

**November 18, 2025**

To,

<b>National Stock Exchange of India Limited</b> Listing Compliance Department Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E), Mumbai-40005  <b>Symbol - Vertis</b>	<b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001  <b>Security Codes:</b> 974228, 974227, 975333, 976771 and 976854 (" <b>Non-Convertible Debentures</b> ") & 728473 (" <b>Commercial Paper</b> ")
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**Subject: Transcript of Earnings Conference Call**

Dear Sir/Madam,

We are pleased to enclose herewith the transcript of the earnings conference call concluded on Friday, November 14, 2025. The said transcript is also being uploaded on the Trust's website at <https://vertis.co.in/analyst-investor-calls/#financial-results>.

You are requested to kindly take the same on record.

Yours faithfully,

For **Vertis Infrastructure Trust**  
*(formerly known as Highways Infrastructure Trust)*  
(acting through its Investment Manager - **Vertis Fund Advisors Private Limited**)  
*(formerly known as Highway Concessions One Private Limited)*

**Gajendra Mewara**  
**Company Secretary & Compliance Officer**  
**Place: Mumbai**

**CC:**

<b>Axis Trustee Services Limited</b> ("Unit Trustee")  Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025, MH	<b>Catalyst Trusteeship Limited</b> ("Debenture Trustee")  901, 9 <sup>th</sup> Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, MH	<b>ICICI Bank Limited</b> ("Issuing & Paying Agent")  ICICI Bank Towers, Bandra Kurla Complex, Bandra, (East), Mumbai – 400051 MH
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**Vertis Infrastructure Trust**  
**Q2 and H1 FY'26 Earnings Conference Call**  
**November 14, 2025**

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**Moderator:** Ladies and gentlemen, good day and welcome to the Q2 and H1 FY'26 conference call of Vertis Infrastructure Trust.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing '\*' then '0' on your touchtone phone.

This conference call may contain forward-looking statements about the company, which are based on the belief, opinions, and expectations of the company as a date of this call. The statements are not the guarantee of future performance and involve risks and uncertainties that are difficult to predict.

Today, from the Management side, we have the Joint CEOs – Mr. Gaurav Chandna and Dr. Zafar Khan, CFO – Mr. Abhishek Chhajer; and General Counsel – Ms. Meghana Sing.

I would now like to hand over the call to Mr. Gaurav Chandna for his opening remarks. Thank you and over to you sir.

**Gaurav Chandna:** Thank you very much and good afternoon, everyone. It is a pleasure for us to be there on this very first earnings call of Vertis Infrastructure Trust. We hope to continue this tradition going forward and hopefully it's useful for all our unit holders. On this particular call, we would like to share our performance and progress, not just over the previous quarter, but also Q1 FY'26.

Put together, the first half of FY'26 has been a very important phase for Vertis. In this period, we have successfully completed acquisition of 11 projects from PNC Infratech, which has further strengthened our portfolio. These assets have helped us diversify our revenue into annuity projects as well and enhanced our cash flow visibility.

With this expansion, Vertis AUM has now reached Rs. 26,600 crores, where we have a balanced mix of portfolio between toll and annuity projects, with toll projects contributing around 70% of the assets under management and the balance 30% through annuity assets. In terms of revenue mix, we will equally divide ballpark between toll and annuity.

As of today, we are managing projects aggregating to 8,300 lane kilometers and we have presence across 10 states. As far as the balance life of the portfolio is concerned, on a weighted average basis, it is ballpark around 14.5 years. Our leverage, which is measured as net

debt/AUM, remains at a comfortable 41%, which provides us adequate headroom for future growth.

Notably, Vertis has grown fivefold in terms of assets under management over the last 3 years, slightly above 3 years, since the time we privately listed our InvIT in August 2022. This quarter further reaffirms the strength of our assets and the resilience of our business model. Traffic performance across the portfolio was healthy, not just in Q1 but also in Q2.

Over the last 7 years, we have demonstrated a very healthy portfolio-level traffic growth. The performance has been healthy across the projects because we are present across industrial corridors, which have been supported by stable macroeconomic conditions and continued improvement in network efficiency of the highways across the country. At the same time, our operations team has maintained a very strong focus on uptime, safety and digital-led process improvement, which has ensured consistent performance from an operations standpoint across all the assets.

Looking at the sector, our outlook for capital formation in highways remains very strong, which has been backed by a sustained, healthy budgetary allocation for the sector, which is nearly 3 lakh crores on an annual basis. At the same time, what we have seen in the recent past is that government has also been placing greater emphasis on quality. A few examples of such initiatives have been strengthening or tightening of the technical qualification norms for DPR consultants, also tightening the technical qualification requirements for HAM project bidding, etc.

All of this hopefully should ensure better design and better executed assets for the future. We have also seen that, as part of certain press reports, that there are discussions going on around creating a common planning authority for all the transport asset classes, be it highways, rails, boats, etc. Such an integrated approach should definitely help reduce duplication in infrastructure creation, improve connectivity and ensure that capital is deployed more efficiently across India's transportation ecosystem.

Now, coming to another important aspect, which is the future pipeline. In the near term, we see that the acquisition pipeline appears to be moderate compared to the last couple of years. While several HAM assets are now ready and are available in the market, we will remain cautious and selective because we have been focusing on only those opportunities which meet our strict operating and financial standards.

On the TOT front, over the last 12 months, the bidding activity has been slower than what we had anticipated. However, with the recent opening of TOT17 and the expected rollout of subsequent TOT packages 18-22, provide us comfort that the government's monetisation program continues as planned. As always, we will stay patient, disciplined and fully aligned with our transaction criteria, prioritising the right balance of risk and reward over the volume.

On the regulatory front, I think one key aspect to talk about over the last 6 months has been SEBI's decision to reduce the minimum investment size to 25 lakhs for privately listed InvIT,

which has made even privately listed InvITs more accessible to domestic investors. This has supported increased participation from domestic investors, particularly HNIs and family offices, as we have seen in the recent secondary market activity across the InvIT space over the last 6 months. Vertis with its scale, strong governance focus and proven operating performance, we are confident it is well positioned to benefit from these shifts which are happening in the industry.

With that, I would now like to hand over the call to Zafar to take you through the organisational development for us.

**Zafar Khan:**

Thanks Gaurav and good afternoon everyone. It is my pleasure to welcome you all to our first earnings call and as Gaurav said, we see more coming forward. Over the last year, I think we have demonstrated our capability to handle scale. When I say scale, I mean scale with precision and agility. The successful transition of PNC portfolio comprising 11 large assets stands as a proof about our operational strength.

As we continue to grow, our focus remains on building organizational capability and for that reason we are investing significant time, efforts and capital into developing new systems, technologies and digital tools to enhance timely decision making efficiency as well as increasing transparency across the platform. Our firm believes that the heart of our organisation is our people and we are proud of a strong culture of engagement, learning and development that enables our team to take challenging requirements with confidence. Our focus continues to be on our ability to transition new assets and mobilise activities at a faster pace.

Our further focus is on the operations excellence and timely resolution of operational matter which has resulted in consistent appreciation from NHAI and we are proud that multiple recognition and awards from time to time we have received from the authority as well as from other authorities. Some of the examples where we have recently got appreciation from NHAI is the successful execution of overlay using Stone Matrix Asphalt, implementation of eco-friendly and sustainable green initiative like roads in UTPL and UEPL. Looking ahead, our goal is to build more transparent and data-driven organisation, strengthening our audits, improving revenue operation and refining our contracting strategies to optimize the cost and increase the transparency and capability to take further scale.

On the ground, adaptation of new technologies like SMA, plastic reuse, RAP is expected to deliver cost efficiency and improve road quality. We remain committed for the operational excellence, innovation and partnership as we pursue our next phase of sustainable growth. Thank you so much and now I will hand over the call to Abhishek to take you through the financial performance of the project.

**Abhishek Chhajer:**

Thank you Zafar and good afternoon ladies and gentlemen. Once again a warm welcome to everyone. Q2 reflects robust operational performance driven by disciplined financial management and consistent distribution track record to our unit holders.

The distribution of Rs. 3 per unit in Q2, we have now delivered cumulative distribution of over Rs. 50 per unit within 3 years from listing. This demonstrates our consistent performance and places Vertis amongst select few high yield InvIT in India. During the quarter, we also witnessed a block trade in Vertis units worth Rs. 29,500 million or Rs.2,950 crores which increased the public holding from 28% to 42%. In addition to OTPP, Ontario Teachers' Pension Plan which continues to hold 22%, other key InvIT now include L&T Group, SBI Pension Fund, Reliance Employee Provident Fund, WhiteOak, ICICI Prudential and various insurance companies and family offices as well.

On the financial front, our operating revenue for Q2 stood at Rs.10,511 million supported by industry leading EBITDA margin of 89%. This robust performance was driven by resilient traffic trends across all portfolios as well as contribution from HAM assets acquired in Q1. The toll traffic and toll revenue for quarter grew at 9.9% and 14% respectively year on year.

For the first half of FY'26, toll traffic growth was 9.7% leading to toll revenue growth of 13.4%. The higher traffic growth in H1 was partly added by lower base last year due to general elections in Q1 and heavy rainfall in Q2.

In summary, our diversified portfolio across regions and commodity corridors continue to provide earning stability and resilience. Some updates on our annuity revenue which also constitute almost 40% of our revenue.

During Q2, we received 8 annuities totaling Rs. 4,700 million or Rs. 470 crores. Of this, 4 annuities were received or before due date while there was slight delay primarily pertaining to PNC assets ranging from minor delays from 2 to 13 days. We are actively engaging with regional NHI offices to ensure timely payments going forward. Additionally, approximately Rs. 164 million related to GST CIL primarily related to Inter CIL claim recovery from NHAI's expected in coming days. As mentioned by Gaurav and Zafar earlier, we have completed the acquisition of 11 assets from PNC which have now smoothly integrated into our portfolio. With that now, we have also started our observation work for 3 out of 4 assets Chakeri Allahabad, Aligarh Kanpur and Meerut Nazibabad and for JF scheduled to begin in Q4.

Turning to our debt profiles, the total debt stands at Rs. 10,900 crores or Rs. 109 billion translating to net debt to AUM of 41%, a very comfortable living ample headroom for future growth.

Just to highlight in H1, what is raised 9 billion or 900 crores through sustainable linked financing subscribed by the International Finance Corporation, IFC and IIFCL making largest SLF insurance amongst the InvIT in India. We also raised 800 crores to NCD at 6.95% per annum making what is first InvIT in 2025 to break the 7% cost barrier for 3-year paper. This reflects strong credit profile and disciplined treasury management keeping our cost of borrowing lowest amongst the large in InvIT vests in the sector.

Approximately 71% of our borrowing are floating rate with nearly 60% linked to repo rate which provide a natural hedge against rate movement given our annuity link inflows. Our debt

maturity profile remains well staggered with average residual maturity of 12 years ensuring minimum refinancing risk. With that, now I will handover to Meghana Singh to update on recent regulatory updates.

**Meghana Singh:**

Thanks Abhishek and good afternoon everyone. I will cover two recent regulatory developments that have received significant industry attention. The first being the annual pass introduced by NHAI and the second being the change in the linking factor for WPI while calculating the total revenue.

The first we will start with the annual pass. Effective August 15, 2025 NHAI has introduced annual pass for private passenger vehicle on national highways. These passes are currently priced at INR 3000 per annum and they allow around 200 trips per year. NHAI has also notified a formula based mechanism to compensate concessionaires for any revenue loss. The compensation formula uses last year's car revenue and traffic to derive what is being referred to as the plaza constant. This plaza constant, it represents the average revenue earned per car per trip after considering the mix of different vehicle types at each plaza.

The compensation is then calculated by multiplying the plaza constant with the annual pass transaction and the single entry toll rate. So effectively, the compensation more or less reflects what we would have earned if the annual pass holders would have paid the regular toll. In terms of process, to claim the compensation from NHAI, NHAI has now notified that we are required to sign a supplementary agreement with them.

We expect the process of signing to start shortly. Once that is done, the compensation process will also formally start. At this stage, we are unable to comment on the exact timeline of when the inflow will begin, but the policy framework is already in place and NHAI in their policy has indicated that it will be a 2-week payment process.

In our case, the scheme will apply to eight toll assets out of our current portfolio of 12 toll assets. What continues to be excluded from this is all our state highway assets, that being the one in BN toll, DBCPL, and the two assets in GRICL. During the September quarter, that is considering the period from introduction, that is August 15th, until the end of the quarter, the annual pass usage has accounted for approximately 18% of the car revenue.

This translates about 4.4% of our total toll revenue from the affected projects. We have also booked around 106 million as compensation receivable for this specific quarter for the period under consideration. There may be an uptick in the annual pass usage once there is wider adoption of annual pass amongst the users.

Now moving on to the WPI linking factor which is the second big regulatory change that we have witnessed during the last quarter. I will start with some amount of background on the issue. As our investors would know, the toll escalation for most national highway projects is governed under the 2008 toll-free rule, where the annual revision is calculated on the basis of 3% fixed plus 40% of WPI price index. The idea is to actually capture what is the change in inflation. When these rules were framed, the WPI used the base year of 2004 and 2005. Now

every few years, the government updates the base year of WPI to better reflect the current economy and the consumption patterns. In order to connect these 2 WPI series, a linking factor is introduced. For the move from 2004-2005 series to 2011-2012 series, which happened sometime in 2017, NHAI actually notified a linking factor at 1.641. This factor has been used consistently for toll escalation since 2018 that is the year of introduction. However, on September 13, 2025, NHAI issued a circular reducing the linking factor from 1.641 to 1.561. This reduction resulted in a permanent reduction of approximately 3.1% of tollable revenue.

Given the potential revenue impact, Highways Operator Association of India, where Vertis is also a member, together with some of the other concessionaires filed a petition before the Delhi High Court challenging this unilateral revision. After hearing the matter, the court has placed the circular in abeyance and has directed NHAI to consult all stakeholders and also to examine the methodology and implication of this change and finally requested NHAI to issue a reasoned decision before implementing any specific change. So currently, 1.641 linking factor remains in force.

We continue to engage with NHAI through the industry association and we will of course keep our investors updated as and when we receive more clarity from authorities. Overall, both these developments are being closely monitored by the management and we will update investors as and when there is future development. With that, I will hand over the call back to the moderator for any Q&A.

**Moderator:** Thank you very much. We will now begin the question and answer session. We will take our first question from the line of Rughved from NEO.

**Rughved:** There were two questions that I wanted to ask. The first one was regarding any guidance on IPO when it would come and the second was what is the DPU guidance for the Full Year FY'26?

**Meghana Singh:** I will take the first question. On IPO, we currently do not have any guidance. As and when we are ready to go through the process, we will let the market know through our formal notification. We are not in a position to provide any guidance currently.

**Moderator:** As far as the DPU is concerned, we haven't instituted a process of giving any sort of guidance as of now. But I would encourage investors to think about it this way that the current quarter we have paid around 3 rupees or precisely 3 rupees for the quarter, which is ballpark, if I may say, around 94% or so of the NDCF as per the separate definition. And given that most of the assets which we have acquired during this year were fully consummated in Q2, which means that 10 of the PNC assets came in before 1st of July and 1 smallish asset came in only during Q2. The revenue profile and cash flow profile should not be very different for the balance 2 quarters for the year compared to the second quarter. Of course, Q1 was lower because we had acquired assets in the middle of the quarter Q1 FY'26.

**Moderator:** Thank you. As there are no questions, we'll close the call now. On behalf of Vertis Infrastructure Trust that concludes this conference. Thank you for joining us and you may now disconnect your lines.