



HIGHWAYS INFRASTRUCTURE TRUST

ACTIVITY AND PERFORMANCE REPORT FOR THE QUARTER ENDED March 31, 2025

This report for Highways Infrastructure Trust ("HIT/Trust") for the quarter ended Mar 31, 2025 has been prepared pursuant to regulations 10(18) and 10(24) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and any amendment thereof ("SEBI InvIT Regulations").

FINANCIAL PERFORMANCE

Audited Financial Statements for the quarter ended Mar 31, 2025 will be presented before the Board of the Directors of Highway Concessions One Private Limited, the investment manager of HIT ("HC1" or "IM") within 60 days of end of the financial year.

ACQUISITIONS: HIT received the appointment date for TOT bundle 16 on Feb 14, 2025 and completed the acquisition of Rewari Bypass Private Limited on Feb 20, 2025

TOT 16: North Telangana Expressway Private Limited, has successfully achieved the Appointed Date for Tolling, Operation, Maintenance & Transfer of Nagpur-Hyderabad Corridor of NH 44 in the state of Telangana (TOT Bundle 16 project) and commenced the toll collection on the project with effect from Feb 14, 2025. The project is a ~252 km, 4-lane project and is part of NH 44, which is the primary corridor for North-South traffic in the country passing through 12 states.

RBPL: The 14.4 km, 4-lane Hybrid Annuity project on NH 11 plays a critical role in enhancing connectivity between Delhi and Rajasthan, linking key cities like Jhunjhunu and Bikaner. A standout feature of this project is its engineering marvel - an impressive 111.5-meter-long Rail Over Bridge (ROB), making it one of the largest and heaviest ROB in India. We completed the acquisition on Feb 20, 2025.



OPERATIONAL HIGHLIGHTS



INCOME - BOT (TOLL) PROJECTS

Sl. No.	Particulars	Q4 FY 2025 (INR Mn)
1	Godhra Expressways Private Limited ("GEPL")	506.1
2	Ulundurpet Expressways Private Limited ("UEPL")	480.9
3	Jodhpur Pali Expressway Private Limited ("JPEPL")	181.0
4	Dewas Bhopal Corridor Private Limited ("DBCPL")	663.9
5	Udupi Tollways Pvt. Ltd. ("UTPL")	363.7
6	Swarna Tollway Private Limited ("STPL")	936.3
7	Gujarat Road and Infrastructure Company Limited ("GRICL")	983.1
8	Bangalore Elevated Tollway Private Limited ("BETPL")	593.4
9	North Telangana Expressway Private Limited ("NTEPL")	714.7

Notes:-

1. For Toll project, revenue collected through Toll has been considered and income arising out of change of scope activity has not been considered.
2. For GRICL please note full revenue has been reported while HIT owns around 56.8%.
3. Revenue numbers are as per the unaudited financial of SPV as on Mar 31, 2025 and may undergo a change upon completion of audit.
4. For NTEPL, revenue is disclosed from appointment date i.e., Feb 14, 2025.





OPERATIONAL HIGHLIGHTS

INCOME -BOT (ANNUITY) - PROJECTS

Sl. No.	Particulars	Q4 FY 2025 (INR Mn)
1	Shillong Expressway Private Limited ("SEPL")	51.8
2	Nirmal BOT Private Limited ("NBL") (Formerly known as Nirmal BOT Limited) ("NBPL")	118.73

Notes:-

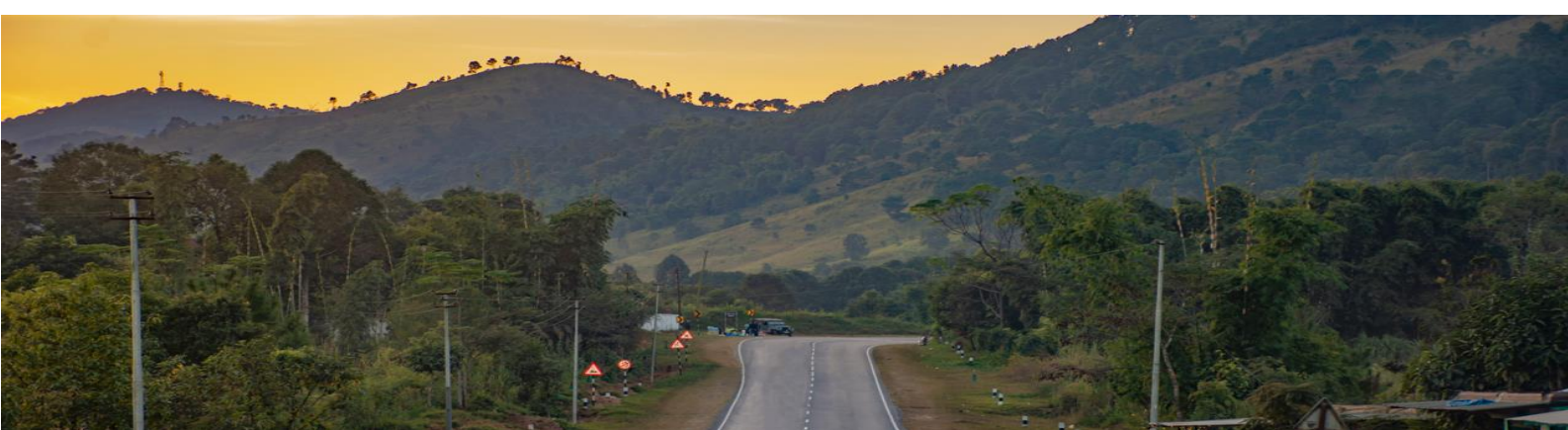
1. Revenue for BOT Annuity projects considered are as per Ind-AS 115 and the actual annuity receipt figures may differ.
2. Revenue numbers are as per the unaudited financial of SPV as on Mar 31, 2025 and may undergo a change upon completion of audit.

INCOME - HYBRID ANNUITY MODEL PROJECT (HAM PROJECTS)

Sl. No.	Particulars	Q4 FY 2025 (INR Mn)
1.	Gurgaon Sohna Highway Private Limited ("GSHPL")	130.4
2.	Rewari Ateli Highway Private Limited ("RAHPL") (Formerly known as H.G. Rewari Ateli Highway Private Limited)	74.1
3.	Ateli Narnaul Highway Private Limited ("ANHPL") (Formerly known as H.G. Ateli Narnaul Highway Private Limited)	94.6
4.	Rewari Bypass Private Limited ("RBPL") (Formerly known as H.G. Rewari Bypass Highway Private Limited)	87.8

Notes:-

1. Revenue for HAM projects considered are as per Ind-AS 115 and the actual annuity receipt figures may differ. For Rewari Bypass revenue is considered from takeover date of Feb 20, 2025.
2. Revenue numbers are as per the unaudited financial of SPV as on Mar 31, 2025 and may undergo a change upon completion of audit.





MAINTENANCE WORK



ROUTINE MAINTENANCE

All routine maintenance activities have been carried out as per the requirements set out under the respective concession agreements.

MAJOR MAINTENANCE

A synopsis of status of ongoing major maintenance ("MM") is set out below:

Entity Name	Status as on March 31, 2025	Expected Completion date
DBCPL	Major maintenance commenced in the month of Dec 2024. BC overlay of 94/109 two lane kilometers on main carriageway was completed by March 31, 2025. The major maintenance for the remaining Identified stretches is expected to be completed by April 30, 2025.	April, 2025
GRICL	i) Major maintenance at AMRP commenced in May 2024 , a total of 59.78 Km (two lane) of road is undertaken for MM out of which 53.87 Km is completed, the balance section will be completed by April 2025. ii) Major Maintenance at VHRP has commenced in March, 2025 and a total length of 48.4 Km (two lane) is being taken up out of which 8 Kms is completed, the balance section will be completed by May 2025.	May, 2025
UTPL	Major maintenance commenced in the month of December 2023. SMA overlay works on main carriage way is complete. Service Road 02/46 kilometers completed, balance work in progress.	May, 2025



HEALTH, SAFETY, ENVIRONMENTAL AND SOCIAL (HSES)

- Internal HSES Training:** A total of 8,101 man-hours were dedicated to HSES training across all SPVs during quarter ended Mar 31, 2025, including the rollout of structured and local-language modules.
- External HSES Training:** First Aid training by St John Ambulance and Electrician training across 14 SPVs conducted this quarter.
- Visibility Enhancement for Night:** Provided high visibility uniforms and helmets with lights to the Incident management teams across all projects.

Compliance Confirmation

The status of the compliance with the SEBI InvIT Regulations is set out below:

Borrowings:

HIT has availed the following third-party borrowings and such borrowings are in compliance with Regulation 20 under SEBI InvIT Regulations.

Particulars	Facility (INR Mn)	Outstanding as on Mar 31, 2025 (INR Mn)
Rupee term Loan ("RTL") I, II & IV	60,000	34,166
Listed Non-convertible	11,500	11,338
Commercial Papers ("CP")	2,750	2,750
Bank Guarantee ("BG")	750	174
Loans at SPVs ²	NA	1,063

1. The amounts outstanding above are as of Mar 31, 2025 and may differ from those appearing in the financial statements due to Ind-AS adjustments.

2. Loan at SPVs include loan from erstwhile promoters in UEPL and NCD in GRICL (HIT's proportionate economic interest of 56.80%) as at Mar 31, 2025.

3. As on Mar 31, 2025, the aggregate consolidated net borrowing (net of cash and cash equivalents) and deferred payment of HIT is at 24.67% of the value of HIT assets as determined by the latest available valuation (as of Sep 30, 2024) undertaken by the valuers in accordance with the SEBI InvIT Regulations. The enterprise value as on Sep 30, 2024 is considered for all assets except for North Telangana Expressway Private Limited (Nov 30, 2024) & Rewari Bypass Private Limited (Dec 31, 2024).

4. Please note that cash and cash equivalents consider all cash, bank balances, fixed deposits and overnight mutual fund investments as per financial statements and includes all interest accrued / reserves / amounts earmarked for distribution. (Cash and cash equivalents for GRICL are considered proportionate to economic interest of HIT of 56.80%)

5. Amount outstanding of New CPs along with accumulated interest as per IndAS as on Mar 31, 2025 is Rs. 2,607 Mn. Such amount has been considered for the purpose of calculation as per Regulation 20 under SEBI InvIT Regulations. However, maturity value of Rs. 2,750 Mn of New CPs is considered in the borrowings mentioned above.

6. Agreement for RTL III has been signed on Jan 14, 2025 with sanctioned amount of Rs. 49,500 Mn. No draw down has been made from this facility as on Mar 31, 2025.



RELATED PARTY TRANSACTIONS:

All related party transactions by HIT during the quarter have been entered into in accordance with the provisions set out in Regulation 19 of the SEBI InvIT Regulations and will be set out in the Audited Financial Statement for the quarter and year ended March 31, 2025 which will be presented to the Board of Directors ("Board") of the IM within 60 days of end of the quarter.

INVESTMENT CONFIRMATION:

All investments by HIT during the quarter have been made in 'eligible infrastructure projects', and no investments in under construction assets has been made by HIT.

DISTRIBUTIONS:

HIT distributed INR 1.19/- per unit in the quarter ended March 31, 2025 for the previous quarter. The distribution for the quarter ended March 31, 2025 will be considered by the Board of the Investment Manager in upcoming Board Meeting.

OTHER UPDATES:

Please find below other important updates for the quarter and until the date of this report: -

Change in Board of Directors/ Key Managerial Personnel:

- Mr. Bruce Ross Crane, unitholder nominee director has tendered his resignation from the Board, of the Investment Manager, from the close of business hours on February 23, 2025.
- The Board of the Investment Manager has appointed Mr. Michael Nachaty as the unitholder nominee director w.e.f. February 24, 2025, consequent to the nomination received from 2452991 Ontario Limited.
- The Board of the Investment Manager has inducted Mr. Michael Nachaty in place of Mr. Bruce Ross Crane in the investment committee w.e.f. March 13, 2025. The revised composition of the investment committee is set out below :

Committee Name	Composition w.e.f. March 13, 2025
Investment Committee	(i) Mr. Hardik Shah
	(ii) Mr. Michael Nachaty
	(iii) Mr. Manish Agarwal
	(iv) Mrs. Sudha Krishnan

Commencement of toll collection at NTEPL:

North Telangana Expressway Private Limited ("NTEPL"), a SPV of Highways Infrastructure Trust received communication from National Highways Authority of India ('NHAI') for Appointed Date' as February 14, 2025. Accordingly, the NTEPL has commenced the toll collection on the Project with effect from February 14, 2025.

General Information:

- The list of material litigations of the assets of the Trust are attached as **annexure** to this Report;
- Scheme of Arrangement of BETPL (SPV of the Trust) is ongoing;
- Capital reduction of RAHPL and UEPL (SPVs of the Trust) have been completed;

Acquisition of Rewari Bypass Private Limited ("RBPL"):

Consequent to completion of contractual obligations in accordance with the terms of the SPA. Highways Infrastructure Trust has successfully completed the acquisition of 100% of the equity shareholding in RBPL on February 20, 2025, pursuant to which RBPL has become a special purpose vehicle of the Trust.

Unitholders Approval:

- A postal ballot notice was circulated to the unitholders seeking their approval for the following:
 - provision of financial assistance to ("NTEPL"), a special purpose vehicle ("SPV") of HIT, by way of subscription to the securities or providing secured or unsecured fund based and/or non-fund-based support up to an amount of INR 67,610 Mn in one or more tranches.
 - Issuance of up to 70,43,95,456 units of HIT at an issue price of INR 78.10 per unit for an aggregate amount of up to approximately INR 55,013 Mn, on a preferential basis, subject to approval of unitholders of HIT.

The resolutions were approved by the unitholders with requisite majority on January 18, 2025.
- Another postal ballot notice was circulated seeking their approval for acquisition of all of some of the 12 identified special purpose vehicles owned by PNC Infratech Limited and PNC Infra holdings limited for an enterprise valuation in aggregate not exceeding ₹ 90,057 million. The resolution was approved by the unitholders with requisite majority on March 27, 2025.

Availing of credit facilities by HIT:

Board of directors of the IM at its meeting held on March 25, 2025, approved enhancing the overall non-fund-based limits from INR 75 Crore to INR 225 Crore by availing an additional non-fund-based facility of up to INR 150 Crore for the Trust.

ANNEXURE: MATERIAL LITIGATION OF SPVs

Legal Proceedings and Material Litigations

1.1 There are no material litigations against the Trust. The details of the material litigations against the special purpose vehicles owned by the Trust are listed below. For the purposes of claims involving amounts exceeding INR 212.54 Mn, i.e., 1.5% of the total revenue from operations of the special purpose vehicles as of the period ended March 31, 2024, being the last audited financials available or which are otherwise considered material by the management, have been considered.

1.2 Proceedings involving the SPVs:

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

Proceedings against DBCPL

(i) A former employee of DBCPL, has filed a complaint before the Labour Court, Bhopal, under the Industrial Disputes Act, 1947, regarding the wrongful termination of his employment. DBCPL position is that the termination of the complainant was due to (i) the complainant's involvement in stopping toll collection at DBCPL's toll plazas and allowing vehicles to cross without payment of toll on December 30, 2015, and (ii) the complainant's misbehavior with other senior employees of DBCPL. The matter is currently pending.

Proceedings by DBCPL

(i) DBCPL has filed a criminal complaint before the court of L.D. Judicial Magistrate, First Class, Sonkutch (Dist. Dewas) against its former employee under sections 408 and 420 of the Indian Penal Code, 1860, read with section 200 of the Code of Criminal Procedure, 1973, in relation to unauthorised absence from service and misappropriation of an amount of approximately ₹0.09 Mn. The matter is currently pending.

(ii) DBCPL had filed a writ petition ("Stamp Act WP") before the High Court of Madhya Pradesh ("MP High Court"), against the Department of Commercial Taxes and Madhya Pradesh Road Development Corporation Limited ("MPRDC") challenging the constitutionality of proviso (c) to Entry No. 33 of Schedule 1-A of the Indian Stamp Act, 1899 as amended by the Indian Stamp Act (M.P Amendment) Act, 2002 (Act No. 12 of 20220) which provides for levy of a stamp duty at 2% on the amount likely to be spent under a B.O.T agreement by a lessee. The alleged deficit stamp duty payable by DBCPL is ₹85.30 Mn. The MP High Court by its order dated February 11, 2010, dismissed the Stamp Act WP. Subsequently, DBCPL filed Special Leave Petition ("SLP") before the Supreme Court of India challenging the MP High Court's order. 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 DBCPL will have to discharge the demand amount within a period of 2 months of the fresh demand. DBCPL has not yet received any fresh demand notice from the Collector (Stamps)/Revenue Officer pursuant to the SC Order. Further, the order is subject to review which is filed by affected parties and date of hearing is awaited.

(iii) DBCPL filed a writ petition before the High Court of Madhya Pradesh against, amongst others, the State of Madhya Pradesh, challenging the constitutionality of Rule 14(2)(b) of the Building and Other Construction Workers Cess Rules, 1988 ("Cess Rules"). DBCPL has challenged (i) the inspection report issued by the Labour Inspector; and (ii) the show cause notices issued to it by the Labour Commission, Madhya Pradesh, in respect of submission of the project cost for assessment of cess and alleged non-payment of labour cess. The Petitioner submitted that the Cess Rules are not applicable to the Petitioner. The High Court, by way of its order dated September 09, 2015 (as modified by way of order dated September 30, 2015), directed that, pending disposal of the writ petition, no coercive steps for the recovery of cess shall be taken against the Petitioner. The estimated amount involved in this matter is ₹ 47.78 Mn. The matter is currently pending.

ANNEXURE: MATERIAL LITIGATION OF SPVs

1.2 Proceedings involving the SPVs:

(b) Nirmal BOT Private Limited (formerly known as Nirmal BOT Limited) ("NBPL")

Proceedings by NBPL

NBPL has filed a writ petition before the High Court of Andhra Pradesh, against the District Registrar and the Inspector General of Stamps and Registration regarding the demand for payment of ₹ 135.86 Mn as stamp duty on the NBPL concession agreement. The High Court by way of its order dated June 09, 2011, has granted a stay in respect of all further proceedings. The matter is currently pending.

(c) Swarna Tollway Private Limited ("STPL")

Proceedings against STPL

(i) A writ petition has been filed against STPL by a local individual seeking the removal of the toll plaza at Keesara, recovery, and deposit of toll collection. The writ petition was filed on the grounds that as per National Highways Fee (Determination of Rates and Collection) Rules, 2008, the minimum distance between two adjacent toll plazas should be 60 kilometers. However, the distance between the toll plaza at Keesara village and another toll plaza named Vijayawada Expressways Private Limited at Chillakallu village, on the NH-65, is less than 35 kilometers. Since the toll plaza at Keesara village is in contravention of the NH Rules, 2008, the sum collected by STPL from the public is against the law. NHAI has filed its response indicating that since the concession agreement with respect to STPL was entered into on March 27, 2001, it is regulated by the National Highway Collection of Fee by any person for the use of NHAI Fee Rules, 1997, and not the NH Rules, 2008, and accordingly there is no breach. The matter is currently pending.

(ii) Petitions have been filed against STPL before Central Government Industrial Tribunal by 17 dismissed employees claiming wrongful dismissal and claiming an aggregate compensation of approx. ₹ 6,00,00,000 and reinstatement of employment. The matters are pending.

(iii) There are 7 matters pending before High Court of Andhra Pradesh for AY 2005-06 to AY 2011-12 in connection with disallowance by Income Tax authority of depreciation on toll road as deduction. The aggregate amounts of disallowance in these appeals are ₹ 2,908.53 Mn.

(iv) There is a matter pending before Commissioner of Income Tax (Appeals) for AY 2018-19 against the decision of by income tax authorities of disallowing MM provision, service fee paid to group entity etc. The aggregate amounts of demand as per demand notice is ₹ 121.60 Mn.

(v) There is a matter pending before Commissioner of Income Tax (Appeals) for AY 2020-21 against the Income Tax authority's decision of disallowance of (i) service fees paid to group entity; and (ii) disallowing deduction under section 80-IA. The aggregate amounts involved in these appeals are ₹ 250.37 Mn.

Proceedings by STPL

STPL has filed a complaint under the Consumer Protection Act, 2019, before District Consumer Dispute Redressal Commission, Hyderabad against United India Insurance Company Limited claiming deficiency of services by them and underpayment of claim amount lodged by the STPL. STPL prayed for payment of ₹ 337.7 Mn. The District Commission passed an order directing payment of INR 224.2 Mn. to STPL. UIICL has filed an appeal before the State Consumer Dispute Redressal Commission challenging the order of the District Commission. The matter is currently pending.



ANNEXURE: MATERIAL LITIGATION OF SPVs

1.2 Proceedings involving the SPVs:

(d) Gujarat Road and Infrastructure Company Limited ("GRICL")

Proceedings against GRICL

(i) A writ petition has been filed against GRICL by Akhil Gujarat Truck Transport Association before the High Court of Gujarat claiming the toll collection under the concession agreements for the projects operated by the GRICL should be suspended. As an alternate prayer, the petitioner has sought relief for the stoppage of toll on per axle basis. The petitioners have claimed the issue at hand to be similar to the issues present in Noida Tollway Bridge Company Limited ("NTBCL"), which has been objected to by GRICL. The Supreme Court in December 2024 upheld the findings of the Allahabad High Court in the NTBCL matter which has ended toll collection on Delhi-Noida Direct flyway. Further, GRICL has presented before the High Court, the legal and factual position to differentiate the concession and issues from those at NTBCL. On the last date of hearing, the Gujarat High Court has assigned the matter to a new bench. The matter continues to be pending.

(ii) There are currently 22 matters pending before the High Court of Gujarat covering the following areas for AY 2002-03 to AY 2016-17: (i) disallowance by Income Tax authority of depreciation on toll road as deduction; (ii) disallowance by Income Tax authority of interest on Deep Discount Bonds as deduction; (iii) disallowance by Income Tax authority of MAT credit entitlement while computing book profit u/s115JB; and (iv) disallowance of carry forward of losses. The aggregate amounts of disallowance involved in these appeals are INR 5,005.53 Mn.

(iii) There are 3 matters pending before Commissioner of Income Tax (Appeals) for AY 2018-19, 2020-21 & AY 2022-23 for the disallowance by Income Tax authority of depreciation on toll road as deduction. The aggregate amounts of disallowance involved in these appeals are INR 1,029.64 Mn.

(e) Bangalore Elevated Tollway Private Limited (BETPL)

Proceedings against BETPL

Arbitral Tribunal (AT) on 12 February 2021 was awarded claim of INR 54.60 Cr. in favour of BETPL in relation to BETPL's claim for revenue loss on account of breach of state support agreement by Government of Karnataka ("GOK"). GOK has filed an application under Section 34 of the Arbitration and Conciliations Act, 1996 (A&C Act) for setting aside aforesaid award. The matter is currently pending.

