clearances as on 30th September 2024.

C. **Statement of assets included:**

The details of assets in INR Mn of the SPVs as at 30th September 2024 are as mentioned below:

INR Mn					
Sr. No.	SPVs	Net Fixed Assets	Net Intangible Asset	Non-Current Assets	Current Assets
1	DBCPL	17	3,287	4,165	411
2	GEPL	23	7,576	7,602	95
3	JPEPL	55	3,793	3,850	123
4	UEPL	9	3,002	3,025	666
5	NBPL	6	-	502	666
6	SEPL	4	0	271	393
7	UTPL	11	6,067	6,131	381
8	GRICL	75	3,412	3,643	5,100
9	STPL	139	3,155	5,484	5,122
10	ANHPL	4	-	2,991	1,978
11	GSHPL	0	-	2,082	1,156
12	RAHPL	0	-	1,886	803
Total		342	30,291	37,664	14,934

Source: Investment Manager

*The trust holds 56.8% equity stake in GRICL

* Non-Current Assets for Annuity SPVs includes Non-Current Financial Assets in the form of Annuity Receivable from respective counterparties.

D. **Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion:**

I have been informed that maintenance is regularly carried out by SPVs in order to maintain the working condition of the assets.

Historical Major Repairs

INR Mn							
SPVs	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY24
DBCPL	123	-	217	180	504	67	
GEPL	-	-	-	7	233	-	
JPEPL	-	-	-	-	185	292	
UEPL	-	287	333	-	-	-	191
NBPL	-	6	284	-	-	-	183
SEPL	6	-	10	23	-	-	359
UTPL							
GRICL	71	78	76	216	201		
STPL					1,386		1135
ANHPL							
GSHPL							
RAHPL							

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Forecasted major repairs

INR Mn												
SPVs	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33	FY 34	FY 35	
DBCPL	146	267	278	278	-	-	-	-	-	634	653	
GEPL	-	-	-	-	-	-	381	-	-	-	-	-
JPEPL	4	-	-	-	1,386	-	-	-	-	-	-	-
UEPL	207	-	13									
NBPL	63	-	-	1								
SEPL	-	12										
UTPL	1,117	84	-	-	-	459	946	-	-	-	-	266
GRICL	215	600	624	-	170	230	-	385	570			
STPL	91	-	-	-	1,784	304	-	276				
ANHPL	36	-	16	-	-	992	-	-	15	-	-	-
GSHPL	13	-	8	-	-	396	-	-	8	-	-	-
RAHPL	30	-	12	-	-	659	-	-	9	-	-	-

INR Mn									
SPVs	FY 36	FY 37	FY 38	FY 39	FY 40	FY 41	FY 42	FY 43	FY 44
DBCPL	-	-	-	-	-	-	-	-	-
GEPL	498	-	-	-	-	-	-	455	-
JPEPL	782	-	-	-	-	-	-	1,043	-
UEPL	-	-	-	-	-	-	-	-	-
NBPL	-	-	-	-	-	-	-	-	-
SEPL	-	-	-	-	-	-	-	-	-
UTPL	274	-	-	-	-	-	-	-	-
GRICL	-	-	-	-	-	-	-	-	-
STPL	-	-	-	-	-	-	-	-	-
ANHPL	542	-	-	-	-	-	-	-	-
GSHPL	226	-	-	-	-	-	-	-	-
RAHPL	338	-	-	-	-	-	-	-	-

E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any:

Investment Manager has informed me that there are no material dues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities with respect to the SPVs (InvIT assets) except as may be disclosed in the financial statements.

F. On-going material litigations including tax disputes in relation to the assets, if any:

As informed by the Investment Manager, the status of arbitration matters and status of tax assessments are updated in Appendix 4. Investment Manager has informed us that majority of the cases are having low to medium risk and accordingly no material outflow is expected against the litigations. Hence, I have relied on the Investment Manager with respect to the current status of the above mentioned cases

G. Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control:

Investment Manager has confirmed to me that there are no such natural or induced hazards which have not been considered in town planning/ building control.

H. **Valuation of the project in the previous 3 years (for existing projects of the InvIT)**

Sr. No.	SPVs	Mar-22	Mar-23	Mar-24
1	DBCPL	14,760	15,709	16,858
2	GEPL	21,281	22,866	22,793
3	JPEPL	8,628	8,018	5,565
4	UEPL	5,423	4,484	3,533
5	NBPL	1,362	1,104	944
6	SEPL	567	220	189
7	UTPL			9,063
8	GRICL*			12,312
9	STPL			15,182
10	ANHPL			4,485
11	GSHPL			2,957
12	RAHPL			2,743
Total		52,021	52,401	96,624

*The trust holds 56.8% equity stake in GRICL

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9. Sources of Information

- 9.1. For the Purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:
- i. Audited Financial Statements of the SPVs for Financial Year ("FY") ended 31st March 2019, 31st March 2020, 31st March 2021, 31st March 2022, 31st March 2023 and 31st March 2024.
 - ii. Provisional Financial Statements of the SPVs for Financial Year ("FY") ended 30th September 2024.
 - iii. Details of brought forward losses and MAT credit (as per Income Tax Act) of the SPVs as at 31st March 2024.
 - iv. Projected financial information for the remaining project life for the SPVs;
 - v. Details of projected Major Maintenance & Repairs (MMR) Expenditure and Capital Expenditure (Capex);
 - vi. Traffic Study Report prepared by Ramboll India Private Limited for BETPL, DBCPL, GEPL and UEPL, IBI Group India Private Limited for JPEPL and Steer Group for UTPL and STPL respectively;
 - vii. Details of Written Down Value (WDV) (as per Income Tax Act) of assets as at 31st March 2024;
 - viii. Concession Agreement of the SPVs with the respective authority;
 - ix. List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPVs;
 - x. Shareholding pattern as on 30th September 2024 of the SPVs and other entities mentioned in this Report;
 - xi. Management Representation Letter by the Investment Manager dated 29th October, 2024;
 - xii. Relevant data and information about the SPVs provided to us by the Investment Manager either in written or oral form or in the form of soft copy;
- 9.2. Information provided by leading database sources, market research reports and other published data.
- 9.3. The information provided to me by the Investment Manager in relation to the SPVs included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.
- 9.4. I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.
- 9.5. Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

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10. Exclusions and Limitations

- 10.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 10.2. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 30th September 2024 ("Valuation Date") mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 10.3. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPVs till 30th September 2024. The Investment Manager has represented that the business activities of the SPVs have been carried out in normal and ordinary course between 30th September 2024 and the Report Date and that no material changes have occurred in the operations and financial position between 30th September 2024 and the Report date.
- 10.4. The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.
- 10.5. In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out here in which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- 10.6. I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPVs or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 10.7. This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- 10.8. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party's purpose.
- 10.9. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.
- 10.10. This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- 10.11. Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.
- 10.12. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.

- 10.13. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 10.14. I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.
- 10.15. My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date.
- 10.16. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- 10.17. The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- 10.18. For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.
- 10.19. In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- 10.20. In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- 10.21. This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 10.22. I am not an advisor with respect to legal, tax and regulatory matters for the proposed transaction. No investigation of the SPV's claim to title of assets has been made for the purpose of this Report and the SPV's claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 10.23. I have no present or planned future interest in the Trustee, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPVs.
- 10.24. I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of the factual data used in my analysis and to prevent any error or inaccuracy in this Report.

Limitation of Liabilities

- 10.25. It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.
- 10.26. In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).
- 10.27. It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- 10.28. RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.
- 10.29. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.

Yours faithfully,



S. Sundararaman

Registered Valuer

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

Asset Class: Securities or Financial Assets

Place: Chennai

UDIN:

Appendix 1 – Valuation of SPVs as on 30th September 2024

Abbreviations	Meaning
EBITDA	Operating Earnings Before Interest, Taxes, Depreciation and Amortization
MMR	Major Maintenance and Repair Expenses
Capex	Capital Expenditure
Wcap	Incremental Working Capital
FCFF	Free Cash Flow to the Firm
CAF	Cash Accrual Factor
DF	Discounting Factor
PVFCFF	Present value of Free Cash Flow to the Firm

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Appendix 1.1 – Valuation of DBCPL as on 30th September 2024 under the DCF Method

											INR Mn
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E	G	H	I	J=F*I	
FY 25	1,329	1,169	146	-	13	139	871	0.25	10.27%	0.98	850
FY 26	2,837	2,474	267	-	5	368	1,834	1.00	10.27%	0.91	1,663
FY 27	3,195	2,801	278	-	5	420	2,098	2.00	10.27%	0.82	1,725
FY 28	3,557	3,133	278	-	6	473	2,376	3.00	10.27%	0.75	1,772
FY 29	3,980	3,518	-	-	6	536	2,976	4.00	10.27%	0.68	2,013
FY 30	4,468	3,967	-	-	6	603	3,358	5.00	10.27%	0.61	2,060
FY 31	4,984	4,442	-	-	6	673	3,762	6.00	10.27%	0.56	2,093
FY 32	5,569	4,981	-	-	7	1,017	3,957	7.00	10.27%	0.50	1,996
FY 33	6,181	5,545	634	-	7	1,246	3,659	8.00	10.27%	0.46	1,674
FY 34	4,628	4,016	653	-	3	861	2,499	8.84	10.27%	0.42	1,053
Total of PVFCFF											16,900
(+ Present Value of Working Capital Release											72
Enterprise Value											16,972
(+ Closing cash or cash equivalents as at the Valuation Date											282
Adjusted Enterprise Value											17,254

Appendix 1.2 – Valuation of GEPL as on 30th September 2024 under the DCF Method

INR Mn												
Year	Revenue	EBITDA	MMR Expense	Premium Payment to NHAI	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	C	D	E	F	G	H=A-B-C-D-E-F-G	I	J	K	L=H*K	
FY25	919	821	-	67	-	-	122	632	0.25	10.47%	0.98	616
FY26	1,959	1,791	-	141	-	-	280	1,370	1.00	10.47%	0.91	1,241
FY27	2,190	2,010	-	148	-	-	314	1,549	2.00	10.47%	0.82	1,269
FY28	2,450	2,260	-	155	-	-	353	1,752	3.00	10.47%	0.74	1,300
FY29	2,728	2,522	-	163	-	-	393	1,966	4.00	10.47%	0.67	1,320
FY30	3,029	2,805	381	171	-	-	437	1,816	5.00	10.47%	0.61	1,104
FY31	3,350	3,107	-	179	-	-	487	2,440	6.00	10.47%	0.55	1,343
FY32	3,713	3,449	-	188	-	-	540	2,720	7.00	10.47%	0.50	1,355
FY33	4,085	3,797	-	198	-	-	594	3,006	8.00	10.47%	0.45	1,356
FY34	4,500	4,188	-	208	-	-	654	3,326	9.00	10.47%	0.41	1,358
FY35	4,956	4,619	-	218	-	-	720	3,681	10.00	10.47%	0.37	1,360
FY36	5,416	5,054	498	229	-	-	787	3,540	11.00	10.47%	0.33	1,184
FY37	5,886	5,498	-	241	-	-	872	4,385	12.00	10.47%	0.30	1,328
FY38	6,424	6,007	-	253	-	-	1,469	4,286	13.00	10.47%	0.27	1,175
FY39	6,986	6,540	-	265	-	-	1,602	4,672	14.00	10.47%	0.25	1,160
FY40	7,617	7,139	-	278	-	-	1,753	5,108	15.00	10.47%	0.22	1,148
FY41	8,255	7,744	-	292	-	-	1,904	5,547	16.00	10.47%	0.20	1,128
FY42	8,967	8,421	-	307	-	-	2,074	6,040	17.00	10.47%	0.18	1,112
FY43	9,717	9,133	455	322	-	-	2,138	6,218	18.00	10.47%	0.17	1,036
FY44	4,515	4,157	-	169	-	-	1,042	2,946	18.71	10.47%	0.16	457
Total of PVFCFF												23,351
(+) Present Value of Working Capital Release												(3)
Enterprise Value												23,347
(+) Closing cash or cash equivalents as at the Valuation Date												134
Adjusted Enterprise Value												23,482

*Upto 3 September 2043

Appendix 1.3 – Valuation of JPEPL as on 30th September 2024 under the DCF Method

INR Mn												
Year	Revenue	EBITDA	MMR Expense	PWD Premium Payable	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F	G=A-B-C-D-E-F	H	I	J	L=G*J	
FY25	372	278	4	9	-	21	19	225	0.25	10.49%	0.98	220
FY26	757	563	-	18	-	-	46	499	1.00	10.49%	0.91	452
FY27	790	585	-	19	-	-	42	523	2.00	10.49%	0.82	428
FY28	855	637	-	20	-	-	43	574	3.00	10.49%	0.74	425
FY29	921	686	1,386	21	-	-	42	-763	4.00	10.49%	0.67	-512
FY30	1,001	753	-	22	-	-	95	636	5.00	10.49%	0.61	386
FY31	1,084	821	-	24	-	-	102	695	6.00	10.49%	0.55	382
FY32	1,180	899	-	25	-	-	111	763	7.00	10.49%	0.50	380
FY33	1,284	985	-	26	-	-	121	838	8.00	10.49%	0.45	377
FY34	1,392	1,075	-	27	-	-	131	917	9.00	10.49%	0.41	374
FY35	1,510	1,175	-	29	-	-	142	1,004	10.00	10.49%	0.37	370
FY36	1,652	1,297	782	30	-	-	156	329	11.00	10.49%	0.33	110
FY37	1,792	1,415	-	32	-	-	188	1,196	12.00	10.49%	0.30	361
FY38	1,941	1,542	-	33	-	-	204	1,305	13.00	10.49%	0.27	357
FY39	2,101	1,677	-	35	-	-	386	1,256	14.00	10.49%	0.25	311
FY40	2,268	1,818	-	37	-	-	422	1,360	15.00	10.49%	0.22	305
FY41	2,433	1,956	-	38	-	-	456	1,461	16.00	10.49%	0.20	296
FY42	2,615	2,110	-	40	-	-	495	1,574	17.00	10.49%	0.18	289
FY43	2,807	2,273	1,043	42	-	-	274	914	18.00	10.49%	0.17	152
FY44*	1,875	1,327	-	30	-	-	314	983	18.81	10.49%	0.15	150
Total of PVFCFF												5,613
(+) Present Value of Working Capital Release												(6)
Enterprise Value												5,607
(+) Closing cash or cash equivalents as at the Valuation Date												129
Adjusted Enterprise Value												5,736

*Upto 13 November 2043

Appendix 1.4 – Valuation of UEPL as on 30th September 2024 under the DCF Method

											INR Mn
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E	G	H	I	J=F*I	
FY25	983	879	207	-	91	55	526	0.25	9.87%	0.98	513
FY26	2,039	1,817	-	-	-	141	1,676	1.00	9.87%	0.91	1,525
FY27*	2,170	1,929	13	-	-	149	1,767	1.99	9.87%	0.83	1,465
Total of PVFCFF											3,503
(+) Present Value of Working Capital Release											-10
Enterprise Value											3,493
(+) Closing cash or cash equivalents as at the Valuation Date											960
Adjusted Enterprise Value											4,453

*Upto 25 March 2027

Appendix 1.5 – Valuation of NBPL as on 30th September 2024 under the DCF Method

											INR Mn
Year	Cash Annuity	Cash EBITDA	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F = A-B-C-D-E	G	H	I	J=F*I	
FY 25	238	183	63	-	56	12	53	0.25	8.23%	0.98	52
FY 26	476	384	-	-	-	18	366	1.00	8.23%	0.92	338
FY 27	476	378	-	-	-	13	365	2.00	8.23%	0.85	312
FY 28	476	412	1	-	-	6	405	2.79	8.23%	0.80	325
Total of PVFCFF											1,027
(+ Present Value of Working Capital Release											(1)
Enterprise Value											1,026
(+ Closing cash or cash equivalents as at the Valuation Date											110
Adjusted Enterprise Value											1,136

*Upto 29 October 2027

Appendix 1.6 – Valuation of SEPL as on 30th September 2024 under the DCF Method

											INR Mn
Year	Cash Annuity	Cash EBITDA	MME	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E	G	H	I	J=F*I	
FY 25	249	204	-	-	15	-	189	0.25	8.83%	0.98	185
FY 26*	-	(81)	12	-	-	0	(93)	1.18	8.83%	0.91	(84)
Total of PVFCFF											101
(+ Present Value of Working Capital Release											(35)
Enterprise Value											66
(+) Closing cash or cash equivalents as at the Valuation Date											490
Adjusted Enterprise Value											556

*Upto 6 February 2026

Appendix 1.7 – Valuation of UTPL as on 30th September 2024 under the DCF Method

INR Mn											
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E	G	H	I	J=F*I	
FY 25	765	585	(1,117)	-	2	39	(572)	0.25	10.37%	0.98	(558)
FY 26	1,578	1,282	(84)	-	-	115	1,084	1.00	10.37%	0.91	982
FY 27	1,753	1,438	-	-	-	131	1,306	2.00	10.37%	0.82	1,073
FY 28	1,909	1,571	-	-	-	146	1,425	3.00	10.37%	0.74	1,060
FY 29	2,073	1,708	-	-	-	160	1,547	4.00	10.37%	0.67	1,043
FY 30	2,267	1,881	(459)	-	-	179	1,243	5.00	10.37%	0.61	759
FY 31	2,468	2,058	(946)	-	-	196	917	6.00	10.37%	0.55	507
FY 32	2,684	2,250	-	-	-	291	1,959	7.00	10.37%	0.50	982
FY 33	2,917	2,454	-	-	-	324	2,131	8.00	10.37%	0.45	968
FY 34	3,175	2,683	-	-	-	360	2,323	9.00	10.37%	0.41	956
FY 35	3,451	2,925	(266)	-	-	398	2,262	10.00	10.37%	0.37	843
FY 36	2,932	2,374	(274)	-	-	310	1,791	10.89	10.37%	0.34	611
Enterprise Value											9,225
(+) Present Value of Working Capital Release											13
Enterprise Value											9,238
(+) Closing cash or cash equivalents as at the Valuation Date											217
Adjusted Enterprise Value											9,454

*Upto 4 September 2035

Appendix 1.8 – Valuation of GRICL as on 30th September 2024 under the DCF Method

											INR Mn
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PV FCFF
	A	B	C	D	E	F = A-B-C-D-E				G	I=G*H
FY 25	1,600	1,361	215	-	55	198	893	0.25	10.08%	0.98	872
FY 26	3,278	2,839	600	-	11	424	1,804	1.00	10.08%	0.91	1,639
FY 27	3,491	3,028	624	-	37	354	2,013	2.00	10.08%	0.83	1,662
FY 28	3,907	3,407	-	-	78	842	2,487	3.00	10.08%	0.75	1,865
FY 29	4,185	3,656	170	-	46	866	2,575	4.00	10.08%	0.68	1,754
FY 30	4,510	3,950	230	-	54	928	2,738	5.00	10.08%	0.62	1,695
FY 31*	4,008	3,457	-	-	(52)	866	2,643	6.00	10.08%	0.56	1,486
FY 32	3,139	2,710	385	-	(96)	584	1,838	7.00	10.08%	0.51	939
FY 33**	2,981	2,539	570	-	(23)	494	1,498	7.94	10.08%	0.47	699
Present Value of Explicit Period											12,610
(+ Present Value of Working Capital release											264
Enterprise Value											12,873
(+ Closing Cash or Cash Equivalents as at the Valuation date											1,798
Adjusted Enterprise Value											14,671

* VHRP - 26th Sep 2030

AMRP - 20th Feb 2033

**The Trust holds 56.8% equity interest in GRICL

Appendix 1.9 – Valuation of STPL as on 30th September 2024 under the DCF Method

INR Mn											
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E		G	H	I	J=F*I
FY 25	1,877	1,591	91	-	97	223	1,180	0.25	10.15%	0.98	1,152
FY 26	3,954	3,465	-	-	-	478	2,987	1.00	10.15%	0.91	2,712
FY 27	4,226	3,706	-	-	-	516	3,190	2.00	10.15%	0.82	2,629
FY 28	4,543	3,979	-	-	-	546	3,433	3.00	10.15%	0.75	2,569
FY 29	4,869	4,272	1,784	-	-	604	1,884	4.00	10.15%	0.68	1,280
FY 30	5,179	4,545	304	-	-	1,047	3,194	5.00	10.15%	0.62	1,970
FY 31	5,607	4,934	-	-	-	1,224	3,711	6.00	10.15%	0.56	2,077
FY 32*	2,998	2,297	276	-	-	510	1,510	6.75	10.15%	0.52	787
Enterprise Value											15,176
(+) Present Value of Working Capital Release											(21)
Enterprise Value											15,155
(+) Closing cash or cash equivalents as at the Valuation Date											1,128
Adjusted Enterprise Value											16,283

*26th Sep 2031

Appendix 1.10 – Valuation of BETPL as on 30th September 2024 under the DCF Method

INR Mn											
Year	Revenue	EBITDA	MMR Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F=A-B-C-D-E		G	H	I	J=F*I
FY 25	1,235	1,081	(539)	-	(352)	(74)	116	0.25	9.87%	0.98	113
FY 26	2,344	1,985	-	-	-	(140)	1,845	1.00	9.87%	0.91	1,679
FY 27	1,021	852	(446)	-	-	(44)	363	1.72	9.87%	0.85	308
Enterprise Value											2,100
(+) Present Value of Working Capital Release											176
Enterprise Value											2,276
(+) Closing cash or cash equivalents as at the Valuation Date											632
(+) Payable to Erstw hile shareholders											(142)
Adjusted Enterprise Value											2,766

*9th Sep 2026

Appendix 1.11 – Valuation of GSHPL as on 30th September 2024 under the DCF Method

INR Mn													
Year	Finance Income	Changes in Financial Asset	O&M Income	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PV FCFF
	A	B	C	D	E	F	G	H	I=A+B+C- D-E-F-G-H	J	K	L	M=I*L
25-Feb-25	144	93	59	(45)	(13)	-	43	(45)	236	0.45	7.53%	0.97	229
25-Aug-25	141	105	46	(46)	-	-	44	(43)	248	0.94	7.53%	0.93	231
25-Feb-26	134	113	46	(45)	-	-	45	(43)	250	1.45	7.53%	0.90	225
25-Aug-26	129	112	49	(48)	-	-	17	(41)	217	1.94	7.53%	0.87	188
25-Feb-27	122	111	57	(49)	(8)	-	-	(40)	193	2.45	7.53%	0.84	162
25-Aug-27	116	117	52	(51)	-	-	-	(38)	196	2.94	7.53%	0.81	158
25-Feb-28	109	125	52	(51)	-	-	-	(37)	198	3.45	7.53%	0.78	154
25-Aug-28	103	125	55	(55)	-	-	-	(35)	193	3.95	7.53%	0.75	145
25-Feb-29	95	132	55	(54)	-	-	-	(34)	194	4.45	7.53%	0.72	140
25-Aug-29	88	131	59	(58)	-	-	-	(32)	188	4.95	7.53%	0.70	131
25-Feb-30	80	(221)	419	(57)	(396)	-	(32)	(22)	(230)	5.45	7.53%	0.67	-155
25-Aug-30	93	118	63	(61)	-	-	32	(29)	215	5.95	7.53%	0.65	140
25-Feb-31	86	125	62	(61)	-	-	-	(28)	184	6.45	7.53%	0.63	115
25-Aug-31	79	124	66	(65)	-	-	-	(26)	179	6.95	7.53%	0.60	108
25-Feb-32	72	130	66	(65)	-	-	-	(24)	180	7.45	7.53%	0.58	105
25-Aug-32	65	129	71	(69)	-	-	-	(22)	174	7.95	7.53%	0.56	98
25-Feb-33	58	128	77	(68)	(8)	-	-	(20)	166	8.45	7.53%	0.54	90
25-Aug-33	51	133	75	(73)	-	-	-	(18)	168	8.95	7.53%	0.52	88
25-Feb-34	43	140	75	(72)	-	-	-	(16)	168	9.45	7.53%	0.50	85
25-Aug-34	36	136	80	(77)	-	-	-	(14)	160	9.95	7.53%	0.49	78
25-Feb-35	28	138	79	(77)	-	-	-	(12)	155	10.45	7.53%	0.47	73
25-Aug-35	20	139	84	(82)	-	-	-	(10)	152	10.95	7.53%	0.45	69
25-Feb-36	12	(56)	290	(82)	(226)	-	(11)	(3)	(76)	11.45	7.53%	0.44	-33
25-Aug-36	16	127	96	(94)	-	-	11	(5)	151	11.95	7.53%	0.42	63
25-Feb-37	8	126	96	(93)	-	-	15	(3)	148	12.45	7.53%	0.40	60
Enterprise Value													2,747
(+) Closing cash or cash equivalents as at the Valuation Date													180
Adjusted Enterprise Value													2,927

*Upto 12 March 2037

Appendix 1.12 – Valuation of ANHPL as on 30th September 2024 under the DCF Method

INR Mn													
Year	Finance Income	Changes in Financial Asset	O&M Income	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F	G	H	I=A+B+C-D-E-F-G-H	J	K	L	M=I*L
07-Mar-25	227	133	82	(45)	(36)	-	65	(52)	373	0.47	7.55%	0.97	361
07-Sep-25	219	174	50	(45)	-	-	72	(68)	401	0.98	7.55%	0.93	374
07-Mar-26	207	180	50	(45)	-	-	70	(65)	396	1.47	7.55%	0.90	356
07-Sep-26	197	188	53	(48)	-	-	4	(64)	330	1.98	7.55%	0.87	286
07-Mar-27	184	176	71	(48)	(16)	-	-	(61)	305	2.47	7.55%	0.84	254
07-Sep-27	173	202	57	(51)	-	-	-	(60)	321	2.98	7.55%	0.81	258
07-Mar-28	160	209	57	(51)	-	-	-	(58)	318	3.48	7.55%	0.78	247
07-Sep-28	147	218	61	(54)	-	-	-	(56)	316	3.98	7.55%	0.75	237
07-Mar-29	133	226	60	(54)	-	-	-	(53)	312	4.48	7.55%	0.72	225
07-Sep-29	119	235	64	(57)	-	-	-	(51)	310	4.98	7.55%	0.70	216
07-Mar-30	114	(431)	729	(57)	(662)	-	(55)	(49)	-410	5.48	7.55%	0.67	-276
07-Sep-30	142	(131)	401	(60)	(331)	-	4	(47)	-23	5.98	7.55%	0.65	-15
07-Mar-31	139	198	68	(60)	-	-	51	(43)	353	6.48	7.55%	0.62	220
07-Sep-31	127	205	72	(64)	-	-	-	(41)	299	6.98	7.55%	0.60	180
07-Mar-32	114	212	72	(64)	-	-	-	(38)	296	7.48	7.55%	0.58	172
07-Sep-32	101	218	77	(68)	-	-	-	(36)	293	7.98	7.55%	0.56	164
07-Mar-33	87	211	92	(68)	(15)	-	-	(32)	275	8.48	7.55%	0.54	148
07-Sep-33	74	232	82	(72)	-	-	-	(30)	285	8.98	7.55%	0.52	148
07-Mar-34	59	240	82	(72)	-	-	-	(26)	283	9.48	7.55%	0.50	142
07-Sep-34	44	244	87	(76)	-	-	-	(24)	275	9.98	7.55%	0.48	133
07-Mar-35	28	246	87	(76)	-	-	-	(20)	265	10.48	7.55%	0.47	124
07-Sep-35	12	257	92	(81)	-	-	-	(17)	263	10.98	7.55%	0.45	118
07-Mar-36	2	(94)	456	(81)	(362)	-	(14)	(14)	-107	11.48	7.55%	0.43	-47
07-Sep-36	8	60	284	(90)	(181)	-	14	(11)	85	11.99	7.55%	0.42	36
07-Mar-37	(2)	238	102	(89)	-	-	(0)	(7)	242	12.48	7.55%	0.40	98
Enterprise Value													4,160
(+) Closing cash or cash equivalents as at the Valuation Date													490
Adjusted Enterprise Value													4,650

*Upto 22 March 2037

Appendix 1.13 – Valuation of RAHPL as on 30th September 2024 under the DCF Method

INR Mn													
Year	Finance Income	Changes in Financial Asset	O&M Income	O&M Expense	MM Expense	Capex	Wcap	Tax	FCFF	CAF	WACC	DF	PVFCFF
	A	B	C	D	E	F	G	H	I=A+B+C- D-E-F-G-H	J	K	L	M=I*L
29-Nov-24	128	83	73	(40)	(30)	-	38	(36)	216	0.16	7.54%	0.99	214
29-May-25	123	110	46	(40)	-	-	43	(41)	242	0.66	7.54%	0.95	230
29-Nov-25	116	120	46	(40)	-	-	23	(40)	224	1.16	7.54%	0.92	206
29-May-26	109	119	49	(43)	-	-	-	(39)	196	1.66	7.54%	0.89	174
29-Nov-26	102	115	62	(43)	(12)	-	-	(38)	185	2.16	7.54%	0.85	158
29-May-27	95	128	52	(46)	-	-	-	(36)	192	2.66	7.54%	0.82	158
29-Nov-27	87	137	52	(46)	-	-	-	(35)	194	3.16	7.54%	0.79	154
29-May-28	78	139	56	(49)	-	-	-	(34)	190	3.66	7.54%	0.77	145
29-Nov-28	70	148	55	(49)	-	-	-	(33)	191	4.17	7.54%	0.74	141
29-May-29	61	149	59	(52)	-	-	-	(31)	186	4.66	7.54%	0.71	132
29-Nov-29	71	(529)	727	(52)	(659)	-	(79)	(32)	(553)	5.17	7.54%	0.69	-380
29-May-30	85	118	63	(55)	-	-	38	(28)	220	5.66	7.54%	0.66	146
29-Nov-30	77	126	63	(55)	-	-	38	(27)	222	6.17	7.54%	0.64	142
29-May-31	69	126	67	(58)	-	-	4	(25)	182	6.66	7.54%	0.62	112
29-Nov-31	62	134	67	(58)	-	-	-	(24)	180	7.17	7.54%	0.59	107
29-May-32	53	134	71	(62)	-	-	-	(22)	175	7.67	7.54%	0.57	100
29-Nov-32	45	132	80	(62)	(9)	-	-	(21)	166	8.17	7.54%	0.55	92
29-May-33	37	142	75	(66)	-	-	-	(19)	170	8.67	7.54%	0.53	91
29-Nov-33	28	150	75	(65)	-	-	-	(17)	171	9.17	7.54%	0.51	88
29-May-34	19	148	80	(69)	-	-	-	(15)	163	9.67	7.54%	0.50	81
29-Nov-34	10	152	80	(69)	-	-	-	(13)	160	10.17	7.54%	0.48	76
29-May-35	1	155	85	(73)	-	-	-	(11)	156	10.67	7.54%	0.46	72
29-Nov-35	2	(184)	427	(74)	(338)	-	(30)	(11)	(207)	11.17	7.54%	0.44	-92
29-May-36	3	144	91	(78)	-	-	29	(8)	181	11.67	7.54%	0.43	77
29-Nov-36	0	201	30	(25)	-	-	48	(4)	251	12.17	7.54%	0.41	104
Enterprise Value													2,529
(+) Closing cash or cash equivalents as at the Valuation Date													14
Adjusted Enterprise Value													2,543
*Upto 29 November 2036													

Appendix 2.1 – Weighted Average Cost of Capital of the SPV as on 30th September 2024- for Annuity SPVs.

Particulars	NBPL	SEPL	Remarks
Risk free return (Rf)	6.69%	6.69%	Risk Free Rate has been considered based on zero coupon yield curve as at 21st November 2023 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.61	0.66	Beta has been considered based on the beta of companies operating in the similar kind of business in India
Cost of Equity (Ke)	10.98%	11.28%	Base Ke = Rf + (β x ERP)
Company Specific Risk Premium (CSRP)	0.50%	0.50%	Based on SPV specific risk(s)
Revised Cost of Equity (Ke)	11.48%	11.78%	Adjusted Ke = Rf + (β x ERP) + CSRP
Pre-tax Cost of Debt (Kd)	8.25%	8.25%	As per the Existing Cost of Debt of the SPVs, as represented by the Investment Manager
Tax rate of SPV	17.08%	8.35%	Tax Rate Applicable to SPVs is considered
Post-tax Cost of Debt (Kd)	6.84%	7.56%	Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)
Debt/(Debt+Equity)	70.00%	70.00%	Debt : Equity ratio computed as [D/(D+E)]
WACC	8.23%	8.83%	WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]

Appendix 2.2 – Weighted Average Cost of Capital of the SPV as on 30th September 2024- for Toll SPVs.

Particulars	DBCPL	GEPL	JPEPL	UEPL	UTPL	GRICL	STPL	BETPL	Remarks
Risk free return (Rf)	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%	6.69%	Risk Free Rate has been considered based on zero coupon yield curve as at 21st November 2023 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.88	0.88	0.88	0.89	0.89	0.87	0.87	0.89	Beta has been considered based on the beta of companies operating in the similar kind of business in India
Cost of Equity (Ke)	12.88%	12.85%	12.86%	12.94%	12.94%	12.77%	12.81%	12.94%	Base Ke = Rf + (β x ERP)
Company Specific Risk Premium (CSRP)	1.00%	1.50%	1.50%	0.00%	1.00%	1.00%	1.00%	0.00%	Based on SPV specific risk(s)
Revised Cost of Equity (Ke)	13.88%	14.35%	14.36%	12.94%	13.94%	13.77%	13.81%	12.94%	Adjusted Ke = Rf + (β x ERP) + CSRP
Pre-tax Cost of Debt (Kd)	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	As represented by the Investment Manager
Tax rate of SPV	19.30%	20.17%	19.78%	17.47%	17.47%	22.60%	21.32%	17.47%	Tax Rate Applicable to SPVs is considered
Post-tax Cost of Debt (Kd)	6.66%	6.59%	6.62%	6.81%	6.81%	6.38%	6.49%	6.81%	Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)
Debt/(Debt+Equity)	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	Debt : Equity ratio computed as [D/(D+E)]
WACC	10.27%	10.47%	10.49%	9.87%	10.37%	10.08%	10.15%	9.87%	WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]

Appendix 2.3 – Weighted Average Cost of Capital of the SPV as on 30th September 2024- for HAM SPVs.

Particulars	ANHPL	GSHPL	RAHPL	Remarks
Risk free return (Rf)	6.69%	6.69%	6.69%	Risk Free Rate has been considered based on zero coupon yield curve as at 21st November 2023 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Market Risk Premium (ERP)	7.00%	7.00%	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium is considered appropriate for India
Beta (Relevered)	0.57	0.57	0.57	Beta has been considered based on the beta of companies operating in the similar kind of business in India
Cost of Equity (Ke)	10.71%	10.71%	10.71%	Base Ke = Rf + (β x ERP)
Company Specific Risk Premium (CSRP)	0.00%	0.00%	0.00%	Based on SPV specific risk(s)
Revised Cost of Equity (Ke)	10.71%	10.71%	10.71%	Adjusted Ke = Rf + (β x ERP) + CSRP
Pre-tax Cost of Debt (Kd)	8.25%	8.25%	8.25%	As per the Existing Cost of Debt of the SPVs, as represented by the Investment Manager
Tax rate of SPV	24.93%	25.17%	25.03%	Tax Rate Applicable to SPVs is considered
Post-tax Cost of Debt (Kd)	6.19%	6.17%	6.18%	Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate)
Debt/(Debt+Equity)	70.00%	70.00%	70.00%	Debt : Equity ratio computed as [D/(D+E)]
WACC	7.55%	7.53%	7.54%	WACC = [Ke * (1 - D/(D+E))] + [Kd * (1-t) * D/(D+E)]

Appendix 3.1 NBPL– : Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Validity/ Current status	In PPM Or Not	Document
1	Environmental Clearance No. 5-22/2007-IA-III (MH/AP to Armur, Andhra Pradesh) dated June 11,2007	Ministry of Environment & Forest (IA-III Division), NHAI		yes	yes
	Registration under Shops and Establishments Act	Government of Telangana Labour department			
2	Approval of Installation of DG set dated 08.09.2009	Government of Andhra Pradesh, Electrical Inspectorate	Lifetime	yes	yes
3	Bore well permit			no	yes
i	Lr No:107/T/2019	Govt of Telengana Ground Water Dept.	Lifetime	no	yes
ii	Lr No:107/T/2019	Govt of Telengana Ground Water Dept.	Lifetime	no	yes
iii	316/T4/Drinking/2019-20	Govt of Telengana Ground Water Dept.	Lifetime	no	yes
4	Provisional completion certificate dated July 22, 2009	Aarvee Associates		yes	yes
5	Completion certificate dated October 8, 2018	MSV International Inc.		yes	yes

Source: Investment Manager

Appendix 3.2 – SEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity/ Current status	In PPM Or Not	Document
1	Labour License No. GH.46 (120)/2010-L dated 10.08.2010	GOI Office of the Deputy Chief Labour Commissioner(Central)	10-08-2024	09-08-2025	yes	yes
2	Approval to operate and running a D.G. Set	Government of Meghalaya, Inspectorate of Electricity, Shillong	05-07-2024	04-07-2025	yes	yes
3	Provisional completion certificate dated July 12, 2013	URS Scott Wilson India Pvt. Ltd			yes	yes
4	Completion certificate dated March 30, 2017	Feedback Infra Private Limited			yes	yes
5	Certificate of license for trading license to non tribals	Khasi Hills Autonomous District Concil	03-12-2021	31-03-2025		

Source: Investment Manager

Appendix 3.3 – DBCPL: Summary of approval and licences

Sr.no.	Description of the permits	Issuing Authority	Date of issue	Validity/ Current status	In PPM Or Not	Document
1	Environment Clearance No. 5-43/2006-IA-III (Sehore bypass to Dewas bypass, Madhya Pradesh)	Ministry of Environment & Forest (IA-III Division), NHAI			yes	yes
2	Labour License No. SEHO230116CC000719 dated 04.01.2023 (For Amlhala Toll Plaza)	District Labour Officer Sehore, Government of Madhya Pradesh Labour Department	04-01-2023	31-12-2024	yes	yes
3	Labour License No. BHOP230116CC000722 dated 03.01.2023 (For Fanda Toll Plaza)	District Labour Officer Bhopal, Government of Madhya Pradesh Labour Department	03-01-2023	31-12-2024	yes	yes
4	Labour License No. DEWA230120CC000857 dated 05.01.2023 (For Bhourasa Toll Plaza)	District Labour Officer Dewas, Government of Madhya Pradesh Labour Department	05-01-2023	31-12-2024	yes	yes
5	Air (Prevention & Control of Pollution) Act, 1981				yes	yes
i	Fanda Toll Plaza AW-113091	Government of Madhya Pradesh		31-03-2028	yes	yes
ii	Amlaha Toll Plaza AW-113223	Government of Madhya Pradesh		31-03-2028	yes	yes
6	Applications for Issue of NOC to Abstract Ground Water (NOCAP)				No	yes
i	21-4/1272/MP/INF/2022	Government of India (Ministry of Jal Shakti)		06-06-2027	No	yes
ii	21-4/1274/MP/INF/2022	Government of India (Ministry of Jal Shakti)		03-07-2027	No	yes
iii	21-4/1276/MP/INF/2022	Government of India (Ministry of Jal Shakti)		06-06-2026	No	yes
7	Provisional completion certificate dated February 10, 2009	MPRDC			yes	yes
8	Completion certificate dated August 7, 2009	MPRDC			yes	yes
9	Provisional completion certificate dated September 17, 2009	MPRDC			yes	yes
10	Completion certificate dated February 3, 2010	MPRDC			yes	yes
11	Provisional completion certificate dated April 30, 2009	MPRDC			yes	yes

Source: Investment Manager

Appendix 3.4 – GEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity	In PPM O Document	
1	Environmental Clearance No. 5-27/2008-IA.III (Ahmedabad, Gujarat to Madhya Pradesh/Gujarat border.	Ministry of Environment & Forest (IA Division), NHAI		Lifetime	yes	yes
2	Labour License No. ALC/ADI/46(56)/2017 dated 28.02.2017	Office Asst Labour Commissioner(C) Ahmedabad		27-02-2024	yes	yes
3	DG installation certificate No/EI/Nad/Certi/2716/2018	Office of the Electrical Inspector		Lifetime	yes	yes
4	WIM and SWB Stamping certificate 1840241/DAH/2021/01	Govt. of Gujarat Legal Metrology Dept.			no	yes
4	Groundwater extraction NOC				no	yes
i	GWA/NOC/INF/ORIG/2020/9605	Central Ground Water Board West Central Region	25-12-2020	24-12-2025	no	yes
ii	CGWA/NOC/INF/ORIG/2020/9551	Central Ground Water Board West Central Region	22-12-2020	21-12-2025	no	yes
iii	CGWA/NOC/INF/ORIG/2021/10553	Central Ground Water Board West Central Region	29-01-2021	28-01-2026	no	yes
iv	CGWA/NOC/INF/ORIG/2021/9755	Central Ground Water Board West Central Region	03-01-2021	02-01-2026	no	yes
5	Provisional certificates dated (i) October 31, 2013 and (ii) September 25, 2015	Intercontinental Consultants and Technocrats Pvt. Ltd.		Lifetime	yes	yes
6	Completion certificate dated June 29, 2016	MSV International Inc.		Lifetime	yes	yes

Source: Investment Manager

Appendix 3.5 – JPEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of Issue	Validity/ Current status
1	Sanction of CRS for Launching Scheme of composite girder in Railway Portion in connection with Jhokpur	Dy Chief Engineer/Const. North-Western Rly,		
2	Labour License No. AJ(L)412/2014/-ALC	Licensing officer and Asst Labour Commissioner(C) Ajmer	22-12-2023	24-11-2024
3	Permission for Energisation of electrical installation No. EVJDR/PP/2021-22/340	Electrical Inspectorate , Rajasthan		
4	BOCW BOCW/ ALC Ajmer/ 2019/R-24	Assistant Labour commissioner	Lifetime	
5	WIM & SWB stamping 018632, 018633, 018634 & 018690, 018691, 018692	Weights and Measures Department	Regarding WIM calibration, SPV has informed to the weights and measure dept. that calibration is not required for the non-operational WIM as per the circular no. WM/19/134/2018 dated 14.01.2019	Regarding WIM calibration, SPV has informed to the weights and measure dept. that calibration is not required for the non-operational WIM as per the circular no. WM/19/134/2018 dated 14.01.2019
7	Registration certificate No. AJ/R/2013 dated 13-11-2013 of principal employer			
8	Certification of incorporation	Ministry of Corporate Affairs	Lifetime	

Source: Investment Manager

Appendix 3.6 – UEPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Date of issue	Validity/ Current status	In PPM Or Not	Document
1	Environmental Clearance No. 18-18/2004-IA-III (Tindivandam to Trichy bypass, Tamilnadu)	Ministry of Environment & Forest (IA Division), NHA			yes	yes
2	Certificate for registration of captive generating unit (Reg ID: CUD 59/2016-17/HT dated 22.09.2020	Government of Tamil Nadu, Electrical Inspector, Cuddalore		22-06-2025	yes	yes
3	Fire Service License (K.Dis.No : 7544/B1/2023 dated 11.09.2023)	Tamil Nadu Fire and Rescue Service Department		11-09-2024	yes	yes
4	Certificate of registration dated December 10, 2019	Ministry of Labour and Employment		31-12-2027	yes	yes
5	Certificate for registration of employer dated 1/11/2081 BOCW/ALCPUDUCHERRY/2018/R-24	Office of the registering officer				
6	Consent to establish for Air dated October 30, 2018	Tamil Nadu Pollution Control Board		Payment done till the end of Concession period i.e.2027, It's in process.	yes	yes
7	Consent to establish for Water dated October 30, 2018	Tamil Nadu Pollution Control Board			yes	yes
<u>NOC for Ground water</u>						
i	202/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026	No	yes
ii	203/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026	No	yes
iii	204/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026	No	yes
iv	205/2020	Government of Tamil Nadu Public Works Department Water resource department	23-07-2023	23-07-2026	No	yes

Source: Investment Manager

Appendix 3.7 – UTPL: Summary of approval and licences

Sr. No.	Description of the permits	Date of Issue	Validity	Issuing Authority
1	Consent for Establishment and Operation of Plants from Pollution Control Boards	19-07-2018		Karnataka State Pollution Control Board
2	Inspection Certificate for WIM installed at various Toll Plazas- Thalapady	06-09-2023	05-09-2024	Government of Karnataka department of legal metrology
3	Inspection Certificate for WIM installed at various Toll Plazas- Hejmadi	15-09-2023	14-09-2024	Government of Karnataka department of legal metrology
4	Labour licenses (issued by local Labour Commissioner)	18-08-2023	31-12-2025	Local labour Commissioner
5	Permission for operation of wet mix plant		31-12-2027	Karnataka State Pollution Control Board
6	Permission for operation of ready mix concrete plant		31-12-2026	Karnataka State Pollution Control Board

Source: Investment Manager

Appendix 3.8 – STPL: Summary of approval and licences

Sr. No.	Description of the permits	Date of Issue	Issuing Authority
1	Labour licenses (issued by local Labour Commissioner)		
	Budanam Toll Plaza	21-Nov-18	Ministry of Labour and Employment
	Sullurupet Toll Plaza	19-Dec-18	Ministry of Labour and Employment
	Venkatachalam Toll Plaza	23-Nov-18	Ministry of Labour and Employment
	Keesara Toll Plaza	29-Mar-22	Ministry of Labour and Employment
	Nellore	09-Nov-21	Ministry of Labour and Employment
	Hyderabad	30-Nov-19	Ministry of Labour and Employment
2	Registration under the concerned Shops and Establishment Act, as applicable	30-Nov-19	Labour Department - Government of Telangana
	Hyderabad	25-Jan-22	Commercial Taxes Department - Government of Telangana
	Keesara Toll Plaza	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
	Nellore	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
	Sullurupet Toll Plaza	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
	Budanam Toll Plaza	05-Apr-21	Commercial Taxes Department - Government of Andhra Pradesh
3	Consent of Establishment and Operation of Plants from Pollution Control Board	29-Aug-01	Andhra Pradesh Pollution Control Board
4	Approvals from Central/ State Pollution Control Boards for setting up of Hot Mix Plant .	02-Jul-02	Andhra Pradesh Pollution Control Board
5	License for use of explosives	04-Jul-01	Department of Explosives, Government of India
6	License to import and store petroleum in installation	02-Jan-02	Department of Explosives, Government of India
7	NOC for establishment of HSD storage tanks	22-Nov-01	Department of Explosives, Government of India
8	Permission of State government for drawing water from river/reservoir	20-Aug-02	Irrigation & CAD Department
9	Quarry Lease Deed	20-Apr-01	Department of Mines & Geology, Government of Andhra Pradesh

Source: Investment Manager

Appendix 3.9 – GRICL: Summary of approval and licences

Sr. No.	Description of the permits	Date of Issue	Issuing Authority
1	Registration under the concerned Shops and Establishment Act, as applicable	16-Feb-09	Ahmedabad Municipal Corporation
2	Registration under the concerned Shops and Establishment Act, as applicable	29-Jan-01	Vadodara Municipal Corporation
3	Registration under the concerned Shops and Establishment Act, as applicable	05-Mar-21	Amdavad Municipal Corporation
4	Registration under the concerned Shops and Establishment Act, as applicable	29-Jan-21	Vadodara Municipal Corporation
5	Enrolment Certificate under the concerned Professional Tax Act, as applicable	07-Jul-20	Professional Tax Department, Amdavad Municipal Corporation
6	Registration Certificate under the concerned Professional Tax Act, as applicable	07-Jul-20	Professional Tax Department, Amdavad Municipal Corporation
7	Enrolment Certificate under the concerned Professional Tax Act, as applicable	22-Oct-99	Commercial Tax Department, Vadodara
8	Registration Certificate under the concerned Professional Tax Act, as applicable	22-Oct-99	Commercial Tax Department, Vadodara
9	Principal Employer Registration (issued by local Labour Commissioner)	03-Oct-14	Additional Labour Commissioner
10	License for Power Supply	06-May-22	Electrical Inspector, Gandhinagar
11	Environmental Clearance for strengthening & widening of roads	30-Mar-00	Forests & Environmental Dept., Government of Gujarat
12	License to use forest or non - agricultural land	14-Nov-00	Ministry of Environment or Forests, Government of India
13	Approvals from Central/ State Pollution Control Boards for setting up of Hot Mix Plant .	11-Jan-01	Gujarat Pollution Control Board

Source: Investment Manager

Appendix 3.10 – ANHPL: Summary of approval and licences

Sr. No.	Description of the permits	Issuing Authority	Validity	Document
1	License for Building & Other Construction activities (Office of the Regional Labour)	Office of Senior Town Planning,Gurugram	NA	Yes

Appendix 3.11 – ANHPL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Validity	Issuing Authority
1	Permission of Environment Ministry for cutting of trees	09-Aug-18		Ministry of Environment, Forest and Climate Change
2	Grant of consent to establish to M/s HG Infra Engineering Ltd.	11-Jun-19	10-Jun-22	Haryana State Pollution Control Board
3	Grant of consent to operate to M/s HG Infra Engineering Ltd.	22-Apr-20	31-Dec-22	Haryana State Pollution Control Board
4	Inspection Certificate for Static Weight Bridge at various Toll Plazas (Legal Metrology)		02-Aug-23	
5	Inspection Certificate for WIM installed at various Toll Plazas		02-Aug-23	
6	Employees Provident fund Code Number			
7	Labour licenses (issued by local Labour Commissioner)	15-May-23	05-May-24	

Source: Investment Manager

Appendix 3.12 – RAHPL: Summary of approval and licences

Sr. No.	Approvals	Date of Issue	Validity	Issuing Authority
1	Grant of consent to operate to M/s HG Infra Engineering Ltd.	22-Nov-19	31-Dec-22	Haryana State Pollution Control Board
2	Construction of proposed Narnaul Bypass as an Economic Corridor & Ateli Mandi to Narnaul section of NH-11 from 43.445 to 56.900 (designed length 14km) as a Feeder Route in the state of Haryana.	07-Aug-19		National Highways Authority of India
3	Upgradation of four lane of Rewari-Ateli Mandi section of NH-11 from 11+780 to km 43+445 Package-III as feeder route in the State of Haryana	20-Jan-20		National Highways Authority of India
4	Application for consent to operate under section 21 of Air (Prevention and Control of Pollution) Act, 1981.	31-Jan-20		Rajasthan State Pollution Control Board
5	Application for the grant of permit under Rule 31 of the Haryana Minor Mineral Concession for excavation of Ordinary clay or Earth.	28-Jan-21	08-Mar-21	Mining Officer, Mining & Geology Department
6	Regarding lifting of ordinary soil	01-Sep-22		Mining Officer, Mining & Geology Department
7	Permission of Environment Ministry for cutting of trees			
8	Inspection Certificate for Static Weight Bridge at various Toll Plazas (Legal Metrology)		29-May-24	
9	Inspection Certificate for WIM installed at various Toll Plazas		29-May-24	
10	Permission for setting up of Plant, installation of crushers, camp, stockyard, etc.			
11	Commissioning approval of the electrical installation for availing temporary power supply for Construction purpose			
12	Employees Provident fund Code Number			
13	Labour licenses (issued by local Labour Commissioner)	18-Aug-21	24-Aug-23	

Source: Investment Manager

Appendix 4.1 – NBPL: Summary of Ongoing Litigations

NBPL					
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	NBL has filed writ petition (WP 15464/2011) in AP High Court against District Registrar, Adilabad's notice in regards to applicability of 5% stamp duty (on TPC) on execution of Concession Agreement.	1	Telangana High Court	AP High Court on 9 June 2011 has granted stay order in favor of NBL and restrained the Registrar from taking any action against NBL pending the decision. At present, case is pending before High Court and the matter is to be listed on October 29, 2024.	135.9

Appendix 4.2 – DBCPL: Summary of Ongoing Litigations

DBCPL

Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	DBCPL has filed writ petition (no. 10812 of 2011) in MP High Court against imposition of labor cess amounting INR 4.68 Cr. under Building and other construction workers Welfare Cess Act, 1996.	1	MP High Court	MP High Court on 09 Sept. 2015 (corrected vide order dated 30 Sept. 2015) ordered that, pending disposal of writ petition, no coercive steps for recovery of cess shall be taken against DBCPL. At present, case is pending for final hearing.	46.8
2	DBCPL has filed special leave petition (civil) (no. 14693 of 2010 - converted into Civil Appeal No. 8987 of 2013) in Supreme Court against final order passed by MP High Court on 11 Feb. 2010 in regards to applicability of 2% stamp duty (on TPC) on execution of Concession Agreement.	1	Supreme Court	The Supreme Court, vide, its judgment dated 19th July 2024(SC Order), has directed the Collector (Stamps)/Revenue Officer to calculate and communicate the stamp duty to DBCPL within a period of 2 months. The order further states that the Company will have to discharge the demand amount within a period of 2 months of the fresh demand. DBCPL will file a review petition to challenge the SC Order.	89

Appendix 4.3 – GRICL: Summary of Ongoing Litigations

GRICL						
Sr. No	Matter	No. of Suits	Pending Before	Particulars		Amount Involved (In Mn)
1	As per the prayer, they asked for stop collection of toll on AMRP and VHRP in view of the fact that the Concesssnaire has recovered the total cost of projects and reasonable return. Alternately stop leying per excel user charges	1	Gujarat High Court, Chief Justice Bench	The next of hearing is October 25, 2024		
2	Appointment of Arbitration for Adjudciation of dispute	1	Gujarat High Court, Chief Justice Bench	The Hon'ble High Court has not assigned the date for hearing		No monetary claim has been made by the complainant.
3	First Appeal against Order Passed by Learned Special Judge, Commercial Court, in commercial Civil Application 25 of 2022	1	Gujarat High Court	The next date of hearing is November 28, 2024		No monetary claim has been made by the complainant.
4	The complainant (Advertiser) has filed case against GRICL stating that its hoarding structures have been stolen by GRICL and its officials without its knowledge and information. The fact is the structures were removed in front of Advertisers representatives and Police Officials on failure of the Advetiser to remove the structues by its own. Pictorial proof is there.	1	Taluka Court - Kalol, Dist Gandhinagar	The case hearings are ON at the court on due dates. The complainant has not attended the dates from last 6 months. The next date of hearing is November 25, 2024		No monetary claim has been made by the complainant.
5	The complainant (A Tyre Shop) has filed case against GRICL stating that GRICL has grab his land from where the access to his shop from the highway is available. GRICL is not releasing the land which is affecting his business. The fact is complainant has unauthorised occupied within the RoW of the Project Road and also has made an illegal access to his land / shop.	1	District Court - Vadodara	The case hearings are ON at the court on due dates. The complainant has not attended the dates from last 6 months. The next date of hearing is October 30, 2024		No monetary claim has been made by the complainant.

Appendix 4.4 – UEPL: Summary of Ongoing Litigations

UEPL					
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	UEPL in April 2017 has filed writ petition in Madras High Court against pending toll fee dues from Tamil Nadu State Transport Corporation.	1	Madras High Court	<p>Last hearing in this matter was scheduled on 23 November 2022, wherein Court has appointed mediator as per agreement between both the parties. Both the petitioner and the respondents are required to produce their accounts and arrive at a settlement and the Mediator is requested to conclude mediation proceedings within a period of four months. Accordingly, this Writ Petition is disposed off.</p> <p>The Company has already shared all the relevant documents in support of its claim with Transport Companies and they are to revert before the Mediator. The Mediator is yet to fix next date of sitting.</p>	128.1

Appendix 4.5 – BETPL: Summary of Ongoing Litigations

BETPL

Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	Claim under State Support Agreement for toll revenue loss due to refusal of Toll Fee by Locals at Attibelle toll plaza	1	Delhi High Court	<p>Arbitral Tribunal (AT) on 12 February 2021 has awarded claim of INR 54.60 Cr. in BETPL favour. This amount is pertaining to revenue loss from May 2010 i.e. from COD to December 2018. For further period i.e. from January 2019 onwards, BETPL is entitled to approach NHAI to determine and certify the revenue loss and forward the same to GOK. Alternatively the BETPL may adopt any other mode of redressal for this period in accordance with Law.</p> <p>GOK has filed an application under Section 34 of the Arbitration and Conciliations Act, 1996 (A&C Act) for setting aside aforesaid award. During last hearing on 11 May 2023, GOK has informed that it has filed the rejoinder in response to BETPL defense. Next hearing in this matter is scheduled on 29 October 2024.</p>	546

Appendix 4.6 – STPL: Summary of Ongoing Litigations

STPL					
Sr. No	Matter	No. of Suits	Pending Before	Particulars	Amount Involved (In Mn)
1	The Complainant has filed a case claiming deficiency in service and made a claim of Rs. 1,05,200/- be paid as compensation.	1	District Consumer Disputes Redressal Commission, Vijayawada	Pending. Date not assigned	0.11
2	Suit filed seeking mandatory Injunction to declare his vehicle as MMV, implement the NHAI circular , Cost of suit and any other releif as deemed fit and proper.	1	1st Additional Junior Civil Judge, Nellore	Pending. Date not assigned	No monetary claim has been made by the complainant.
3	Writ of Mandamus filed for removal of toll plaza at Keesara, recover and desposit of toll collection and grant a stay to stop toll collection and pass such other order as deem fit.	1	Hon'ble High Court, Andhra Pradesh	Pending. Date not assigned	Prayer for removal of Keesara Toll Plaza and recover and deposit of Rs. 540 from STPL and deposit the same with AP Government

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